



Office of Superintendent of Public Instruction
Chris Reykdal, State Superintendent

*All students prepared
for post-secondary pathways,
careers, & civic engagement.*

REPORT TO THE LEGISLATURE

Transportation Contracting In Washington State

2018

Authorizing legislation: [ESSB 6032 Section 501\(65\)](#)

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Executive Summary

Reporting Requirement

Section 501(65) of Senate Bill 6032 (2018) required the Office of Superintendent of Public Instruction (OSPI) to coordinate with school districts and educational service districts that contract for transportation bus service and report the following information:

- The number of transportation contract employees by job category;
- The total cost of the transportation contract, including the amount held by the school district or educational service district for administration of the contract;
- Information about the retirement benefit for transportation contract employees, including the name of the provider, the aggregate amount provided, and the amount provided by employees;
- Information about the total health care benefit provided to transportation contract employees, including the name of the provider and the summary of benefits; and
- A copy of the transportation contract.

Process for Data Collection

In September 2018, OSPI reached out to contractors requesting the information required in Senate Bill 6032. Contractors were provided several weeks to supply the information. After information was received, it was aggregated and analyzed by OSPI staff for the purposes of this report.

Data Collection Results

In response to this request, OSPI received information from three contractors: First Student, Durham School Services, and Cascade Student Transportation. Complete contract agreements are available in the appendices of this report. The following report summarizes the data provided and specifies which contractors supplied that data.

Introduction

There are three main contractors in Washington state serving 15 districts. Those contractors are First Student, Durham School Services, and Cascade Student Transportation. A list of districts and their contracted transportation provider is included in Appendix B.

The following sections outline the specific data elements required under Senate Bill 6032 (2018). A description of the data provided, if any, is included in each section.

Number of transportation contract employees by job category

First Student and Durham School Services supplied information detailing the job categories of contracting employees. A breakdown of the job categories reported is included in Table 1.

Table 1: Number of Transportation Contract Employees by Job Category

Category	First Student	Durham School Services	Total	Percent of Total
Admin Staff	34	30	64	4.8%
Drivers	716	412	1,128	84.6%
Monitors	11	73	84	6.3%
Mechanics	23	18	41	3.1%
Dispatcher	17	0	17	1.3%
Total	801	533	1,334	100.0%

Note: First Student provided their job category information at a more granular level. OSPI condensed their information for the purposes of formatting this table. Complete information is available in Appendix C.

The total cost of the transportation contract, including the amount held by the school district or educational service district for administration of the contract

The Office of Superintendent of Public Instruction (OSPI) obtained the total cost of the transportation contract through the financial statements (F-195) submitted by school districts in November 2018. Total costs related to contracting for transportation services for the 2017–18 school year were \$97,964,754. This number is total expenditures related to supplying transportation to and from school. Table 2 shows the breakdown of this total dollar amount by school district. The allocation methodology OSPI uses includes an allowance for the federal restricted indirect rate, which was a statewide average of 3.9 percent for the 2018–19 school year. Each district has a uniquely calculated [federal restricted rate](#).

Information about the retirement benefit for transportation contract employees, including the name of the provider, the aggregate amount provided, and the amount provided by employees

First Student and Durham School Services both provided information to meet this requirement of the law. The information was provided separately for each labor union outlining the retirement plan and the match that is provided to their employees. The majority of the retirement plans are through a 401K with various levels of employee match. A complete detail of the retirement data provided to meet this requirement of the law is located in Table 3 and Appendix A.

Information about the total health care benefit provided to transportation contracted employees, including the name of the provider and the summary of benefits

Employees of the contractors are offered a variety of health plans through their employment agreements. Information on the following health plan providers was supplied: United Healthcare, Blue Cross Blue Shield, and Kaiser Permanente. Annual deductibles of plans offered range from zero to over \$5,000 for individual coverage and \$10,000 for full family coverage. Since the scope of this information is difficult to summarize in narrative format, the summary of benefits and coverage of each of the plans for which information was provided is located in Appendix D.

A copy of the transportation contract

All school district contracts for transportation services are located in Appendix E. The contractors who responded to OSPI's request for data serve 15 districts. The funding formula allocations for operations in those districts range from \$35.2 million (Seattle) to \$361,000 (Adna).

Conclusion and Next Steps

The appendices in this report contain more specific detail unique to each contractual agreement. Questions about this report can be addressed to OSPI's Student Transportation Department.

LIST OF TABLES

Table 2: Total Cost of the Transportation Contract (Including the Amount Held by the School District for Administration of the Contract)

School District	Cost of Contract
Adna	\$349,475
Battle Ground	\$9,690,240
Colville	\$1,601,000
Everett	\$11,742,846
Hockinson	\$1,219,565
Newport	\$748,030
Nine Mile Falls	\$978,275
Riverside	\$1,635,445
Rochester	\$1,780,000
Seattle	\$38,669,683
Spokane	\$11,859,999
Steilacoom	\$1,414,500
Tacoma	\$14,403,101
Tenino	\$921,449
Vashon Island	\$951,146

Source: F-195, OSPI.

Table 3: Washington State First Student Retirement Information

Local	Union Members	Ret. Plan	TBA	Match
313	Drivers, Monitors	FGA 401k Plan	Wells Fargo	\$\$ up to \$250
	Executives	FGA 401k Plan	Wells Fargo	50% up to 6%
174	Drivers, Techs	Pension	Pacific Coast Benefits Trust	\$0.5 / Hr

Local	Union Members	Ret. Plan	TBA	Match
252	Drivers, Monitors, Service EES	FGA 401k Plan	Wells Fargo	No Match
1984	Drivers , Monitors, Trainers	FGA 401k Plan	Wells Fargo	\$\$ up to \$250
313	Drivers	FGA 401k Plan	Wells Fargo	\$\$ up to \$250
252	Drivers	FGA 401k Plan	Wells Fargo	\$\$ up to \$250 if deferred 1% or more
690	Drivers, Monitors	FGA 401k Plan	Wells Fargo	\$\$ up to \$250
763	Drivers	FGA 401k Plan	Wells Fargo	\$\$ up to \$250
1576	Drivers, Monitors	FGA 401k Plan	Wells Fargo	50% up to 6%
1576	Drivers, Monitors	FGA 401k Plan	Wells Fargo	50% up to 6%
1576	Drivers	ATU Plan	Quorum Consultant	100% up to 2% for any EE with - 1 Yr Continuous Service & - Min of 1000 Work Hrs
130	Service Ees, Techs, Lead Techs, Clerk Parts	WEBT		No ER Match
	Dispatchers, Road Supervisors	FGA 401k Plan	Wells Fargo	50% up to 6%
1700	Techs, Service EES	ATU 401K Plan	Quorum Consultant	100% of as much of the first \$1,200

Local	Union Members	Ret. Plan	TBA	Match
1700	Techs, Service EES	ATU 401K Plan	Quorum Consultant	100% of as much of the first \$1,200
1700	Techs, Service EES	ATU 401K Plan	Quorum Consultant	100% of as much of the first \$1,200

Source: First Student.

APPENDICES

Appendix A: Durham Retirement Information



National Express 401(k) Safe Harbor Plan #950468

Who is eligible to participate in the Plan?	All employees are eligible to participate in the National Express Corporation 401(k) Plan, unless eligible for another plan (union or SERS).
When can you enroll?	You can start making contributions to the Plan beginning January 1 st , April 1 st , July 1 st or October 1 st after your hire date. Once you've passed one of these entry dates, you can start participating at any time by contacting OneAmerica at 1-800-858-3829 or www.oaretirement.com to set up or change your contribution percentage. You will receive mailing from OneAmerica at your home address which will include your PIN number.
How much can you contribute?	You can contribute 1 - 50% of your salary, up to the annual IRS limitation (\$18,500 in 2018).
What will the Company match?	The company will match 100% of the first 3% you contribute, and 50% of the next 2% you contribute.
When are you vested?	You are always 100% vested in both your contributions and the company match, which means the Company contribution is yours immediately.



How does this all add up? The example below assumes \$20,000 annual earnings and shows what your contributions plus the Company match will add up to after 10 years.

If you contribute...	1%	3%	5%
Your Weekly Contribution	\$3.85	\$11.54	\$19.23
Company Weekly Match	\$3.85	\$11.54	\$15.39
Total Contributions over 10 years	\$4,000	\$12,000	\$18,000
Account Value in 10 years (assuming a 6% return)	\$5,589	\$16,765	\$25,148

Appendix B: Contracting Districts

STUDENT TRANSPORTATION Contracting Districts

2018-19

<u>SCHOOL DISTRICT NAME</u>	<u>CITY</u>	<u>CONTRACTOR</u>
ADNA	ADNA	FIRST STUDENT, INC.
BATTLE GROUND	BATTLE GROUND	CASCADE STUDENT TRANSPORTATION
COLVILLE	COLVILLE	FIRST STUDENT, INC.
EVERETT	EVERETT	DURHAM SCHOOL SVS.
HOCKINSON	BRUSH PRAIRIE	CASCADE STUDENT TRANSPORTATION
NEWPORT	NEWPORT	DURHAM SCHOOL SVS.
NINE MILE FALLS	NINE MILE FALLS	DURHAM SCHOOL SVS.
RIVERSIDE	CHATTAROY	FIRST STUDENT, INC.
ROCHESTER	ROCHESTER	FIRST STUDENT, INC.
SEATTLE	SEATTLE	FIRST STUDENT, INC.
SPOKANE	SPOKANE	DURHAM SCHOOL SVS.
STEILACOOM	STEILACOOM	DURHAM SCHOOL SVS.
TACOMA	TACOMA	FIRST STUDENT, INC.
TENINO	TENINO	FIRST STUDENT, INC.
VASHON ISLAND	VASHON ISLAND	FIRST STUDENT, INC.

Appendix C: Employees by Job Category

First Student

Category	Location								
	100 Region Office	Chattaroy, WA	Colville,WA	Rochester, WA	Seattle, WA	Steilacoom, WA	Tacoma, WA	Tenino, WA	Vashon Island, WA
Area General Manager (Student)	4								
Asst Executive	1								
Asst Location Manager II					2		1		
Clerk Charter							1		
Clerk Operations (Student)					2		1		
Coord Multi-Site Safety II	1								
Dispatcher (Student)		1	1	2	7		4	1	
Dispatcher Sr (Student)			1						
Driver (Full Time)							1		
Driver (Student)		35	33	31	401	3	162	33	17
Location Manager I		1	1						1
Location Manager II								1	
Location Manager III							1		
Mgr Contract Analysis	1								
Mgr Location Safety II (FS)							1		
Mgr Location Safety IV (FS)					1				
Mgr Shop II (Student)							1		
Mgr Shop IV (Student)					1				
Monitor/Aide				10		1			
Region Finance Manager FS	2								
Region Maint Manager FS	1								
Sr Location Manager				1	2				
Sr Region Finance Director FS	1								
Supv Field (Student)					1				
Supv Location Safety (Student)					2				
Supv Training (Student)	1								
Tech in Charge		1	1						1
Tech in Charge (Student)					1	1			
Technician I		1		1	4		3	1	
Technician II			1		3		2		
Technician III					2				
Total	12	39	38	45	429	5	178	36	19


Durham School Services

Category	Location				
	Tacoma	Newport	Everett	Steilacoom	Spokane
Full Time Admin Staff	3	2	8	2	15
Drivers	31	17	124	33	207
Monitors	0	1	0	5	67
Mechanics	3	1	4	1	9
Total	37	21	136	41	298


Appendix D: Health Care Benefit Summaries

Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services **UnitedHealthcare: Yellow Plan**

Coverage Period: 01/01/2019-12/31/19
Coverage for: Individual + Family | **Plan Type:** HDHP

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. **NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, www.uhc.com or call [X-XXX-XXX-XXXX](tel:X-XXX-XXX-XXXX). For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at www.uhc.com or call [X-XXX-XXX-XXXX](tel:X-XXX-XXX-XXXX) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	For each Calendar Year: In-network Individual \$6,650 / Family \$13,300; Out-of-network Individual \$16,625 / Family \$33,250.	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible?	Yes	This plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan?	In-network Individual \$6,650 / Family \$13,300; Out-of-network Individual \$16,625 / Family \$33,250.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits (\$6,650 individual) until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit?	<u>Copayments</u> on certain services, <u>premiums</u> , <u>balance-billing</u> charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Will you pay less if you use a network provider?	Yes. For a list of in-network providers, see www.uhc.com or call X-XXX-XXX-XXXX .	This plan uses a provider network. You will pay less if you use a provider in the plan's network. You will pay the most if you use an out-of-network provider, and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your plan pays (balance <u>billing</u>).
Do you need a referral to see a specialist?	No	You can see the specialist you choose without a referral.

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	0% coinsurance	50% coinsurance	————— None —————
	Specialist visit	0% coinsurance	50% coinsurance	————— None —————
	Preventive care/screening/immunization	\$0	Not Covered	Age and frequency schedules may apply
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	50% coinsurance	————— None —————
	Imaging (CT/PET scans, MRIs)	0% coinsurance	50% coinsurance	Precertification is required
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.uhc.com	Generic drugs	0% coinsurance	Not covered	\$5 copay on Generics, Deductible then no cost for formulary and Non-Formulary. Mail order copay is 2.5 times the retail copay when applicable
	Preferred brand drugs	0% coinsurance	Not covered	
	Non-preferred brand drugs	0% coinsurance	Not covered	
	Specialty drugs	0% coinsurance	Not covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	50% coinsurance	————— None —————
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————

If you need immediate medical attention	Emergency room care	0% coinsurance	25% coinsurance	Coverage is limited to 50% coinsurance for non-emergency use.
	Emergency medical transportation	0% coinsurance	25% coinsurance	No coverage for non-emergency use.
	Urgent care	0% coinsurance	50% coinsurance	————— None —————
If you have a hospital stay	Facility fee (e.g., hospital room)	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————
If you need mental health, behavioral health, or substance abuse services	Outpatient services	0% coinsurance	50% coinsurance	————— None —————
	Inpatient services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
If you are pregnant	Office visits	No charge	50% coinsurance	————— None —————
	Childbirth/delivery professional services	0% coinsurance	50% coinsurance	————— None —————
	Childbirth/delivery facility services	0% coinsurance	50% coinsurance	————— None —————
If you need help recovering or have other special health needs	Home health care	0% coinsurance	50% coinsurance	Limit 100 visits per year. Pre-authorization required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.
	Rehabilitation services	0% coinsurance	50% coinsurance	Limited to 40 visits per year.
	Habilitation services	0% coinsurance	50% coinsurance	Coverage is limited with rehabilitation services.
	Skilled nursing care	0% coinsurance	50% coinsurance	Limited 120 visits per year. Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Durable medical equipment	0% coinsurance	50% coinsurance	————— None —————
	Hospice services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

If your child needs dental or eye care	Children's eye exam	Not Covered	Not Covered	Not Covered
	Children's glasses	Not Covered	Not Covered	Not Covered
	Children's dental check-up	Not Covered	Not Covered	Not Covered

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)			
• Acupuncture	• Routine foot care	• Weight loss programs	
• Bariatric surgery	• Hearing aids	• Routine eye care (Adult)	
• Cosmetic surgery	• Long-term care	• Dental care (Adult)	
• Non-emergency care when traveling outside the U.S.			

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
• Chiropractic care is limited to 20 visits per year	• Infertility treatment for the underlying medical condition only	• Private-duty nursing is limited to 70-8 hour shifts

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: [\[insert State, HHS, DOL, and/or other applicable agency contact information\]](#). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: X-XXX-XXX-XXXX.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al X-XXX-XXX-XXXX.

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa . X-XXX-XXX-XXXX.

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 X-XXX-XXX-XXXX.

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' X-XXX-XXX-XXXX.

————— *To see examples of how this plan might cover costs for a sample medical situation, see the next section.* —————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
 Specialist visit (*anesthesia*)

Total Example Cost	\$13,500
---------------------------	-----------------

In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$6,650
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Peg would pay is	\$6,650

Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,500
---------------------------	----------------

In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$6,650
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Joe would pay is	\$6,650

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*x-ray*) coinsurance 0%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)


Total Example Cost	\$1,500
---------------------------	----------------

In this example, Mia would pay:


<i>Cost Sharing</i>	
Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,500

Durham School Services

Category	Location				
	Tacoma	Newport	Everett	Steilacoom	Spokane
Full Time Admin Staff	3	2	8	2	15
Drivers	31	17	124	33	207
Monitors	0	1	0	5	67
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Total	37	21	136	41	298

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. **NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, www.uhc.com or call X-XXX-XXX-XXXX. For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at www.uhc.com or call X-XXX-XXX-XXXX to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	For each Calendar Year: In-network Individual \$6,650 / Family \$13,300; Out-of-network Individual \$16,625 / Family \$33,250.	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible ?	Yes	This plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	In-network Individual \$6,650 / Family \$13,300; Out-of-network Individual \$16,625 / Family \$33,250.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits (\$6,650 individual) until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	<u>Copayments</u> on certain services, <u>premiums</u> , <u>balance-billing</u> charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Will you pay less if you use a network provider ?	Yes. For a list of in-network providers, see www.uhc.com or call X-XXX-XXX-XXXX.	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing).
Do you need a referral to see a specialist ?	No	You can see the specialist you choose without a referral.

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	0% coinsurance	50% coinsurance	————— None —————
	Specialist visit	0% coinsurance	50% coinsurance	————— None —————
	Preventive care/screening/immunization	\$0	Not Covered	Age and frequency schedules may apply
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	50% coinsurance	————— None —————
	Imaging (CT/PET scans, MRIs)	0% coinsurance	50% coinsurance	Precertification is required
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.uhc.com	Generic drugs	0% coinsurance	Not covered	\$5 copay on Generics, Deductible then no cost for formulary and Non-Formulary. Mail order copay is 2.5 times the retail copay when applicable
	Preferred brand drugs	0% coinsurance	Not covered	
	Non-preferred brand drugs	0% coinsurance	Not covered	
	Specialty drugs	0% coinsurance	Not covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	50% coinsurance	————— None —————
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

If you need immediate medical attention	Emergency room care	0% coinsurance	25% coinsurance	Coverage is limited to 50% coinsurance for non-emergency use.
	Emergency medical transportation	0% coinsurance	25% coinsurance	No coverage for non-emergency use.
	Urgent care	0% coinsurance	50% coinsurance	————— None —————
If you have a hospital stay	Facility fee (e.g., hospital room)	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————
If you need mental health, behavioral health, or substance abuse services	Outpatient services	0% coinsurance	50% coinsurance	————— None —————
	Inpatient services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
If you are pregnant	Office visits	No charge	50% coinsurance	————— None —————
	Childbirth/delivery professional services	0% coinsurance	50% coinsurance	————— None —————
	Childbirth/delivery facility services	0% coinsurance	50% coinsurance	————— None —————
If you need help recovering or have other special health needs	Home health care	0% coinsurance	50% coinsurance	Limit 100 visits per year. Pre-authorization required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.
	Rehabilitation services	0% coinsurance	50% coinsurance	Limited to 40 visits per year.
	Habilitation services	0% coinsurance	50% coinsurance	Coverage is limited with rehabilitation services.
	Skilled nursing care	0% coinsurance	50% coinsurance	Limited 120 visits per year. Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Durable medical equipment	0% coinsurance	50% coinsurance	————— None —————
	Hospice services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.

If your child needs dental or eye care	Children's eye exam	Not Covered	Not Covered	Not Covered
	Children's glasses	Not Covered	Not Covered	Not Covered
	Children's dental check-up	Not Covered	Not Covered	Not Covered

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)			
• Acupuncture	• Routine foot care	• Weight loss programs	
• Bariatric surgery	• Hearing aids	• Routine eye care (Adult)	
• Cosmetic surgery	• Long-term care	• Dental care (Adult)	
• Non-emergency care when traveling outside the U.S.			

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
• Chiropractic care is limited to 20 visits per year	• Infertility treatment for the underlying medical condition only	• Private-duty nursing is limited to 70-8 hour shifts

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: [\[insert State, HHS, DOL, and/or other applicable agency contact information\]](#). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: X-XXX-XXX-XXXX.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al X-XXX-XXX-XXXX.

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa . X-XXX-XXX-XXXX.

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 X-XXX-XXX-XXXX.

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' X-XXX-XXX-XXXX.

—————*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*—————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
 Specialist visit (*anesthesia*)

Total Example Cost	\$13,500
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$6,650
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Peg would pay is	\$6,650

Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,500
---------------------------	----------------

In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$6,650
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Joe would pay is	\$6,650

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

- The [plan's](#) overall [deductible](#) \$6,650
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*x-ray*) coinsurance 0%


This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)


Total Example Cost	\$1,500
---------------------------	----------------

In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,500

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. **NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, www.uhc.com or call X-XXX-XXX-XXXX. For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at www.uhc.com or call X-XXX-XXX-XXXX to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	For each Calendar Year: In-network Individual \$2,700 / Family \$5,400; Out-of-network Individual \$6,750 / Family \$13,500.	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible ?	Yes	This plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	In-network Individual \$2,700 / Family \$5,400; Out-of-network Individual \$6,750 / Family \$13,500.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits (\$2,700 individual) until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	<u>Copayments</u> on certain services, <u>premiums</u> , <u>balance-billing</u> charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Will you pay less if you use a network provider ?	Yes. For a list of in-network providers, see www.uhc.com or call X-XXX-XXX-XXXX.	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing).
Do you need a referral to see a specialist ?	No	You can see the specialist you choose without a referral.

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	0% coinsurance	50% coinsurance	———— None ————
	Specialist visit	0% coinsurance	50% coinsurance	———— None ————
	Preventive care/screening/immunization	\$0	Not Covered	Age and frequency schedules may apply
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	50% coinsurance	———— None ————
	Imaging (CT/PET scans, MRIs)	0% coinsurance	50% coinsurance	Precertification is required
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.uhc.com	Generic drugs	0% coinsurance	Not covered	\$5 copay on Generics, Deductible then o cost for Formulary and Non-Formulary; Mail order copay is 2.5 times generic copay when applicable
	Preferred brand drugs	0% coinsurance	Not covered	
	Non-preferred brand drugs	0% coinsurance	Not covered	
	Specialty drugs	0% coinsurance	Not covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	50% coinsurance	———— None ————
	Physician/surgeon fees	0% coinsurance	50% coinsurance	———— None ————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

If you need immediate medical attention	Emergency room care	0% coinsurance	25% coinsurance	Coverage is limited to 50% coinsurance for non-emergency use.
	Emergency medical transportation	0% coinsurance	25% coinsurance	No coverage for non-emergency use.
	Urgent care	0% coinsurance	50% coinsurance	————— None —————
If you have a hospital stay	Facility fee (e.g., hospital room)	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————
If you need mental health, behavioral health, or substance abuse services	Outpatient services	0% coinsurance	50% coinsurance	————— None —————
	Inpatient services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
If you are pregnant	Office visits	No charge	50% coinsurance	————— None —————
	Childbirth/delivery professional services	0% coinsurance	50% coinsurance	————— None —————
	Childbirth/delivery facility services	0% coinsurance	50% coinsurance	————— None —————
If you need help recovering or have other special health needs	Home health care	0% coinsurance	50% coinsurance	Limit 100 visits per year. Pre-authorization required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.
	Rehabilitation services	0% coinsurance	50% coinsurance	Limited to 40 visits per year.
	Habilitation services	0% coinsurance	50% coinsurance	Coverage is limited with rehabilitation services.
	Skilled nursing care	0% coinsurance	50% coinsurance	Limited 120 visits per year. Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Durable medical equipment	0% coinsurance	50% coinsurance	————— None —————
	Hospice services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

If your child needs dental or eye care	Children's eye exam	Not Covered	Not Covered	Not Covered
	Children's glasses	Not Covered	Not Covered	Not Covered
	Children's dental check-up	Not Covered	Not Covered	Not Covered

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)			
• Acupuncture	• Routine foot care	• Weight loss programs	
• Bariatric surgery	• Hearing aids	• Routine eye care (Adult)	
• Cosmetic surgery	• Long-term care	• Dental care (Adult)	
• Non-emergency care when traveling outside the U.S.			

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
• Chiropractic care is limited to 20 visits per year	• Infertility treatment for the underlying medical condition only	• Private-duty nursing is limited to 70-8 hour shifts

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: [\[insert State, HHS, DOL, and/or other applicable agency contact information\]](#). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

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Does this plan provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

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[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 X-XXX-XXX-XXXX.

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' X-XXX-XXX-XXXX.

—————*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*—————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:
Specialist office visits (*prenatal care*)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$13,500
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$2,700
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Peg would pay is	\$2,700

Managing Joe's type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:
Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,500
---------------------------	----------------

In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$2,700
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Joe would pay is	\$2,700

Mia's Simple Fracture
(in-network emergency room visit and follow up care)


- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*x-ray*) coinsurance 0%

This EXAMPLE event includes services like:
Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)


Total Example Cost	\$1,500
---------------------------	----------------

In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,500

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. **NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, www.uhc.com or call X-XXX-XXX-XXXX. For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other underlined terms see the Glossary. You can view the Glossary at www.uhc.com or call X-XXX-XXX-XXXX to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	For each Calendar Year: In-network Individual \$2,700 / Family \$5,400; Out-of-network Individual \$6,750 / Family \$13,500.	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan, each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible.
Are there services covered before you meet your deductible ?	Yes	This plan covers certain preventive services without cost-sharing and before you meet your deductible. See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	In-network Individual \$2,700 / Family \$5,400; Out-of-network Individual \$6,750 / Family \$13,500.	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan, they have to meet their own out-of-pocket limits (\$2,700 individual) until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	<u>Copayments</u> on certain services, <u>premiums</u> , <u>balance-billing</u> charges, and health care this plan doesn't cover.	Even though you pay these expenses, they don't count toward the out-of-pocket limit.
Will you pay less if you use a network provider ?	Yes. For a list of in-network providers, see www.uhc.com or call X-XXX-XXX-XXXX.	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing).
Do you need a referral to see a specialist ?	No	You can see the specialist you choose without a referral.

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Out-of-Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	0% coinsurance	50% coinsurance	————— None —————
	Specialist visit	0% coinsurance	50% coinsurance	————— None —————
	Preventive care/screening/immunization	\$0	Not Covered	Age and frequency schedules may apply
If you have a test	Diagnostic test (x-ray, blood work)	0% coinsurance	50% coinsurance	————— None —————
	Imaging (CT/PET scans, MRIs)	0% coinsurance	50% coinsurance	Precertification is required
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.uhc.com	Generic drugs	0% coinsurance	Not covered	\$5 copay on Generics, Deductible then o cost for Formulary and Non-Formulary; Mail order copay is 2.5 times generic copay when applicable
	Preferred brand drugs	0% coinsurance	Not covered	
	Non-preferred brand drugs	0% coinsurance	Not covered	
	Specialty drugs	0% coinsurance	Not covered	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	0% coinsurance	50% coinsurance	————— None —————
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

If you need immediate medical attention	Emergency room care	0% coinsurance	25% coinsurance	Coverage is limited to 50% coinsurance for non-emergency use.
	Emergency medical transportation	0% coinsurance	25% coinsurance	No coverage for non-emergency use.
	Urgent care	0% coinsurance	50% coinsurance	————— None —————
If you have a hospital stay	Facility fee (e.g., hospital room)	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Physician/surgeon fees	0% coinsurance	50% coinsurance	————— None —————
If you need mental health, behavioral health, or substance abuse services	Outpatient services	0% coinsurance	50% coinsurance	————— None —————
	Inpatient services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
If you are pregnant	Office visits	No charge	50% coinsurance	————— None —————
	Childbirth/delivery professional services	0% coinsurance	50% coinsurance	————— None —————
	Childbirth/delivery facility services	0% coinsurance	50% coinsurance	————— None —————
If you need help recovering or have other special health needs	Home health care	0% coinsurance	50% coinsurance	Limit 100 visits per year. Pre-authorization required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.
	Rehabilitation services	0% coinsurance	50% coinsurance	Limited to 40 visits per year.
	Habilitation services	0% coinsurance	50% coinsurance	Coverage is limited with rehabilitation services.
	Skilled nursing care	0% coinsurance	50% coinsurance	Limited 120 visits per year. Precertification required for out-of-network care reduced by \$250 if pre-authorization is not obtained.
	Durable medical equipment	0% coinsurance	50% coinsurance	————— None —————
	Hospice services	0% coinsurance	50% coinsurance	Precertification required for out-of-network care. Benefits will be reduced by \$250 if pre-authorization is not obtained.

If your child needs dental or eye care	Children's eye exam	Not Covered	Not Covered	Not Covered
	Children's glasses	Not Covered	Not Covered	Not Covered
	Children's dental check-up	Not Covered	Not Covered	Not Covered

Excluded Services & Other Covered Services:

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• Acupuncture	• Routine foot care	• Weight loss programs	
• Bariatric surgery	• Hearing aids	• Routine eye care (Adult)	
• Cosmetic surgery	• Long-term care	• Dental care (Adult)	
• Non-emergency care when traveling outside the U.S.			

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
• Chiropractic care is limited to 20 visits per year	• Infertility treatment for the underlying medical condition only	• Private-duty nursing is limited to 70-8 hour shifts

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: [\[insert State, HHS, DOL, and/or other applicable agency contact information\]](#). Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance [Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: X-XXX-XXX-XXXX.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al X-XXX-XXX-XXXX.

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa . X-XXX-XXX-XXXX.

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 X-XXX-XXX-XXXX.

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' X-XXX-XXX-XXXX.

—————*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*—————

* For more information about limitations and exceptions, see the plan or policy document at www.uhc.com.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Specialist office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
 Specialist visit (*anesthesia*)

Total Example Cost	\$13,500
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$2,700
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Peg would pay is	\$2,700

Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*blood work*) coinsurance 0%

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,500
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In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$2,700
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Joe would pay is	\$2,700

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

- The [plan's](#) overall [deductible](#) \$2,700
- [Specialist](#) coinsurance 0%
- Hospital (facility) coinsurance 0%
- Other (*x-ray*) coinsurance 0%

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,500
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In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$1,500
Copayments	\$0
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,500



The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, go to www.kp.org/plandocuments or by calling 1-888-901-4636 (TTY: 711). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.healthcare.gov/sbc-glossary or call 1-888-901-4636 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u>?	\$350 Individual / \$700 Family	Generally, you must pay all of the costs from providers up to the <u>deductible</u> amount before this <u>plan</u> begins to pay. If you have other Family members on the <u>plan</u> , each Family member must meet their own Individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all Family members meets the overall Family <u>deductible</u> .
Are there services covered before you meet your <u>deductible</u>?	Yes. <u>Preventive care</u> and services indicated in chart starting on page 2.	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost-sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at www.healthcare.gov/coverage/preventive-care-benefits .
Are there other <u>deductibles</u> for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u>?	\$2,000 Individual / \$4,000 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other Family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall Family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u>?	<u>Premiums</u> , <u>balance-billing</u> charges, health care this <u>plan</u> doesn't cover and services indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Will you pay less if you use a <u>network provider</u>?	Yes. See www.kp.org/wa or call 1-888-901-4636 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u>?	Yes, but you may self-refer to certain specialists.	This <u>plan</u> will pay some or all of the costs to see a <u>specialist</u> for covered services but only if you have a <u>referral</u> before you see the <u>specialist</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$20 / visit, 20% <u>coinsurance</u>	Not covered	None
	<u>Specialist</u> visit	\$20 / visit, 20% <u>coinsurance</u>	Not covered	None
	<u>Preventive care/screening/immunization</u>	No charge <u>Deductible</u> does not apply	Not covered	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services you need are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	Not covered	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	Not covered	<u>Preauthorization</u> required or will not be covered.
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at www.kp.org/wa .	Preferred generic drugs	Retail: \$10 / prescription; Mail Order: 2x Retail <u>cost share</u> / prescription <u>Deductible</u> does not apply	Not covered	Up to a 30-day supply (retail) or a 90 day-supply (mail order). Subject to <u>formulary</u> guidelines.
	Preferred brand drugs	Retail: \$20 / prescription; Mail Order: 2x Retail <u>cost share</u> / prescription <u>Deductible</u> does not apply	Not covered	Up to a 30-day supply (retail) or a 90 day-supply (mail order). Subject to <u>formulary</u> guidelines.
	Non-preferred generic/brand drugs	Not covered	Not covered	None
	<u>Specialty drugs</u>	Applicable preferred generic, preferred brand, or non-preferred generic/brand <u>cost shares</u> may apply. <u>Deductible</u> does not apply	Not covered	Up to a 30-day supply (retail). Subject to <u>formulary</u> guidelines.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	\$20 / visit, 20% <u>coinsurance</u>	Not covered	None
	Physician/surgeon fees	20% <u>coinsurance</u>	Not covered	None
If you need immediate medical attention	<u>Emergency room care</u>	\$100 / visit, 20% <u>coinsurance</u>	\$100 / visit, 20% <u>coinsurance</u>	You must notify Kaiser Permanente within 24 hours if admitted to a Non-network provider; Limited to initial emergency only; <u>Copayment</u> is waived if admitted as an inpatient.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u> <u>Deductible</u> does not apply	20% <u>coinsurance</u> <u>Deductible</u> does not apply	None
	<u>Urgent care</u>	\$20 / visit, 20% <u>coinsurance</u>	\$100 / visit, 20% <u>coinsurance</u>	Non-network providers covered when temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	\$100 / admission, 20% <u>coinsurance</u>	Not covered	<u>Preauthorization</u> required or will not be covered.
	Physician/surgeon fees	20% <u>coinsurance</u>	Not covered	<u>Preauthorization</u> required or will not be covered.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	\$20 / visit, 20% <u>coinsurance</u>	Not covered	None
	Inpatient services	\$100 / admission, 20% <u>coinsurance</u>	Not covered	<u>Preauthorization</u> required or will not be covered.
If you are pregnant	Office visits	20% <u>coinsurance</u>	Not covered	<u>Cost sharing</u> does not apply to certain <u>preventive services</u> . Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	Not covered	You must notify Kaiser Permanente within 24 hours of admission, or as soon thereafter as medically possible. Newborn services <u>cost shares</u> are separate from that of the mother.
	Childbirth/delivery facility services	\$100 / admission, 20% <u>coinsurance</u>	Not covered	You must notify Kaiser Permanente within 24 hours of admission, or as soon thereafter as medically possible. Newborn services <u>cost shares</u> are separate from that of the mother.
If you need help recovering or have other special health needs	<u>Home health care</u>	No charge <u>Deductible</u> does not apply	Not covered	<u>Preauthorization</u> required or will not be covered.
	<u>Rehabilitation services</u>	Outpatient: \$20 / visit, 20% <u>coinsurance</u> Inpatient: \$100 / admission, 20% <u>coinsurance</u>	Not covered	Outpatient: 45 visit limit / year. Inpatient: 30 day limit / year (combined with <u>Habilitation services</u>). Services with mental health diagnoses are covered with no limit. Inpatient: <u>Preauthorization</u> required or will not be covered.
	<u>Habilitation services</u>	Outpatient: \$20 / visit, 20% <u>coinsurance</u>	Not covered	Outpatient: 45 visit limit / year. Inpatient: 30 day limit / year (combined with <u>Rehabilitation services</u>). Services with mental health

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
		Inpatient: \$100 / admission, 20% <u>coinsurance</u>		diagnoses are covered with no limit. Inpatient: <u>Preauthorization</u> required or will not be covered.
	<u>Skilled nursing care</u>	20% <u>coinsurance</u>	Not covered	60 day limit / year. <u>Preauthorization</u> required or will not be covered.
	<u>Durable medical equipment</u>	50% <u>coinsurance</u> <u>Deductible</u> does not apply	Not covered	Subject to formulary guidelines. <u>Preauthorization</u> required or will not be covered.
	<u>Hospice services</u>	No charge <u>Deductible</u> does not apply	Not covered	<u>Preauthorization</u> required or will not be covered.
If your child needs dental or eye care	Children's eye exam	\$20 / visit <u>Deductible</u> does not apply	Not covered	Limited to one exam / 12 months
	Children's glasses	Not covered	Not covered	None
	Children's dental check-up	Not covered	Not covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- | | | |
|-------------------------------|--|------------------------|
| • Bariatric surgery | • Hearing aids | • Private-duty nursing |
| • Children's glasses | • Infertility treatment | • Routine foot care |
| • Cosmetic surgery | • Long-term care | • Weight loss programs |
| • Dental care (Adult & Child) | • Non-emergency care when traveling outside the U.S. | |

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- | | | |
|---------------------------------------|---|----------------------------|
| • Acupuncture (12 visit limit / year) | • Chiropractic care (10 visit limit / year) | • Routine eye care (Adult) |
|---------------------------------------|---|----------------------------|

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-888-901-4636 (TTY: 711) or www.kp.org/wa
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov .
Washington Department of Insurance	1-800-562-6900 or www.insurance.wa.gov

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-888-901-4636 (TTY: 711).

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-888-901-4636 (TTY: 711).

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-888-901-4636 (TTY: 711).

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-888-901-4636 (TTY: 711).

-----*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

- The plan's overall deductible \$350
- Specialist cost sharing \$20
- Hospital (facility) cost sharing \$100
- Other (blood work) coinsurance 20%

This EXAMPLE event includes services like:
Specialist office visits (*prenatal care*)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$350
<u>Copayments</u>	\$30
<u>Coinsurance</u>	\$1,620
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$2,060

Managing Joe's type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

- The plan's overall deductible \$350
- Specialist cost sharing \$20
- Hospital (facility) cost sharing \$100
- Other (blood work) coinsurance 20%

This EXAMPLE event includes services like:
Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$350
<u>Copayments</u>	\$800
<u>Coinsurance</u>	\$200
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Joe would pay is	\$1,410

Mia's Simple Fracture
(in-network emergency room visit and follow up care)

- The plan's overall deductible \$350
- Specialist cost sharing \$20
- Hospital (facility) cost sharing \$100
- Other (x-ray) coinsurance 20%

This EXAMPLE event includes services like:
Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$350
<u>Copayments</u>	\$100
<u>Coinsurance</u>	\$300
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$750



The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE: Information about the cost of this plan (called the premium) will be provided separately. This is only a summary.** For more information about your coverage, or to get a copy of the complete terms of coverage, go to www.kp.org/plandocuments or by calling 1-888-901-4636 (TTY: 711). For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.healthcare.gov/sbc-glossary or call 1-888-901-4636 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall <u>deductible</u>?	\$0	See the Common Medical Events chart below for your costs for services this <u>plan</u> covers.
Are there services covered before you meet your <u>deductible</u>?	Not applicable.	You don't have to meet <u>deductibles</u> for specific services, but see the chart starting on page 2 for other costs for services this <u>plan</u> covers.
Are there other <u>deductibles</u> for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the <u>out-of-pocket limit</u> for this <u>plan</u>?	\$2,000 Individual / \$4,000 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other Family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall Family <u>out-of-pocket limit</u> has been met.
What is not included in the <u>out-of-pocket limit</u>?	<u>Premiums</u> , <u>balance-billing</u> charges, health care this <u>plan</u> doesn't cover and services indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u> .
Will you pay less if you use a <u>network provider</u>?	Yes. See www.kp.org/wa or call 1-888-901-4636 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a <u>referral</u> to see a <u>specialist</u>?	Yes, but you may self-refer to certain specialists.	This <u>plan</u> will pay some or all of the costs to see a <u>specialist</u> for covered services but only if you have a <u>referral</u> before you see the <u>specialist</u> .

 All copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$15 / visit	Not covered	None
	<u>Specialist</u> visit	\$15 / visit	Not covered	None
	<u>Preventive care/screening/immunization</u>	No charge	Not covered	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services you need are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	No charge	Not covered	None
	Imaging (CT/PET scans, MRIs)	No charge	Not covered	<u>Preauthorization</u> required or will not be covered.
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at www.kp.org/wa .	Preferred generic drugs	Retail: \$10 / prescription; Mail Order: 2x Retail <u>cost share</u> / prescription	Not covered	Up to a 30-day supply (retail) or a 90 day-supply (mail order). Subject to <u>formulary</u> guidelines.
	Preferred brand drugs	Retail: \$20 / prescription; Mail Order: 2x Retail <u>cost share</u> / prescription	Not covered	Up to a 30-day supply (retail) or a 90 day-supply (mail order). Subject to <u>formulary</u> guidelines.
	Non-preferred generic/brand drugs	Not covered	Not covered	None
	<u>Specialty drugs</u>	Applicable preferred generic, preferred brand, or non-preferred generic/brand <u>cost shares</u> may apply.	Not covered	Up to a 30-day supply (retail). Subject to <u>formulary</u> guidelines.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	\$15 / visit	Not covered	None
	Physician/surgeon fees	No charge	Not covered	None
If you need immediate medical attention	<u>Emergency room care</u>	\$75 / visit	\$75 / visit	You must notify Kaiser Permanente within 24 hours if admitted to a Non-network provider; Limited to initial emergency only; <u>Copayment</u> is waived if admitted as an inpatient.
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	None
	<u>Urgent care</u>	\$15 / visit	\$75 / visit	Non-network providers covered when

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
				temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	\$100 / admission	Not covered	<u>Preauthorization</u> required or will not be covered.
	Physician/surgeon fees	Included in Facility fee	Not covered	<u>Preauthorization</u> required or will not be covered.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	\$15 / visit	Not covered	None
	Inpatient services	\$100 / admission	Not covered	<u>Preauthorization</u> required or will not be covered.
If you are pregnant	Office visits	No charge	Not covered	Depending on the type of services, a <u>copayment</u> , <u>coinsurance</u> , or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound).
	Childbirth/delivery professional services	Included in Facility fee	Not covered	You must notify Kaiser Permanente within 24 hours of admission, or as soon thereafter as medically possible. Newborn services <u>cost shares</u> are separate from that of the mother.
	Childbirth/delivery facility services	\$100 / admission	Not covered	You must notify Kaiser Permanente within 24 hours of admission, or as soon thereafter as medically possible. Newborn services <u>cost shares</u> are separate from that of the mother.
If you need help recovering or have other special health needs	<u>Home health care</u>	No charge	Not covered	<u>Preauthorization</u> required or will not be covered.
	<u>Rehabilitation services</u>	Outpatient: \$15 / visit Inpatient: \$100 / admission	Not covered	Outpatient: 45 visit limit / year. Inpatient: 30 day limit / year (combined limit with <u>Habilitation services</u>). Services with mental health diagnoses are covered with no limit. Inpatient: <u>Preauthorization</u> required or will not be covered.
	<u>Habilitation services</u>	Outpatient: \$15 / visit Inpatient: \$100 / admission	Not covered	Outpatient: 45 visit limit / year. Inpatient: 30 day limit / year (combined limit with <u>Rehabilitation services</u>). Services with mental health diagnoses are covered with no limit. Inpatient: <u>Preauthorization</u> required or will not be covered.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Network Provider (You will pay the least)	Non-network Provider (You will pay the most)	
	<u>Skilled nursing care</u>	No charge	Not covered	60 day limit / year. <u>Preauthorization</u> required or will not be covered.
	<u>Durable medical equipment</u>	50% <u>coinsurance</u>	Not covered	Subject to formulary guidelines. <u>Preauthorization</u> required or will not be covered.
	<u>Hospice services</u>	No charge	Not covered	<u>Preauthorization</u> required or will not be covered.
If your child needs dental or eye care	Children's eye exam	\$15 / visit	Not covered	Limited to one exam / 12 months
	Children's glasses	Not covered	Not covered	None
	Children's dental check-up	Not covered	Not covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- | | | |
|-------------------------------|--|------------------------|
| • Bariatric surgery | • Hearing aids | • Private-duty nursing |
| • Children's glasses | • Infertility treatment | • Routine foot care |
| • Cosmetic surgery | • Long-term care | • Weight loss programs |
| • Dental care (Adult & Child) | • Non-emergency care when traveling outside the U.S. | |

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- | | | |
|---------------------------------------|---|----------------------------|
| • Acupuncture (12 visit limit / year) | • Chiropractic care (10 visit limit / year) | • Routine eye care (Adult) |
|---------------------------------------|---|----------------------------|

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-888-901-4636 (TTY: 711) or www.kp.org/wa
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov .
Washington Department of Insurance	1-800-562-6900 or www.insurance.wa.gov

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-888-901-4636 (TTY: 711).

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-888-901-4636 (TTY: 711).

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-888-901-4636 (TTY: 711).

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-888-901-4636 (TTY: 711).

-----*To see examples of how this plan might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

- The plan's overall deductible \$0
- Specialist copayment \$15
- Hospital (facility) copayment \$100
- Other (blood work) coinsurance 0%

This EXAMPLE event includes services like:
Specialist office visits (*prenatal care*)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$0
<u>Copayments</u>	\$100
<u>Coinsurance</u>	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$160

Managing Joe's type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

- The plan's overall deductible \$0
- Specialist copayment \$15
- Hospital (facility) copayment \$100
- Other (blood work) coinsurance 0%

This EXAMPLE event includes services like:
Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$0
<u>Copayments</u>	\$1,000
<u>Coinsurance</u>	\$40
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Joe would pay is	\$1,100

Mia's Simple Fracture
(in-network emergency room visit and follow up care)

- The plan's overall deductible \$0
- Specialist copayment \$15
- Hospital (facility) copayment \$100
- Other (x-ray) coinsurance 0%

This EXAMPLE event includes services like:
Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)


Total Example Cost	\$1,900
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In this example, Mia would pay:

<i>Cost Sharing</i>	
<u>Deductibles</u>	\$0
<u>Copayments</u>	\$200
<u>Coinsurance</u>	\$100
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$300


Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services

Coverage Period: 1/1/2019-12/31/2019

 KAISER PERMANENTE: First Group America 229

Coverage for: Individual / Family | Plan Type: EPO


All plans offered and underwritten by Kaiser Foundation Health Plan of the Northwest

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately.

This is **only a summary**. For more information about your coverage, or to get a copy of the complete terms of coverage see www.kp.org/plandocuments or call 1-800-813-2000 (TTY: 711). For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other [underlined](#) terms see the Glossary. You can view the Glossary at <http://www.healthcare.gov/sbc-glossary> or call 1-800-813-2000 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	\$0	See the Common Medical Events chart below for your costs for services this plan covers.
Are there services covered before you meet your deductible ?	Not applicable.	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply.
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	\$600 Individual / \$1,200 Family	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan , they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	Premiums , health care this plan doesn't cover, and services indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the out-of-pocket limit .
Will you pay less if you use a network provider ?	Yes. See www.kp.org or call 1-800-813-2000 (TTY: 711) for a list of participating providers .	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.

Do you need a referral to see a specialist ?	Yes, but you may self-refer to certain specialists.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist .
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 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	\$10 / visit	Not Covered	None
	Specialist visit	\$10 / visit	Not Covered	None
	Preventive care/screening/immunization	\$10 / visit	Not Covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	X-ray: No charge Lab tests: No charge	Not Covered	None
	Imaging (CT/PET scans, MRIs)	No charge	Not Covered	Some services may require prior authorization.
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.kp.org/formulary	Generic drugs	\$10 retail; \$20 mail order / prescription	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Subject to formulary guidelines. Does not apply to the out-of-pocket limit.
	Preferred brand drugs	\$10 retail; \$20 mail order / prescription	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Subject to formulary guidelines. Does not apply to the out-of-pocket limit.
	Non-preferred brand drugs	Applicable Generic or Preferred brand drug cost shares.	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Does not apply to the out-of-pocket limit. Covered only when you meet formulary exception criteria.
	Specialty drugs	Applicable Generic, Preferred, Non-Preferred brand drug cost shares.	Not Covered	Applicable Generic, Preferred brand, Non-preferred brand drugs limits and authorizations apply.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	\$10 / visit	Not Covered	Prior authorization required.
	Physician/surgeon fees	Included in facilities fee	Not Covered	Prior authorization required.
If you need immediate medical attention	Emergency room care	\$75 / visit		Waived if admitted.
	Emergency medical transportation	\$75 / trip		None
	Urgent care	\$10 / visit		Non-participating providers covered when temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	No charge	Not Covered	Prior authorization required.
	Physician/surgeon fees	Included in facilities fee	Not Covered	Prior authorization required.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	Mental / Behavioral Health: \$10 / visit Substance Abuse: \$10 / visit	Not Covered	None
	Inpatient services	No charge	Not Covered	Prior authorization required.
If you are pregnant	Office visits	No charge	Not Covered	Cost sharing does not apply for <u>preventive services</u> . Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	Included in facilities fee	Not Covered	None
	Childbirth/delivery facility services	No charge	Not Covered	None
If you need help recovering or have other special health needs	Home health care	No charge	Not Covered	130 day limit / year. Prior authorization required.
	Rehabilitation services	Outpatient: \$10 / visit Inpatient: No charge	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
				Inpatient: Prior authorization required.
	Habilitation services	Outpatient: \$10 / visit Inpatient: No charge	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required. Inpatient: Prior authorization required.
	Skilled nursing care	No charge	Not Covered	100 day limit / year. Prior authorization required.
	Durable medical equipment	20% <u>coinsurance</u>	Not Covered	Subject to <u>formulary</u> guidelines. Prior authorization required.
	Hospice services	No charge	Not Covered	Prior authorization required.
If your child needs dental or eye care	Children's eye exam	\$10 / visit for refractive exam	Not Covered	None
	Children's glasses	Not covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services .)		
<ul style="list-style-type: none"> • Cosmetic surgery • Children's glasses • Dental care (Adult & Child) 	<ul style="list-style-type: none"> • Long-term care • Non-emergency care when traveling outside the U.S • Private-duty nursing 	<ul style="list-style-type: none"> • Routine foot care • Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
<ul style="list-style-type: none"> • Acupuncture (physician referred) • Bariatric surgery (medically necessary) 	<ul style="list-style-type: none"> • Chiropractic care (physician referred spinal manipulation) • Hearing aids (under age 18 - 1 aid / ear, every 48 months) 	<ul style="list-style-type: none"> • Infertility treatment • Routine eye care (Adult)

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the [Health Insurance Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

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Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-800-813-2000 (TTY: 711) or www.kp.org/memberservices
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov .
Oregon Department of Insurance	1-888-877-4894 or www.dfr.oregon.gov
Washington Department of Insurance	1-800-562-6900 or www.insurance.wa.gov

Does this [plan](#) provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this [plan](#) meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al 1-800-813-2000 (TTY: 711).

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-813-2000 (TTY: 711).

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-813-2000 (TTY: 711).

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwiiijigo holne' 1-800-813-2000 (TTY: 711).

-----*To see examples of how this [plan](#) might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby
(9 months of in-network pre-natal care and a hospital delivery)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist](#) [copayment](#) \$10
- Hospital (facility) [copayment](#) \$0
- Other (blood work) [copayment](#) \$0

This EXAMPLE event includes services like:
[Specialist](#) office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
[Specialist](#) visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$30
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$90

Managing Joe's type 2 Diabetes
(a year of routine in-network care of a well-controlled condition)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist](#) [copayment](#) \$10
- Hospital (facility) [copayment](#) \$0
- Other (blood work) [copayment](#) \$0

This EXAMPLE event includes services like:
 Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
---------------------------	----------------

In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$700
Coinsurance	\$30
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Joe would pay is	\$790

Mia's Simple Fracture
(in-network emergency room visit and follow up care)

- The [plan's](#) overall [deductible](#) \$0
- [Specialist](#) [copayment](#) \$10
- Hospital (facility) [copayment](#) \$0
- Other (x-ray) [copayment](#) \$0

This EXAMPLE event includes services like:
 Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$400
Coinsurance	\$40
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$440

NONDISCRIMINATION NOTICE

Kaiser Foundation Health Plan of the Northwest (Kaiser Health Plan) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Kaiser Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. We also:

- Provide no cost aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats, such as large print, audio, and accessible electronic formats
- Provide no cost language services to people whose primary language is not English, such as:
 - Qualified interpreters
 - Information written in other languages

If you need these services, call 1-800-813-2000 (TTY: 711)

If you believe that Kaiser Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by mail or phone at: Member Relations, Attention: Kaiser Civil Rights Coordinator, 500 NE Multnomah St. Ste 100, Portland, OR 97232, telephone number: 1-800-813-2000.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 1-800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

HELP IN YOUR LANGUAGE

ATTENTION: If you speak English, language assistance services, free of charge, are available to you. Call 1-800-813-2000 (TTY: 711).

አማርኛ (Amharic) ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም እርዳታ ድርጅቶች፣ በጎጂ ሊያግዝዎት ተዘጋጅተዋል። ወደ ሚከተለው ቁጥር ይደውሉ 1-800-813-2000 (TTY: 711)።

العربية (Arabic) ملحوظة: إذا كنت تتحدث العربية، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 1-800-813-2000 (TTY: 711).

中文 (Chinese) 注意: 如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-813-2000 (TTY: 711)。

فارسی (Farsi) توجه: اگر بہ زبان فارسی گفتگو می کنید،
تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد.
با 1-800-813-2000 (TTY: 711) تماس بگیرید.

Français (French) ATTENTION: Si vous parlez français,
des services d'aide linguistique vous sont proposés
gratuitement. Appelez le 1-800-813-2000 (TTY: 711).

Deutsch (German) ACHTUNG: Wenn Sie Deutsch
sprechen, stehen Ihnen kostenlos sprachliche
Hilfsdienstleistungen zur Verfügung.
Rufnummer: 1-800-813-2000 (TTY: 711).

日本語 (Japanese) 注意事項: 日本語を話される場合、
無料の言語支援をご利用いただけます。1-800-813-2000
(TTY: 711) まで、お電話にてご連絡ください。

ខ្មែរ (Khmer) ប្រយ័ត្ន: បើសិនជាអ្នកនិយាយ ភាសាខ្មែរ,
សេវាជំនួយភាសា ដោយមិនគិតថ្លៃ
គឺអាចម៉ឺនសិក្សាបំប៉នអ្នក។ ចូរ ទូរស័ព្ទ 1-800-813-2000
(TTY: 711)។

한국어 (Korean) 주의: 한국어를 사용하시는 경우, 언어
지원 서비스를 무료로 이용하실 수 있습니다.
1-800-813-2000 (TTY: 711) 번으로 전화해 주십시오.

ລາວ (Laotian) ໃບຄວາມ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ,
ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ,
ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 1-800-813-2000 (TTY: 711).

Naabeehó (Navajo) Díí baa akó ninízin: Díí saad bee
yánílti'go Diné Bizaad, saad bee áká'ánída'áwo'déé', t'áá
jiiik'eh, éí ná hóló, koji' hódíilnih 1-800-813-2000 (TTY:
711).

Afaan Oromoo (Oromo) XIYYEEFFANNA: Afaan
dubbattu Oroomiffa, tajaajila gargaarsa afaanii,
kanfaltiidhaan ala, ni argama.
Bilbilaa 1-800-813-2000 (TTY: 711).

ਪੰਜਾਬੀ (Punjabi) ਧਿਆਨ ਦਿਓ: ਜੇ ਤੁਸੀਂ ਪੰਜਾਬੀ ਬੋਲਦੇ ਹੋ, ਤਾਂ
ਭਾਸ਼ਾ ਵਿੱਚ ਸਹਾਇਤਾ ਸੇਵਾ ਤੁਹਾਡੇ ਲਈ ਮੁਫਤ ਉਪਲਬਧ ਹੈ।
1-800-813-2000 (TTY: 711) 'ਤੇ ਕਾਲ ਕਰੋ।

Română (Romanian) ATENȚIE: Dacă vorbiți limba
română, vă stau la dispoziție servicii de asistentă
lingvistică, gratuit. Sunați la 1-800-813-2000 (TTY: 711).

Русский (Russian) ВНИМАНИЕ: если вы говорите
на русском языке, то вам доступны бесплатные
услуги перевода. Звоните 1-800-813-2000 (TTY: 711).

Español (Spanish) ATENCIÓN: si habla español, tiene
a su disposición servicios gratuitos de asistencia
lingüística. Llame al 1-800-813-2000 (TTY: 711).

Tagalog (Tagalog) PAUNAWA: Kung nagsasalita ka
ng Tagalog, maaari kang gumamit ng mga serbisyo ng
tulong sa wika nang walang bayad.
Tumawag sa 1-800-813-2000 (TTY: 711).

ไทย (Thai) เรียน: ถ้าคุณพูดภาษาไทย
คุณสามารถใช้บริการช่วยเหลือทางภาษาได้ฟรี โทร 1-800-
813-2000 (TTY: 711).

Українська (Ukrainian) УВАГА! Якщо ви розмовляєте
українською мовою, ви можете звернутися до
безкоштовної служби мовної підтримки. Телефонуйте
за номером 1-800-813-2000 (TTY: 711).

Tiếng Việt (Vietnamese) CHÚ Ý: Nếu bạn nói Tiếng
Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho
bạn. Gọi số 1-800-813-2000 (TTY: 711).

Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services

Coverage Period: 1/1/2019-12/31/2019

 KAISER PERMANENTE: First Group America 2942

Coverage for: Individual / Family | Plan Type: EPO

All plans offered and underwritten by Kaiser Foundation Health Plan of the Northwest




The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately.

This is **only a summary**. For more information about your coverage, or to get a copy of the complete terms of coverage see www.kp.org/plandocuments or call 1-800-813-2000 (TTY: 711). For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other [underlined](#) terms see the Glossary. You can view the Glossary at <http://www.healthcare.gov/sbc-glossary> or call 1-800-813-2000 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	\$1,000 Individual / \$3,000 Family	Generally, you must pay all of the costs from providers up to the deductible amount before this plan begins to pay. If you have other family members on the plan , each family member must meet their own individual deductible until the total amount of deductible expenses paid by all family members meets the overall family deductible .
Are there services covered before you meet your deductible ?	Yes. Preventive care and services indicated in chart starting on page 2.	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply. For example, this plan covers certain preventive services without cost-sharing and before you meet your deductible . See a list of covered preventive services at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	\$3,000 Individual / \$9,000 Family	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan , they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	Premiums , health care this plan doesn't cover, and services indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the out-of-pocket limit .
Will you pay less if you use a network provider ?	Yes. See www.kp.org or call 1-800-813-2000 (TTY: 711) for a list of participating providers .	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-

		network provider for some services (such as lab work). Check with your provider before you get services.
Do you need a referral to see a specialist ?	Yes, but you may self-refer to certain specialists.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist .

 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	\$25 / visit, deductible does not apply.	Not Covered	None
	Specialist visit	\$35 / visit, deductible does not apply.	Not Covered	None
	Preventive care/screening/immunization	No charge, deductible does not apply.	Not Covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	X-ray: \$25 / visit, deductible does not apply. Lab tests: \$25 / visit, deductible does not apply.	Not Covered	None
	Imaging (CT/PET scans, MRIs)	\$100 / visit, deductible does not apply.	Not Covered	Some services may require prior authorization.
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.kp.org/formulary	Generic drugs	\$10 retail; \$20 mail order / prescription deductible does not apply	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. No charge for contraceptives. Subject to formulary guidelines.
	Preferred brand drugs	\$30 retail; \$60 mail order / prescription deductible does not apply	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. No charge for contraceptives. Subject to formulary guidelines.
	Non-preferred brand drugs	Applicable Generic or Preferred brand drug cost shares.	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Subject to formulary guidelines, when approved through exception process.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
	Specialty drugs	Applicable Generic, Preferred, Non-Preferred brand drug cost shares.	Not Covered	Applicable Generic, Preferred brand, Non-preferred brand drugs limits and authorizations apply.
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	Not Covered	Prior authorization required.
	Physician/surgeon fees	20% <u>coinsurance</u>	Not Covered	Prior authorization required.
If you need immediate medical attention	Emergency room care	20% <u>coinsurance</u>		None
	Emergency medical transportation	20% <u>coinsurance</u>		None
	Urgent care	\$45 / visit, <u>deductible</u> does not apply.		Non-participating providers covered when temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u>	Not Covered	Prior authorization required.
	Physician/surgeon fees	20% <u>coinsurance</u>	Not Covered	Prior authorization required.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	Mental / Behavioral Health: \$25 / visit, <u>deductible</u> does not apply. Substance Abuse: \$25 / visit, <u>deductible</u> does not apply.	Not Covered	None
	Inpatient services	20% <u>coinsurance</u>	Not Covered	Prior authorization required.
If you are pregnant	Office visits	No charge, <u>deductible</u> does not apply.	Not Covered	Depending on the type of services, a <u>copayment</u> , <u>coinsurance</u> , or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	20% <u>coinsurance</u>	Not Covered	None
	Childbirth/delivery facility services	20% <u>coinsurance</u>	Not Covered	None

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you need help recovering or have other special health needs	Home health care	20% <u>coinsurance</u>	Not Covered	130 day limit / year. Prior authorization required.
	Rehabilitation services	Outpatient: \$35 / visit Inpatient: 20% <u>coinsurance</u>	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required. Inpatient: Prior authorization required.
	Habilitation services	Outpatient: \$35 / visit Inpatient: 20% <u>coinsurance</u>	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required. Inpatient: Prior authorization required.
	Skilled nursing care	20% <u>coinsurance</u>	Not Covered	100 day limit / year. Prior authorization required.
	Durable medical equipment	20% <u>coinsurance</u>	Not Covered	Subject to <u>formulary</u> guidelines. Prior authorization required.
	Hospice services	No charge, <u>deductible</u> does not apply.	Not Covered	Prior authorization required.
If your child needs dental or eye care	Children's eye exam	\$25 / visit for refractive exam, <u>deductible</u> does not apply.	Not Covered	None
	Children's glasses	Not covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services .)		
<ul style="list-style-type: none"> • Cosmetic surgery • Children's glasses • Dental care (Adult & Child) 	<ul style="list-style-type: none"> • Long-term care • Non-emergency care when traveling outside the U.S • Private-duty nursing 	<ul style="list-style-type: none"> • Routine foot care • Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your [plan](#) document.)

- Acupuncture (physician referred)
- Chiropractic care (physician referred spinal manipulation)
- Infertility treatment
- Bariatric surgery ([medically necessary](#))
- Hearing aids (under age 18 - 1 aid / ear, every 48 months)
- Routine eye care (Adult)

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the [Health Insurance Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-800-813-2000 (TTY: 711) or www.kp.org/memberservices
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov .
Oregon Department of Insurance	1-888-877-4894 or www.dfr.oregon.gov
Washington Department of Insurance	1-800-562-6900 or www.insurance.wa.gov

Does this [plan](#) provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this [plan](#) meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al 1-800-813-2000 (TTY: 711).

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-813-2000 (TTY: 711).

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-813-2000 (TTY: 711).

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwiiijigo holne' 1-800-813-2000 (TTY: 711).

-----*To see examples of how this [plan](#) might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$1,000
■ Specialist copayment	\$35
■ Hospital (facility) coinsurance	20%
■ Other (blood work) copayment	\$25

This EXAMPLE event includes services like:

[Specialist](#) office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
[Specialist](#) visit (*anesthesia*)

Total Example Cost	\$12,800
---------------------------	-----------------

In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$1,000
Copayments	\$200
Coinsurance	\$1,600
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$2,860

Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$1,000
■ Specialist copayment	\$35
■ Hospital (facility) coinsurance	20%
■ Other (blood work) copayment	\$25

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
---------------------------	----------------

In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$171
Copayments	\$1,300
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Joe would pay is	\$1,531

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$1,000
■ Specialist copayment	\$35
■ Hospital (facility) coinsurance	20%
■ Other (x-ray) copayment	\$25

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$1,000
Copayments	\$300
Coinsurance	\$60
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,360

The [plan](#) would be responsible for the other costs of these EXAMPLE covered services.

NONDISCRIMINATION NOTICE

Kaiser Foundation Health Plan of the Northwest (Kaiser Health Plan) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Kaiser Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. We also:

- Provide no cost aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats, such as large print, audio, and accessible electronic formats
- Provide no cost language services to people whose primary language is not English, such as:
 - Qualified interpreters
 - Information written in other languages

If you need these services, call 1-800-813-2000 (TTY: 711)

If you believe that Kaiser Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by mail or phone at: Member Relations, Attention: Kaiser Civil Rights Coordinator, 500 NE Multnomah St. Ste 100, Portland, OR 97232, telephone number: 1-800-813-2000.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 1-800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

HELP IN YOUR LANGUAGE

ATTENTION: If you speak English, language assistance services, free of charge, are available to you. Call 1-800-813-2000 (TTY: 711).

አማርኛ (Amharic) ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም እርዳታ ድርጅቶች፣ በጎጂ ሊያግዝዎት ተዘጋጅተዋል። ወደ ሚከተለው ቁጥር ይደውሉ 1-800-813-2000 (TTY: 711)።

العربية (Arabic) ملحوظة: إذا كنت تتحدث العربية، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 1-800-813-2000 (TTY: 711).

中文 (Chinese) 注意: 如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-813-2000 (TTY: 711)。

فارسی (Farsi) توجه: اگر بہ زبان فارسی گفتگو می کنید،
تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد.
با 1-800-813-2000 (TTY: 711) تماس بگیرید.

Français (French) ATTENTION: Si vous parlez français,
des services d'aide linguistique vous sont proposés
gratuitement. Appelez le 1-800-813-2000 (TTY: 711).

Deutsch (German) ACHTUNG: Wenn Sie Deutsch
sprechen, stehen Ihnen kostenlos sprachliche
Hilfsdienstleistungen zur Verfügung.
Rufnummer: 1-800-813-2000 (TTY: 711).

日本語 (Japanese) 注意事項: 日本語を話される場合、
無料の言語支援をご利用いただけます。1-800-813-2000
(TTY: 711) まで、お電話にてご連絡ください。

ខ្មែរ (Khmer) ប្រយ័ត្ន: បើសិនជាអ្នកនិយាយ ភាសាខ្មែរ,
សេវាជំនួយភាសា ដោយមិនគិតថ្លៃ
គឺអាចមានសិទ្ធិប្រើប្រាស់ ចូរ ទូរស័ព្ទ 1-800-813-2000
(TTY: 711)។

한국어 (Korean) 주의: 한국어를 사용하시는 경우, 언어
지원 서비스를 무료로 이용하실 수 있습니다.
1-800-813-2000 (TTY: 711) 번으로 전화해 주십시오.

ລາວ (Laotian) ໃບຄວາມ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ,
ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ,
ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 1-800-813-2000 (TTY: 711).

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Bilbilaa 1-800-813-2000 (TTY: 711).

ਪੰਜਾਬੀ (Punjabi) ਧਿਆਨ ਦਿਓ: ਜੇ ਤੁਸੀਂ ਪੰਜਾਬੀ ਬੋਲਦੇ ਹੋ, ਤਾਂ
ਭਾਸ਼ਾ ਵਿੱਚ ਸਹਾਇਤਾ ਸੇਵਾ ਤੁਹਾਡੇ ਲਈ ਮੁਫਤ ਉਪਲਬਧ ਹੈ।
1-800-813-2000 (TTY: 711) 'ਤੇ ਕਾਲ ਕਰੋ।

Română (Romanian) ATENȚIE: Dacă vorbiți limba
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Tumawag sa 1-800-813-2000 (TTY: 711).

ไทย (Thai) เรียน: ถ้าคุณพูดภาษาไทย
คุณสามารถใช้บริการช่วยเหลือทางภาษาได้ฟรี โทร 1-800-
813-2000 (TTY: 711).

Українська (Ukrainian) УВАГА! Якщо ви розмовляєте
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за номером 1-800-813-2000 (TTY: 711).

Tiếng Việt (Vietnamese) CHÚ Ý: Nếu bạn nói Tiếng
Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho
bạn. Gọi số 1-800-813-2000 (TTY: 711).


Summary of Benefits and Coverage: What this Plan Covers & What You Pay For Covered Services

Coverage Period: 1/1/2019-12/31/2019

 KAISER PERMANENTE: First Group America 12063

Coverage for: Individual / Family | Plan Type: EPO


All plans offered and underwritten by Kaiser Foundation Health Plan of the Northwest

 The Summary of Benefits and Coverage (SBC) document will help you choose a health [plan](#). The SBC shows you how you and the [plan](#) would share the cost for covered health care services. NOTE: Information about the cost of this [plan](#) (called the [premium](#)) will be provided separately.

This is **only a summary**. For more information about your coverage, or to get a copy of the complete terms of coverage see www.kp.org/plandocuments or call 1-800-813-2000 (TTY: 711). For general definitions of common terms, such as [allowed amount](#), [balance billing](#), [coinsurance](#), [copayment](#), [deductible](#), [provider](#), or other [underlined](#) terms see the Glossary. You can view the Glossary at <http://www.healthcare.gov/sbc-glossary> or call 1-800-813-2000 (TTY: 711) to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible ?	\$0	See the Common Medical Events chart below for your costs for services this plan covers.
Are there services covered before you meet your deductible ?	Not applicable.	This plan covers some items and services even if you haven't yet met the deductible amount. But a copayment or coinsurance may apply.
Are there other deductibles for specific services?	No.	You don't have to meet deductibles for specific services.
What is the out-of-pocket limit for this plan ?	\$1,000 Individual / \$2,000 Family	The out-of-pocket limit is the most you could pay in a year for covered services. If you have other family members in this plan , they have to meet their own out-of-pocket limits until the overall family out-of-pocket limit has been met.
What is not included in the out-of-pocket limit ?	Premiums , health care this plan doesn't cover, and services indicated in chart starting on page 2.	Even though you pay these expenses, they don't count toward the out-of-pocket limit .
Will you pay less if you use a network provider ?	Yes. See www.kp.org or call 1-800-813-2000 (TTY: 711) for a list of participating providers .	This plan uses a provider network . You will pay less if you use a provider in the plan's network . You will pay the most if you use an out-of-network provider , and you might receive a bill from a provider for the difference between the provider's charge and what your plan pays (balance billing). Be aware your network provider might use an out-of-network provider for some services (such as lab work). Check with your provider before you get services.

Do you need a referral to see a specialist ?	Yes, but you may self-refer to certain specialists.	This plan will pay some or all of the costs to see a specialist for covered services but only if you have a referral before you see the specialist .
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 All [copayment](#) and [coinsurance](#) costs shown in this chart are after your [deductible](#) has been met, if a [deductible](#) applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	\$15 / visit	Not Covered	None
	Specialist visit	\$15 / visit	Not Covered	None
	Preventive care/screening/immunization	\$15 / visit	Not Covered	You may have to pay for services that aren't preventive. Ask your provider if the services needed are preventive. Then check what your plan will pay for.
If you have a test	Diagnostic test (x-ray, blood work)	X-ray: No charge Lab tests: No charge	Not Covered	None
	Imaging (CT/PET scans, MRIs)	No charge	Not Covered	Some services may require prior authorization.
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.kp.org/formulary	Generic drugs	\$10 retail; \$20 mail order / prescription	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Subject to formulary guidelines. Does not apply to the out-of-pocket limit.
	Preferred brand drugs	\$20 retail; \$40 mail order / prescription	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Subject to formulary guidelines. Does not apply to the out-of-pocket limit.
	Non-preferred brand drugs	Applicable Generic or Preferred brand drug cost shares.	Not Covered	Up to a 30-day supply retail or 90-day supply mail order. Does not apply to the out-of-pocket limit. Covered only when you meet formulary exception criteria.
	Specialty drugs	Applicable Generic, Preferred, Non-Preferred brand drug cost shares.	Not Covered	Up to 30 day supply (retail). Subject to formulary guidelines, when approved through exception process.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	\$15 / visit	Not Covered	Does not apply to the out-of-pocket limit. Prior authorization required.
	Physician/surgeon fees	Included in facilities fee	Not Covered	Does not apply to the out-of-pocket limit. Prior authorization required.
If you need immediate medical attention	Emergency room care	\$50 / visit		<u>Copayment</u> waived if admitted directly to the hospital as an inpatient.
	Emergency medical transportation	\$75 / trip		None
	Urgent care	\$15 / visit		Non-participating providers covered when temporarily outside the service area.
If you have a hospital stay	Facility fee (e.g., hospital room)	\$200 / admission	Not Covered	Prior authorization required.
	Physician/surgeon fees	Included in facilities fee	Not Covered	Prior authorization required.
If you need mental health, behavioral health, or substance abuse services	Outpatient services	Mental / Behavioral Health: \$15 / visit Substance Abuse: \$15 / visit	Not Covered	None
	Inpatient services	\$200 / admission	Not Covered	Prior authorization required.
If you are pregnant	Office visits	No charge	Not Covered	Cost sharing does not apply for <u>preventive services</u> . Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	Included in facilities fee	Not Covered	None
	Childbirth/delivery facility services	\$200 / admission	Not Covered	None
If you need help recovering or have	Home health care	No charge	Not Covered	130 day limit / year. Prior authorization required.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		Select Provider (You will pay the least)	Non-Participating Provider (You will pay the most)	
other special health needs	Rehabilitation services	Outpatient: \$15 / visit Inpatient: \$200 / admission	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required. Inpatient: Prior authorization required.
	Habilitation services	Outpatient: \$15 / visit Inpatient: \$200 / admission	Not Covered	Outpatient: 20 visit limit / year. Prior authorization required. Inpatient: Prior authorization required.
	Skilled nursing care	No charge	Not Covered	100 day limit / year. Prior authorization required.
	Durable medical equipment	20% <u>coinsurance</u>	Not Covered	Subject to <u>formulary</u> guidelines. Prior authorization required.
	Hospice services	No charge	Not Covered	Prior authorization required.
If your child needs dental or eye care	Children's eye exam	\$15 / visit for refractive exam	Not Covered	None
	Children's glasses	Not covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services .)		
<ul style="list-style-type: none"> • Cosmetic surgery • Children's glasses • Dental care (Adult & Child) 	<ul style="list-style-type: none"> • Long-term care • Non-emergency care when traveling outside the U.S • Private-duty nursing 	<ul style="list-style-type: none"> • Routine foot care • Weight loss programs

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)		
<ul style="list-style-type: none"> • Acupuncture (physician referred) 	<ul style="list-style-type: none"> • Chiropractic care (physician referred spinal manipulation) 	<ul style="list-style-type: none"> • Infertility treatment
<ul style="list-style-type: none"> • Bariatric surgery (medically necessary) 	<ul style="list-style-type: none"> • Hearing aids (under age 18 - 1 aid / ear, every 48 months) 	<ul style="list-style-type: none"> • Routine eye care (Adult)

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is shown in the chart below. Other coverage options may be available to you too, including buying individual insurance coverage through the [Health Insurance Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the explanation of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact the agencies in the chart below.

Contact Information for Your Rights to Continue Coverage & Your Grievance and Appeals Rights:

Kaiser Permanente Member Services	1-800-813-2000 (TTY: 711) or www.kp.org/memberservices
Department of Labor's Employee Benefits Security Administration	1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform
Department of Health & Human Services, Center for Consumer Information & Insurance Oversight	1-877-267-2323 x61565 or www.cciio.cms.gov .
Oregon Department of Insurance	1-888-877-4894 or www.dfr.oregon.gov
Washington Department of Insurance	1-800-562-6900 or www.insurance.wa.gov

Does this [plan](#) provide Minimum Essential Coverage? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this [plan](#) meet the Minimum Value Standards? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

[Spanish (Español): Para obtener asistencia en Español, llame al 1-800-813-2000 (TTY: 711).

[Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-813-2000 (TTY: 711).

[Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-813-2000 (TTY: 711).

[Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwiiijigo holne' 1-800-813-2000 (TTY: 711).

-----*To see examples of how this [plan](#) might cover costs for a sample medical situation, see the next section.*-----

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this [plan](#) might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your [providers](#) charge, and many other factors. Focus on the [cost sharing](#) amounts ([deductibles](#), [copayments](#) and [coinsurance](#)) and [excluded services](#) under the [plan](#). Use this information to compare the portion of costs you might pay under different health [plans](#). Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in-network pre-natal care and a hospital delivery)

■ The plan's overall deductible	\$0
■ Specialist copayment	\$15
■ Hospital (facility) copayment	\$200
■ Other (blood work) copayment	\$0

This EXAMPLE event includes services like:

[Specialist](#) office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
 Diagnostic tests (*ultrasounds and blood work*)
[Specialist](#) visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$600
Coinsurance	\$0
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Peg would pay is	\$660

Managing Joe's type 2 Diabetes

(a year of routine in-network care of a well-controlled condition)

■ The plan's overall deductible	\$0
■ Specialist copayment	\$15
■ Hospital (facility) copayment	\$200
■ Other (blood work) copayment	\$0

This EXAMPLE event includes services like:

Primary care physician office visits (*including disease education*)
 Diagnostic tests (*blood work*)
 Prescription drugs
 Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$900
Coinsurance	\$30
<i>What isn't covered</i>	
Limits or exclusions	\$60
The total Joe would pay is	\$990

Mia's Simple Fracture

(in-network emergency room visit and follow up care)

■ The plan's overall deductible	\$0
■ Specialist copayment	\$15
■ Hospital (facility) copayment	\$200
■ Other (x-ray) copayment	\$0

This EXAMPLE event includes services like:

Emergency room care (*including medical supplies*)
 Diagnostic test (*x-ray*)
 Durable medical equipment (*crutches*)
 Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<i>Cost Sharing</i>	
Deductibles	\$0
Copayments	\$400
Coinsurance	\$40
<i>What isn't covered</i>	
Limits or exclusions	\$0
The total Mia would pay is	\$440

NONDISCRIMINATION NOTICE

Kaiser Foundation Health Plan of the Northwest (Kaiser Health Plan) complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Kaiser Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex. We also:

- Provide no cost aids and services to people with disabilities to communicate effectively with us, such as:
 - Qualified sign language interpreters
 - Written information in other formats, such as large print, audio, and accessible electronic formats
- Provide no cost language services to people whose primary language is not English, such as:
 - Qualified interpreters
 - Information written in other languages

If you need these services, call 1-800-813-2000 (TTY: 711)

If you believe that Kaiser Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance by mail or phone at: Member Relations, Attention: Kaiser Civil Rights Coordinator, 500 NE Multnomah St. Ste 100, Portland, OR 97232, telephone number: 1-800-813-2000.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue SW., Room 509F, HHH Building, Washington, DC 20201, 1-800-368-1019, 1-800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.

HELP IN YOUR LANGUAGE

ATTENTION: If you speak English, language assistance services, free of charge, are available to you. Call 1-800-813-2000 (TTY: 711).

አማርኛ (Amharic) ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም እርዳታ ድርጅቶች፣ በጎጂ ሊያግዝዎት ተዘጋጅተዋል። ወደ ሚከተለው ቁጥር ይደውሉ 1-800-813-2000 (TTY: 711)።

العربية (Arabic) ملحوظة: إذا كنت تتحدث العربية، فإن خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 1-800-813-2000 (TTY: 711).

中文 (Chinese) 注意: 如果您使用繁體中文，您可以免費獲得語言援助服務。請致電 1-800-813-2000 (TTY: 711)。

فارسی (Farsi) توجه: اگر بہ زبان فارسی گفتگو می کنید،
تسهیلات زبانی بصورت رایگان برای شما فراهم می باشد.
با 1-800-813-2000 (TTY: 711) تماس بگیرید.

Français (French) ATTENTION: Si vous parlez français,
des services d'aide linguistique vous sont proposés
gratuitement. Appelez le 1-800-813-2000 (TTY: 711).

Deutsch (German) ACHTUNG: Wenn Sie Deutsch
sprechen, stehen Ihnen kostenlos sprachliche
Hilfsdienstleistungen zur Verfügung.
Rufnummer: 1-800-813-2000 (TTY: 711).

日本語 (Japanese) 注意事項: 日本語を話される場合、
無料の言語支援をご利用いただけます。1-800-813-2000
(TTY: 711) まで、お電話にてご連絡ください。

ខ្មែរ (Khmer) ប្រយ័ត្ន: បើសិនជាអ្នកនិយាយភាសាខ្មែរ,
សេវាជំនួយភាសាដោយមិនគិតថ្លៃ
គឺអាចម៉ោងសិក្សាបំប៉នអ្នក។ ចូរ ទូរស័ព្ទ 1-800-813-2000
(TTY: 711)។

한국어 (Korean) 주의: 한국어를 사용하시는 경우, 언어
지원 서비스를 무료로 이용하실 수 있습니다.
1-800-813-2000 (TTY: 711) 번으로 전화해 주십시오.

ລາວ (Laotian) ໃບຄວາມ: ຖ້າວ່າ ທ່ານເວົ້າພາສາ ລາວ,
ການບໍລິການຊ່ວຍເຫຼືອດ້ານພາສາ, ໂດຍບໍ່ເສັຽຄ່າ,
ແມ່ນມີພ້ອມໃຫ້ທ່ານ. ໂທ 1-800-813-2000 (TTY: 711).

Naabeehó (Navajo) Dii baa akó ninizin: Dii saad bee
yánílti'go Diné Bizaad, saad bee áká'ánída'áwo'déé', t'áá
jiiik'eh, éi ná hóló, koji' hódíilnih 1-800-813-2000 (TTY:
711).

Afaan Oromoo (Oromo) XIYYEEFFANNA: Afaan
dubbattu Oroomiffa, tajaajila gargaarsa afaanii,
kanfaltiidhaan ala, ni argama.
Bilbilaa 1-800-813-2000 (TTY: 711).

ਪੰਜਾਬੀ (Punjabi) ਧਿਆਨ ਦਿਓ: ਜੇ ਤੁਸੀਂ ਪੰਜਾਬੀ ਬੋਲਦੇ ਹੋ, ਤਾਂ
ਭਾਸ਼ਾ ਵਿੱਚ ਸਹਾਇਤਾ ਸੇਵਾ ਤੁਹਾਡੇ ਲਈ ਮੁਫਤ ਉਪਲਬਧ ਹੈ।
1-800-813-2000 (TTY: 711) 'ਤੇ ਕਾਲ ਕਰੋ।

Română (Romanian) ATENȚIE: Dacă vorbiți limba
română, vă stau la dispoziție servicii de asistentă
lingvistică, gratuit. Sunați la 1-800-813-2000 (TTY: 711).

Русский (Russian) ВНИМАНИЕ: если вы говорите
на русском языке, то вам доступны бесплатные
услуги перевода. Звоните 1-800-813-2000 (TTY: 711).

Español (Spanish) ATENCIÓN: si habla español, tiene
a su disposición servicios gratuitos de asistencia
lingüística. Llame al 1-800-813-2000 (TTY: 711).

Tagalog (Tagalog) PAUNAWA: Kung nagsasalita ka
ng Tagalog, maaari kang gumamit ng mga serbisyo ng
tulong sa wika nang walang bayad.
Tumawag sa 1-800-813-2000 (TTY: 711).

ไทย (Thai) เรียน: ถ้าคุณพูดภาษาไทย
คุณสามารถใช้บริการช่วยเหลือทางภาษาได้ฟรี โทร 1-800-
813-2000 (TTY: 711).

Українська (Ukrainian) УВАГА! Якщо ви розмовляєте
українською мовою, ви можете звернутися до
безкоштовної служби мовної підтримки. Телефонуйте
за номером 1-800-813-2000 (TTY: 711).

Tiếng Việt (Vietnamese) CHÚ Ý: Nếu bạn nói Tiếng
Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho
bạn. Gọi số 1-800-813-2000 (TTY: 711).




The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE: Information about the cost of this plan (called the premium) will be provided separately.**

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-800-548-1686 or at <https://policy-srv.box.com/s/ftd9idwv8sy06kv3ujtzby70nd1y4dob>.

For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf or call 1-800-548-1686 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	For <u>In-Network</u> : \$2,500 Individual/\$5,000 Family For <u>Out-of-Network</u> : \$5,000 Individual/\$15,000 Family	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this plan begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your deductible?	Yes. Certain <u>preventive care</u> is covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the out-of-pocket limit for this plan?	For <u>In-Network</u> : \$4,000 Individual/\$8,000 Family For <u>Out-of-Network</u> : \$10,000 Individual/\$20,000 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the out-of-pocket limit?	<u>Premiums</u> , <u>balanced-billed charges</u> , and healthcare this <u>plan</u> doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u>
Will you pay less if you use a network provider?	Yes. See www.bcbsil.com or call 1-800-548-1686 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a referral to see a specialist?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	<u>Specialist</u> visit	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	<u>Preventive care/screening/immunization</u>	No Charge; <u>deductible</u> does not apply	40% <u>coinsurance</u>	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services needed are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at www.bcbsil.com .	Generic drugs	\$10 <u>copay</u> /prescription (retail) \$20 <u>copay</u> /prescription (mail order)	\$10 <u>copay</u> /prescription (retail)	30-day supply at Retail 90-day supply at Mail Order 90-day supply at Retail
	Preferred brand drugs	\$35 <u>copay</u> /prescription (retail) \$70 <u>copay</u> /prescription (mail order)	\$35 <u>copay</u> /prescription (retail)	For <u>Out-of-Network</u> drug <u>provider</u> , you are responsible for 25% of the eligible amount after the <u>copay</u> .
	Non-preferred brand drugs	\$60 <u>copay</u> /prescription (retail) \$120 <u>copay</u> /prescription (mail order)	\$60 <u>copay</u> /prescription (retail)	Certain women's preventive services will be covered with no cost to the member. For a full list of these prescriptions and/or services, please contact Customer Service.
	<u>Specialty drugs</u>	\$60 <u>copay</u> /prescription (retail)	Not Covered	Coverage based on group policy. Prior <u>authorization</u> may be required.

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/ftd9idwv8sy06kv3ujtzy70nd1y4dob>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need immediate medical attention	<u>Emergency room care</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	Non-emergency use of the emergency room has a 50% <u>coinsurance</u> up to a \$1,000 <u>copayment</u> .
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	None
	<u>Urgent care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Inpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you are pregnant	Office visits	20% <u>coinsurance</u>	40% <u>coinsurance</u>	<u>Cost sharing</u> does not apply for <u>preventive services</u> . Depending on the type of services, a <u>coinsurance</u> or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	
	Childbirth/delivery facility services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/ftd9idwv8sy06kv3ujtzby70nd1y4dob>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 100 visits per benefit period.
	<u>Rehabilitation services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 visits per calendar year for occupational therapy, speech therapy and physical therapy.
	<u>Habilitation services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Skilled nursing care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Benefits are limited to items used to serve a medical purpose. <u>DME</u> benefits are provided for both purchase and rental equipment (up to the purchase price).
	<u>Hospice services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If your child needs dental or eye care	Children's eye exam	No Charge	50% <u>coinsurance</u>	Limited to one routine eye exam per 24 months.
	Children's glasses	Not Covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your <u>Plan</u> Generally Does NOT Cover (Check your policy or <u>plan</u> document for more information and a list of any other <u>excluded services</u>.)			
<ul style="list-style-type: none"> • Acupuncture • Bariatric surgery • Cosmetic surgery 	<ul style="list-style-type: none"> • Dental care (Adult) • Long term care 	<ul style="list-style-type: none"> • Routine foot care (with the exception of persons diagnosed with diabetes) • Weight loss programs 	
Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your <u>plan</u> document.)			
<ul style="list-style-type: none"> • Chiropractic care • Hearing aids 	<ul style="list-style-type: none"> • Infertility treatment • Non-emergency care when traveling outside the U.S. 	<ul style="list-style-type: none"> • Private-duty nursing (with the exception of inpatient private duty nursing) • Routine eye care (Adult) 	

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/ftd9idwv8sy06kv3ujtzb70nd1y4dob>.

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: the plan at 1-800-548-1686, U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform, or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or www.cciio.cms.gov. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact: Blue Cross and Blue Shield of Illinois at 1-800-548-1686 or visit www.bcbsil.com, or contact the U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or visit www.dol.gov/ebsa/healthreform. Additionally, a consumer assistance program can help you file your appeal. Contact the Illinois Department of Insurance at (877) 527-9431 or visit <http://insurance.illinois.gov>.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-548-1686.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-548-1686.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-548-1686.

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-800-548-1686.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in network pre natal care and a hospital delivery)

■ The <u>plan's overall deductible</u>	\$2,500
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Specialist office visits (*prenatal care*)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$2,500
<u>Copayments</u>	\$0
<u>Coinsurance</u>	\$1,500
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Peg would pay is	\$4,060

Managing Joe's type 2 Diabetes

(a year of routine in network care of a well controlled condition)

■ The <u>plan's overall deductible</u>	\$2,500
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$2,500
<u>Copayments</u>	\$800
<u>Coinsurance</u>	\$90
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Joe would pay is	\$3,450

Mia's Simple Fracture

(in network emergency room visit and follow up care)

■ The <u>plan's overall deductible</u>	\$2,500
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,900
<u>Copayments</u>	\$0
<u>Coinsurance</u>	\$0
<u>What isn't covered</u>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,900

The plan would be responsible for the other costs of these **EXAMPLE** covered services.



BlueCross BlueShield of Illinois

If you, or someone you are helping, have questions, you have the right to get help and information in your language at no cost.
To speak to an interpreter, call the customer service number on the back of your member card. If you are not a member, or don't have a card, call 855-710-6984.

العربية Arabic	إن كان لديك أو لدى شخص تساعد أسئلة، فذلك الحق في الحصول على المساعدة والمعلومات الضرورية بلغتك من دون أية تكلفة. للتحدث إلى مترجم فوري، اتصل على رقم خدمة العملاء المذكور على ظهر بطاقة عضويتك. فإن لم تكن عضواً، أو كنت لا تملك بطاقة، فتصل على 855-710-6984.
繁體中文 Chinese	如果您，或您正在協助的對象，對此有疑問，您有權利免費以您的母語獲得幫助和訊息。洽詢一位翻譯員，請致電印在您的會員卡背面的客戶服務電話號碼。如果您不是會員，或沒有會員卡，請致電 855-710-6984。
Français French	Si vous, ou quelqu'un que vous êtes en train d'aider, avez des questions, vous avez le droit d'obtenir de l'aide et l'information dans votre langue à aucun coût. Pour parler à un interprète, composez le numéro du service client indiqué au verso de votre carte de membre. Si vous n'êtes pas membre ou si vous n'avez pas de carte, veuillez composer le 855-710-6984.
Deutsch German	Falls Sie oder jemand, dem Sie helfen, Fragen haben, haben Sie das Recht, kostenlose Hilfe und Informationen in Ihrer Sprache zu erhalten. Um mit einem Dolmetscher zu sprechen, rufen Sie bitte die Kundenservicenummer auf der Rückseite Ihrer Mitgliedskarte an. Falls Sie kein Mitglied sind oder keine Mitgliedskarte besitzen, rufen Sie bitte 855-710-6984 an.
Ελληνικά Greek	Εάν εσείς ή κάποιος που βοηθάτε έχετε ερωτήσεις, έχετε το δικαίωμα να λάβετε βοήθεια και πληροφορίες στη γλώσσα σας χωρίς χρέωση. Για να μιλήσετε σε έναν διερμηνέα, καλέστε τον αριθμό εξπηρέτησης πελατών που αναγράφεται στο πίσω μέρος της κάρτας μέλους σας. Εάν δεν είστε μέλος ή δεν έχετε κάρτα, καλέστε τον αριθμό 855-710-6984.
ગુજરાતી Gujarati	જો તમને અથવા તમે મદદ કરી રહ્યા હોય એવી કોઈ બીજી વ્યક્તિને એસ.બી.એમ. દુભાષિયા સાથે વાત કરવા માટે, તમારા સભ્યપદના કાર્ડની પાછળ આપેલ ગ્રાહક સેવા નંબર પર કોલ કરો. જો આપ સભ્યપદ ના ધરાવતા હોવ, અથવા આપની પાસે કાર્ડ નથી તો 855-710-6984 નંબર પર કોલ કરો.
हिंदी Hindi	यदि आपके, या आप जिसकी सहायता कर रहे हैं उसके, प्रश्न हैं, तो आपको अपनी भाषा में निःशुल्क सहायता और जानकारी प्राप्त करने का अधिकार है। किसी अनुवादक से बात करने के लिए, अपने सदस्य कार्ड के पीछे दिए गए ग्राहक सेवा नंबर पर कॉल करें। यदि आप सदस्य नहीं हैं, या आपके पास कार्ड नहीं है, तो 855-710-6984 पर कॉल करें।
Italiano Italian	Se tu o qualcuno che stai aiutando avete domande, hai il diritto di ottenere aiuto e informazioni nella tua lingua gratuitamente. Per parlare con un interprete, puoi chiamare il servizio clienti al numero riportato sul lato posteriore della tua tessera di socio. Se non sei socio o non possiedi una tessera, puoi chiamare il numero 855-710-6984.
한국어 Korean	만약 귀하 또는 귀하가 돕는 사람이 질문이 있다면 귀하는 무료로 그러한 도움과 정보를 귀하의 언어로 받을 수 있는 권리가 있습니다. 회원 카드 뒷면에 있는 고객 서비스 번호로 전화하십시오. 회원이 아니시거나 카드가 없으시면 855-710-6984 으로 전화하십시오.
Diné Navajo	T'áá ní, éí doodago fa'da biká anánílwo'ígíí, na'idííkidgo, ts'ídá bee ná ahóótí'i' t'áá níí'k'e níká a'doolwof. Ata' halne'í bich'i'í hadeesdzih nínízingo éí kwe'é da'íníshgí áká anídaalwo'ígíí bich'i'í hodiílnih, bee nééhózinii bine'déé' bikáá'. Kojí atah naaltsoos ná hadít'éégóó éí doodago bee nééhózinígíí ádingo kojí' hodiílnih 855-710-6984.
Polski Polish	Jeśli Ty lub osoba, której pomagasz, macie jakiekolwiek pytania, macie prawo do uzyskania bezpłatnej informacji i pomocy we własnym języku. Aby porozmawiać z tłumaczem, zadzwoń pod numer podany na odwrocie karty członkowskiej. Jeżeli nie jesteś członkiem lub nie masz przy sobie karty, zadzwoń pod numer 855-710-6984.
Русский Russian	Если у вас или человека, которому вы помогаете, возникли вопросы, у вас есть право на бесплатную помощь и информацию, предоставленную на вашем языке. Чтобы поговорить с переводчиком, позвоните в отдел обслуживания клиентов по телефону, указанному на обратной стороне вашей карточки участника. Если вы не являетесь участником или у вас нет карточки, позвоните по телефону 855-710-6984.
Español Spanish	Si usted o alguien a quien usted está ayudando tiene preguntas, tiene derecho a obtener ayuda e información en su idioma sin costo alguno. Para hablar con un intérprete comuníquese con el número del Servicio al Cliente que figura en el reverso de su tarjeta de miembro. Si usted no es miembro o no posee una tarjeta, llame al 855-710-6984.
Tagalog Tagalog	Kung ikaw, o ang isang taong iyong tinutulungan ay may mga tanong, may karapatan kang makakuha ng tulong at impormasyon sa iyong wika nang walang bayad. Upang makipag-usap sa isang tagasalin-wika, tumawag sa numero ng serbisyo para sa kustomer sa likod ng iyong kard ng miyembro. Kung ikaw ay hindi isang miyembro, o kaya ay walang kard, tumawag sa 855-710-6984.
اردو Urdu	گر آپ کو، یا کسی ایسے فرد کو جس کی آپ مدد کر رہے ہیں، کوئی سوال درپیش ہے تو، آپ کو اپنی زبان میں مفت مدد اور معلومات حاصل کرنے کا حق ہے۔ مترجم سے بات کرنے کے لیے، کسٹمر سروس نمبر پر کال کریں جو آپ کے کارڈ کی پشت پر درج ہے۔ اگر آپ ممبر نہیں ہیں، یا آپ کے پاس کارڈ نہیں ہے تو، 855-710-6984 پر کال کریں۔
Tiếng Việt Vietnamese	Nếu quý vị hoặc người mà quý vị giúp đỡ có bất kỳ câu hỏi nào, quý vị có quyền được hỗ trợ và nhận thông tin bằng ngôn ngữ của mình miễn phí. Để nói chuyện với thông dịch viên, gọi số dịch vụ khách hàng nằm ở phía sau thẻ hội viên của quý vị. Nếu quý vị không phải là hội viên hoặc không có thẻ, gọi số 855-710-6984.

Health care coverage is important for everyone.

We provide free communication aids and services for anyone with a disability or who needs language assistance.
We do not discriminate on the basis of race, color, national origin, sex, gender identity, age or disability.

To receive language or communication assistance free of charge, please call us at 855-710-6984.

If you believe we have failed to provide a service, or think we have discriminated in another way, contact us to file a grievance.

Office of Civil Rights Coordinator
300 E. Randolph St.
35th Floor
Chicago, Illinois 60601

Phone: 855-664-7270 (voicemail)
TTY/TDD: 855-661-6965
Fax: 855-661-6960
Email: CivilRightsCoordinator@hcsc.net

You may file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, at:

U.S. Dept. of Health & Human Services
200 Independence Avenue SW
Room 509F, HHH Building 1019
Washington, DC 20201

Phone: 800-368-1019
TTY/TDD: 800-537-7697
Complaint Portal: <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>
Complaint Forms: <http://www.hhs.gov/ocr/office/file/index.html>




The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE: Information about the cost of this plan (called the premium) will be provided separately.**

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-800-548-1686 or at <https://policy-srv.box.com/s/qu4cfny73tpb6u256epkulxrj8z2c19h>.

For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf or call 1-800-548-1686 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	For <u>In-Network</u> : \$2,000 Individual/\$4,000 Family For <u>Out-of-Network</u> : \$3,000 Individual/\$6,000 Family	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this plan begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your deductible?	Yes. Certain <u>preventive care</u> , services that charge a <u>copay</u> , and emergency room services are covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the out-of-pocket limit for this plan?	For <u>In-Network</u> : \$5,000 Individual/\$10,000 Family For <u>Out-of-Network</u> : \$10,000 Individual/\$20,000 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the out-of-pocket limit?	<u>Premiums</u> , <u>balanced-billed charges</u> , and healthcare this <u>plan</u> doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u>
Will you pay less if you use a network provider?	Yes. See www.bcbsil.com or call 1-800-548-1686 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a referral to see a specialist?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	\$30 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
	<u>Specialist</u> visit	\$50 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
	<u>Preventive care/screening/immunization</u>	No Charge; <u>deductible</u> does not apply	40% <u>coinsurance</u>	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services needed are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	No Charge	40% <u>coinsurance</u>	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.bcbsil.com .	Generic drugs	\$10 <u>copay</u> /prescription (retail) \$20 <u>copay</u> /prescription (mail order)	\$10 <u>copay</u> /prescription (retail)	30-day supply at Retail 90-day supply at Mail Order 90-day supply at Retail
	Preferred brand drugs	\$35 <u>copay</u> /prescription (retail) \$70 <u>copay</u> /prescription (mail order)	\$35 <u>copay</u> /prescription (retail)	For <u>Out-of-Network</u> drug <u>provider</u> , you are responsible for 25% of the eligible amount after the <u>copay</u> .
	Non-preferred brand drugs	\$60 <u>copay</u> /prescription (retail) \$120 <u>copay</u> /prescription (mail order)	\$60 <u>copay</u> /prescription (retail)	Certain women's preventive services will be covered with no cost to the member. For a full list of these prescriptions and/or services, please contact Customer Service.
	<u>Specialty drugs</u>	\$60 <u>copay</u> /prescription (retail)	Not Covered	Coverage based on group policy. Prior <u>authorization</u> may be required.

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/qu4cfny73tpb6u256epkulxrj8z2c19h>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need immediate medical attention	<u>Emergency room care</u>	\$250 <u>copay</u> /visit; <u>deductible</u> does not apply	\$250 <u>copay</u> /visit; <u>deductible</u> does not apply	<u>Copay</u> waived if admitted. Non-emergency use of the emergency room has a 50% <u>coinsurance</u> up to a \$1,000 <u>copayment</u> .
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	None
	<u>Urgent care</u>	\$50 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	\$30 PCP <u>copay</u> applies to psychotherapy office visit only.
	Inpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you are pregnant	Office visits	\$30 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	<u>Copay</u> applies to first prenatal visit (per pregnancy).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	<u>Cost sharing</u> does not apply for <u>preventive services</u> . Depending on the type of services, a <u>copayment</u> , <u>coinsurance</u> , or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery facility services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/qu4cfny73tpb6u256epkulxrj8z2c19h>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 100 visits per benefit period.
	<u>Rehabilitation services</u>	\$30 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	Limited to 60 visits per calendar year for occupational therapy, speech therapy and physical therapy.
	<u>Habilitation services</u>	\$30 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	
	<u>Skilled nursing care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Benefits are limited to items used to serve a medical purpose. <u>DME</u> benefits are provided for both purchase and rental equipment (up to the purchase price).
	<u>Hospice services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If your child needs dental or eye care	Children's eye exam	No Charge	50% <u>coinsurance</u>	Limited to one routine eye exam per 24 months.
	Children's glasses	Not Covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your <u>Plan</u> Generally Does NOT Cover (Check your policy or <u>plan</u> document for more information and a list of any other <u>excluded services</u> .)		
<ul style="list-style-type: none"> Acupuncture Bariatric surgery Cosmetic surgery 	<ul style="list-style-type: none"> Dental care (Adult) Long term care 	<ul style="list-style-type: none"> Private-duty nursing Routine foot care Weight loss programs
Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your <u>plan</u> document.)		
<ul style="list-style-type: none"> Chiropractic care Hearing aids 	<ul style="list-style-type: none"> Infertility treatment 	<ul style="list-style-type: none"> Non-emergency care when traveling outside the U.S. Routine eye care (Adult)

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/qu4cfny73tpb6u256epkulxrj8z2c19h>.

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: the plan at 1-800-548-1686, U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform, or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or www.cciio.cms.gov. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact: Blue Cross and Blue Shield of Illinois at 1-800-548-1686 or visit www.bcbsil.com, or contact the U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or visit www.dol.gov/ebsa/healthreform. Additionally, a consumer assistance program can help you file your appeal. Contact the Illinois Department of Insurance at (877) 527-9431 or visit <http://insurance.illinois.gov>.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-548-1686.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-548-1686.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-548-1686.

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-800-548-1686.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in network pre natal care and a hospital delivery)

■ The <u>plan's</u> overall <u>deductible</u>	\$2,000
■ <u>Specialist copayment</u>	\$50
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Specialist office visits (prenatal care)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (ultrasounds and blood work)
Specialist visit (anesthesia)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$2,000
<u>Copayments</u>	\$100
<u>Coinsurance</u>	\$1,900
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Peg would pay is	\$4,060

Managing Joe's type 2 Diabetes

(a year of routine in network care of a well controlled condition)

■ The <u>plan's</u> overall <u>deductible</u>	\$2,000
■ <u>Specialist copayment</u>	\$50
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Primary care physician office visits (including disease education)
Diagnostic tests (blood work)
Prescription drugs
Durable medical equipment (glucose meter)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,700
<u>Copayments</u>	\$1,100
<u>Coinsurance</u>	\$0
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Joe would pay is	\$2,860

Mia's Simple Fracture

(in network emergency room visit and follow up care)

■ The <u>plan's</u> overall <u>deductible</u>	\$2,000
■ <u>Specialist copayment</u>	\$50
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Emergency room care (including medical supplies)
Diagnostic test (x-ray)
Durable medical equipment (crutches)
Rehabilitation services (physical therapy)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$900
<u>Copayments</u>	\$300
<u>Coinsurance</u>	\$0
<u>What isn't covered</u>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,200

The plan would be responsible for the other costs of these **EXAMPLE** covered services.



BlueCross BlueShield of Illinois

If you, or someone you are helping, have questions, you have the right to get help and information in your language at no cost.
To speak to an interpreter, call the customer service number on the back of your member card. If you are not a member, or don't have a card, call 855-710-6984.

العربية Arabic	إن كان لديك أو لدى شخص تساعد أسئلة، فذلك الحق في الحصول على المساعدة والمعلومات الضرورية بلغتك من دون أية تكلفة. للتحدث إلى مترجم فوري، اتصل على رقم خدمة العملاء المذكور على ظهر بطاقة عضويتك. فإن لم تكن عضوًا، أو كنت لا تملك بطاقة، فتصل على 855-710-6984.
繁體中文 Chinese	如果您，或您正在協助的對象，對此有疑問，您有權利免費以您的母語獲得幫助和訊息。洽詢一位翻譯員，請致電印在您的會員卡背面的客戶服務電話號碼。如果您不是會員，或沒有會員卡，請致電 855-710-6984。
Français French	Si vous, ou quelqu'un que vous êtes en train d'aider, avez des questions, vous avez le droit d'obtenir de l'aide et l'information dans votre langue à aucun coût. Pour parler à un interprète, composez le numéro du service client indiqué au verso de votre carte de membre. Si vous n'êtes pas membre ou si vous n'avez pas de carte, veuillez composer le 855-710-6984.
Deutsch German	Falls Sie oder jemand, dem Sie helfen, Fragen haben, haben Sie das Recht, kostenlose Hilfe und Informationen in Ihrer Sprache zu erhalten. Um mit einem Dolmetscher zu sprechen, rufen Sie bitte die Kundenservicenummer auf der Rückseite Ihrer Mitgliedskarte an. Falls Sie kein Mitglied sind oder keine Mitgliedskarte besitzen, rufen Sie bitte 855-710-6984 an.
Ελληνικά Greek	Εάν εσείς ή κάποιος που βοηθάτε έχετε ερωτήσεις, έχετε το δικαίωμα να λάβετε βοήθεια και πληροφορίες στη γλώσσα σας χωρίς χρέωση. Για να μιλήσετε σε έναν διερμηνέα, καλέστε τον αριθμό εξπηρέτησης πελατών που αναγράφεται στο πίσω μέρος της κάρτας μέλους σας. Εάν δεν είστε μέλος ή δεν έχετε κάρτα, καλέστε τον αριθμό 855-710-6984.
ગુજરાતી Gujarati	જો તમને અથવા તમે મદદ કરી રહ્યા હોય એવી કોઈ બીજી વ્યક્તિને એસ.બી.એમ. દુભાષિયા સાથે વાત કરવા માટે, તમારા સભ્યપદના કાર્ડની પાછળ આપેલ ગ્રાહક સેવા નંબર પર કોલ કરો. જો આપ સભ્યપદ ના ધરાવતા હોવ, અથવા આપની પાસે કાર્ડ નથી તો 855-710-6984 નંબર પર કોલ કરો.
हिंदी Hindi	यदि आपके, या आप जिसकी सहायता कर रहे हैं उसके, प्रश्न हैं, तो आपको अपनी भाषा में निःशुल्क सहायता और जानकारी प्राप्त करने का अधिकार है। किसी अनुवादक से बात करने के लिए, अपने सदस्य कार्ड के पीछे दिए गए ग्राहक सेवा नंबर पर कॉल करें। यदि आप सदस्य नहीं हैं, या आपके पास कार्ड नहीं है, तो 855-710-6984 पर कॉल करें।
Italiano Italian	Se tu o qualcuno che stai aiutando avete domande, hai il diritto di ottenere aiuto e informazioni nella tua lingua gratuitamente. Per parlare con un interprete, puoi chiamare il servizio clienti al numero riportato sul lato posteriore della tua tessera di socio. Se non sei socio o non possiedi una tessera, puoi chiamare il numero 855-710-6984.
한국어 Korean	만약 귀하 또는 귀하가 돕는 사람이 질문이 있다면 귀하는 무료로 그러한 도움과 정보를 귀하의 언어로 받을 수 있는 권리가 있습니다. 회원 카드 뒷면에 있는 고객 서비스 번호로 전화하십시오. 회원이 아니시거나 카드가 없으시면 855-710-6984 으로 전화하십시오.
Diné Navajo	T'áá ni, éi doodago ta'da biká anánílwo'ígíí, na'idííkidgo, ts'idá bee ná ahóótí'i' t'áá níí'k'e níká a'doolwoł. Ata' halne'i bich'i'í' hadeesdzih nínízingo éi kwe'è da'íníshgí áká anídaalwo'ígíí bich'i'í' hodiílnih, bee nééhózinii bine'déé' bikáá'. Koji atah naaltsoos ná hadít'éégóó éi doodago bee nééhózinígíí ádingo koji' hodiílnih 855-710-6984.
Polski Polish	Jeśli Ty lub osoba, której pomagasz, macie jakieś pytania, macie prawo do uzyskania bezpłatnej informacji i pomocy w własnym języku. Aby porozmawiać z tłumaczem, zadzwoń pod numer podany na odwrocie karty członkowskiej. Jeżeli nie jesteś członkiem lub nie masz przy sobie karty, zadzwoń pod numer 855-710-6984.
Русский Russian	Если у вас или человека, которому вы помогаете, возникли вопросы, у вас есть право на бесплатную помощь и информацию, предоставленную на вашем языке. Чтобы поговорить с переводчиком, позвоните в отдел обслуживания клиентов по телефону, указанному на обратной стороне вашей карточки участника. Если вы не являетесь участником или у вас нет карточки, позвоните по телефону 855-710-6984.
Español Spanish	Si usted o alguien a quien usted está ayudando tiene preguntas, tiene derecho a obtener ayuda e información en su idioma sin costo alguno. Para hablar con un intérprete comuníquese con el número del Servicio al Cliente que figura en el reverso de su tarjeta de miembro. Si usted no es miembro o no posee una tarjeta, llame al 855-710-6984.
Tagalog Tagalog	Kung ikaw, o ang isang taong iyong tinutulungan ay may mga tanong, may karapatan kang makakuha ng tulong at impormasyon sa iyong wika nang walang bayad. Upang makipag-usap sa isang tagasalin-wika, tumawag sa numero ng serbisyo para sa kustomer sa likod ng iyong kard ng miyembro. Kung ikaw ay hindi isang miyembro, o kaya ay walang kard, tumawag sa 855-710-6984.
اردو Urdu	گر آپ کو، یا کسی ایسے فرد کو جس کی آپ مدد کر رہے ہیں، کوئی سوال درپیش ہے تو، آپ کو اپنی زبان میں مفت مدد اور معلومات حاصل کرنے کا حق ہے۔ مترجم سے بات کرنے کے لیے، کسٹمر سروس نمبر پر کال کریں جو آپ کے کارڈ کی پشت پر درج ہے۔ اگر آپ ممبر نہیں ہیں، یا آپ کے پاس کارڈ نہیں ہے تو، 855-710-6984 پر کال کریں۔
Tiếng Việt Vietnamese	Nếu quý vị hoặc người mà quý vị giúp đỡ có bất kỳ câu hỏi nào, quý vị có quyền được hỗ trợ và nhận thông tin bằng ngôn ngữ của mình miễn phí. Để nói chuyện với thông dịch viên, gọi số dịch vụ khách hàng nằm ở phía sau thẻ hội viên của quý vị. Nếu quý vị không phải là hội viên hoặc không có thẻ, gọi số 855-710-6984.

Health care coverage is important for everyone.

We provide free communication aids and services for anyone with a disability or who needs language assistance.
We do not discriminate on the basis of race, color, national origin, sex, gender identity, age or disability.

To receive language or communication assistance free of charge, please call us at 855-710-6984.

If you believe we have failed to provide a service, or think we have discriminated in another way, contact us to file a grievance.

Office of Civil Rights Coordinator
300 E. Randolph St.
35th Floor
Chicago, Illinois 60601

Phone: 855-664-7270 (voicemail)
TTY/TDD: 855-661-6965
Fax: 855-661-6960
Email: CivilRightsCoordinator@hcsc.net

You may file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, at:

U.S. Dept. of Health & Human Services
200 Independence Avenue SW
Room 509F, HHH Building 1019
Washington, DC 20201

Phone: 800-368-1019
TTY/TDD: 800-537-7697
Complaint Portal: <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>
Complaint Forms: <http://www.hhs.gov/ocr/office/file/index.html>




The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. **NOTE: Information about the cost of this plan (called the premium) will be provided separately.**

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-800-548-1686 or at <https://policy-srv.box.com/s/tytnfpudhginwamn2n6ad8asopj7pcrb>.

For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf or call 1-800-548-1686 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	For <u>In-Network</u> : \$1,500 Individual/\$3,000 Family For <u>Out-of-Network</u> : \$1,750 Individual/\$3,500 Family	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this plan begins to pay. If you have other family members on the <u>plan</u> , each family member must meet their own individual <u>deductible</u> until the total amount of <u>deductible</u> expenses paid by all family members meets the overall family <u>deductible</u> .
Are there services covered before you meet your deductible?	Yes. Certain <u>preventive care</u> , services that charge a <u>copay</u> , and emergency room services are covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the out-of-pocket limit for this plan?	For <u>In-Network</u> : \$3,500 Individual/\$7,000 Family For <u>Out-of-Network</u> : \$5,750 Individual/\$11,500 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , they have to meet their own <u>out-of-pocket limits</u> until the overall family <u>out-of-pocket limit</u> has been met.
What is not included in the out-of-pocket limit?	<u>Premiums</u> , <u>balanced-billed charges</u> , and healthcare this <u>plan</u> doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u>
Will you pay less if you use a network provider?	Yes. See www.bcbsil.com or call 1-800-548-1686 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a referral to see a specialist?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 **I copayment and coinsurance costs shown in this chart are after your deductible has been met, if a deductible applies.**

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you visit a health care <u>provider's</u> office or clinic	Primary care visit to treat an injury or illness	\$20 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
	<u>Specialist</u> visit	\$40 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
	<u>Preventive care/screening/immunization</u>	No Charge; <u>deductible</u> does not apply	40% <u>coinsurance</u>	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services needed are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	No Charge	40% <u>coinsurance</u>	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need drugs to treat your illness or condition More information about <u>prescription drug coverage</u> is available at www.bcbsil.com .	Generic drugs	\$10 <u>copay</u> /prescription (retail) \$20 <u>copay</u> /prescription (mail order)	\$10 <u>copay</u> /prescription (retail)	30-day supply at Retail 90-day supply at Mail Order 90-day supply at Retail
	Preferred brand drugs	\$35 <u>copay</u> /prescription (retail) \$70 <u>copay</u> /prescription (mail order)	\$35 <u>copay</u> /prescription (retail)	For <u>Out-of-Network</u> drug <u>provider</u> , you are responsible for 25% of the eligible amount after the <u>copay</u> .
	Non-preferred brand drugs	\$60 <u>copay</u> /prescription (retail) \$120 <u>copay</u> /prescription (mail order)	\$60 <u>copay</u> /prescription (retail)	Certain women's preventive services will be covered with no cost to the member. For a full list of these prescriptions and/or services, please contact Customer Service.
	<u>Specialty drugs</u>	\$60 <u>copay</u> /prescription (retail)	Not Covered	Coverage based on group policy. Prior <u>authorization</u> may be required.

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/tytnfpudhgjnwamn2n6ad8asopj7pcrb>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need immediate medical attention	<u>Emergency room care</u>	\$250 <u>copay</u> /visit; <u>deductible</u> does not apply	\$250 <u>copay</u> /visit; <u>deductible</u> does not apply	<u>Copay</u> waived if admitted. Non-emergency use of the emergency room has a 50% <u>coinsurance</u> up to a \$1,000 <u>copayment</u> .
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	None
	<u>Urgent care</u>	\$50 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	\$20 PCP <u>copay</u> applies to psychotherapy office visit only.
	Inpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you are pregnant	Office visits	\$20 <u>copay</u> /visit; <u>deductible</u> does not apply	40% <u>coinsurance</u>	<u>Copay</u> applies to first prenatal visit (per pregnancy).
	Childbirth/delivery professional services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	<u>Cost sharing</u> does not apply for <u>preventive services</u> . Depending on the type of services, a <u>copayment</u> , <u>coinsurance</u> , or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery facility services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/tytnfpudhgjnwamn2n6ad8asopj7pcrb>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 100 visits per benefit period.
	<u>Rehabilitation services</u>	\$20 <u>copay/visit</u> ; <u>deductible</u> does not apply	40% <u>coinsurance</u>	Limited to 60 visits per calendar year for occupational therapy, speech therapy and physical therapy.
	<u>Habilitation services</u>	\$20 <u>copay/visit</u> ; <u>deductible</u> does not apply	40% <u>coinsurance</u>	
	<u>Skilled nursing care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Benefits are limited to items used to serve a medical purpose. <u>DME</u> benefits are provided for both purchase and rental equipment (up to the purchase price).
	<u>Hospice services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If your child needs dental or eye care	Children's eye exam	No Charge	50% <u>coinsurance</u>	Limited to one routine eye exam per 24 months.
	Children's glasses	Not Covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your Plan Generally Does NOT Cover (Check your policy or plan document for more information and a list of any other excluded services.)

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Acupuncture • Bariatric surgery • Cosmetic surgery | <ul style="list-style-type: none"> • Dental care (Adult) • Long term care | <ul style="list-style-type: none"> • Private-duty nursing • Routine foot care • Weight loss programs |
|--|---|---|

Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your plan document.)

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Chiropractic care • Hearing aids | <ul style="list-style-type: none"> • Infertility treatment | <ul style="list-style-type: none"> • Non-emergency care when traveling outside the U.S. • Routine eye care (Adult) |
|---|---|--|

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/tytnfpudhgjnwamn2n6ad8asopj7pcrb>.

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: the [plan](#) at 1-800-548-1686, U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform, or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or www.cciio.cms.gov. Other coverage options may be available to you too, including buying individual insurance coverage through the [Health Insurance Marketplace](#). For more information about the [Marketplace](#), visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your [plan](#) for a denial of a [claim](#). This complaint is called a [grievance](#) or [appeal](#). For more information about your rights, look at the [explanation](#) of benefits you will receive for that medical [claim](#). Your [plan](#) documents also provide complete information to submit a [claim](#), [appeal](#), or a [grievance](#) for any reason to your [plan](#). For more information about your rights, this notice, or assistance, contact: Blue Cross and Blue Shield of Illinois at 1-800-548-1686 or visit www.bcbsil.com, or contact the U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or visit www.dol.gov/ebsa/healthreform. Additionally, a consumer assistance program can help you file your [appeal](#). Contact the Illinois Department of Insurance at (877) 527-9431 or visit <http://insurance.illinois.gov>.

Does this [plan](#) provide [Minimum Essential Coverage](#)? Yes

If you don't have [Minimum Essential Coverage](#) for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this [plan](#) meet the [Minimum Value Standards](#)? Yes

If your [plan](#) doesn't meet the [Minimum Value Standards](#), you may be eligible for a [premium tax credit](#) to help you pay for a [plan](#) through the [Marketplace](#).

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-548-1686.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-548-1686.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-548-1686.

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-800-548-1686.

To see examples of how this [plan](#) might cover costs for a sample medical situation, see the next section.

* For more information about limitations and exceptions, see the [plan](#) or policy document at <https://policy-srv.box.com/s/tytnfpudhgjnwamn2n6ad8asopj7pcrb>.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in network pre natal care and a hospital delivery)

■ The <u>plan's</u> overall <u>deductible</u>	\$1,500
■ <u>Specialist copayment</u>	\$40
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Specialist office visits (*prenatal care*)
 Childbirth/Delivery Professional Services
 Childbirth/Delivery Facility Services
Diagnostic tests (*ultrasounds and blood work*)
Specialist visit (*anesthesia*)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,500
<u>Copayments</u>	\$30
<u>Coinsurance</u>	\$2,000
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Peg would pay is	\$3,590

Managing Joe's type 2 Diabetes

(a year of routine in network care of a well controlled condition)

■ The <u>plan's</u> overall <u>deductible</u>	\$1,500
■ <u>Specialist copayment</u>	\$40
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Primary care physician office visits (*including disease education*)
Diagnostic tests (*blood work*)
Prescription drugs
Durable medical equipment (*glucose meter*)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,500
<u>Copayments</u>	\$800
<u>Coinsurance</u>	\$50
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Joe would pay is	\$2,410

Mia's Simple Fracture

(in network emergency room visit and follow up care)

■ The <u>plan's</u> overall <u>deductible</u>	\$1,500
■ <u>Specialist copayment</u>	\$40
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Emergency room care (*including medical supplies*)
Diagnostic test (*x-ray*)
Durable medical equipment (*crutches*)
Rehabilitation services (*physical therapy*)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$800
<u>Copayments</u>	\$300
<u>Coinsurance</u>	\$100
<u>What isn't covered</u>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,200

The plan would be responsible for the other costs of these **EXAMPLE** covered services.



BlueCross BlueShield of Illinois

If you, or someone you are helping, have questions, you have the right to get help and information in your language at no cost.
To speak to an interpreter, call the customer service number on the back of your member card. If you are not a member, or don't have a card, call 855-710-6984.

العربية Arabic	إن كان لديك أو لدى شخص تساعد أسئلة، فذلك الحق في الحصول على المساعدة والمعلومات الضرورية بلغتك من دون أية تكلفة. للتحدث إلى مترجم فوري، اتصل على رقم خدمة العملاء المذكور على ظهر بطاقة عضويتك. فإن لم تكن عضوًا، أو كنت لا تملك بطاقة، فتصل على 855-710-6984.
繁體中文 Chinese	如果您，或您正在協助的對象，對此有疑問，您有權利免費以您的母語獲得幫助和訊息。洽詢一位翻譯員，請致電印在您的會員卡背面的客戶服務電話號碼。如果您不是會員，或沒有會員卡，請致電 855-710-6984。
Français French	Si vous, ou quelqu'un que vous êtes en train d'aider, avez des questions, vous avez le droit d'obtenir de l'aide et l'information dans votre langue à aucun coût. Pour parler à un interprète, composez le numéro du service client indiqué au verso de votre carte de membre. Si vous n'êtes pas membre ou si vous n'avez pas de carte, veuillez composer le 855-710-6984.
Deutsch German	Falls Sie oder jemand, dem Sie helfen, Fragen haben, haben Sie das Recht, kostenlose Hilfe und Informationen in Ihrer Sprache zu erhalten. Um mit einem Dolmetscher zu sprechen, rufen Sie bitte die Kundenservicenummer auf der Rückseite Ihrer Mitgliedskarte an. Falls Sie kein Mitglied sind oder keine Mitgliedskarte besitzen, rufen Sie bitte 855-710-6984 an.
Ελληνικά Greek	Εάν εσείς ή κάποιος που βοηθάτε έχετε ερωτήσεις, έχετε το δικαίωμα να λάβετε βοήθεια και πληροφορίες στη γλώσσα σας χωρίς χρέωση. Για να μιλήσετε σε έναν διερμηνέα, καλέστε τον αριθμό εξυπηρέτησης πελατών που αναγράφεται στο πίσω μέρος της κάρτας μέλους σας. Εάν δεν είστε μέλος ή δεν έχετε κάρτα, καλέστε τον αριθμό 855-710-6984.
ગુજરાતી Gujarati	જો તમને અથવા તમે મદદ કરી રહ્યા હોય એવી કોઈ બીજી વ્યક્તિને એસ.બી.એમ. દુભાષિયા સાથે વાત કરવા માટે, તમારા સભ્યપદના કાર્ડની પાછળ આપેલ ગ્રાહક સેવા નંબર પર કોલ કરો. જો આપ સભ્યપદ ના ધરાવતા હોવ, અથવા આપની પાસે કાર્ડ નથી તો 855-710-6984 નંબર પર કોલ કરો.
हिंदी Hindi	यदि आपके, या आप जिसकी सहायता कर रहे हैं उसके, प्रश्न हैं, तो आपको अपनी भाषा में निःशुल्क सहायता और जानकारी प्राप्त करने का अधिकार है। किसी अनुवादक से बात करने के लिए, अपने सदस्य कार्ड के पीछे दिए गए ग्राहक सेवा नंबर पर कॉल करें। यदि आप सदस्य नहीं हैं, या आपके पास कार्ड नहीं है, तो 855-710-6984 पर कॉल करें।
Italiano Italian	Se tu o qualcuno che stai aiutando avete domande, hai il diritto di ottenere aiuto e informazioni nella tua lingua gratuitamente. Per parlare con un interprete, puoi chiamare il servizio clienti al numero riportato sul lato posteriore della tua tessera di socio. Se non sei socio o non possiedi una tessera, puoi chiamare il numero 855-710-6984.
한국어 Korean	만약 귀하 또는 귀하가 돕는 사람이 질문이 있다면 귀하는 무료로 그러한 도움과 정보를 귀하의 언어로 받을 수 있는 권리가 있습니다. 회원 카드 뒷면에 있는 고객 서비스 번호로 전화하십시오. 회원이 아니시거나 카드가 없으시면 855-710-6984 으로 전화하십시오.
Diné Navajo	T'áá ni, éi doodago ta'da biká anánílwo'ígíí, na'idííkidgo, ts'idá bee ná ahóótí'i' t'áá níí'k'e níká a'doolwoł. Ata' halne'i bich'i'í' hadeesdzih nínízingo éi kwe'é da'íníshgí áká anídaalwo'ígíí bich'i'í' hodiílnih, bee nééhózinii bine'déé' bikáá'. Koji atah naaltsoos ná hadít'éégóó éi doodago bee nééhózinígíí ádingo koji' hodiílnih 855-710-6984.
Polski Polish	Jeśli Ty lub osoba, której pomagasz, macie jakiekolwiek pytania, macie prawo do uzyskania bezpłatnej informacji i pomocy we własnym języku. Aby porozmawiać z tłumaczem, zadzwoń pod numer podany na odwrocie karty członkowskiej. Jeżeli nie jesteś członkiem lub nie masz przy sobie karty, zadzwoń pod numer 855-710-6984.
Русский Russian	Если у вас или человека, которому вы помогаете, возникли вопросы, у вас есть право на бесплатную помощь и информацию, предоставленную на вашем языке. Чтобы поговорить с переводчиком, позвоните в отдел обслуживания клиентов по телефону, указанному на обратной стороне вашей карточки участника. Если вы не являетесь участником или у вас нет карточки, позвоните по телефону 855-710-6984.
Español Spanish	Si usted o alguien a quien usted está ayudando tiene preguntas, tiene derecho a obtener ayuda e información en su idioma sin costo alguno. Para hablar con un intérprete comuníquese con el número del Servicio al Cliente que figura en el reverso de su tarjeta de miembro. Si usted no es miembro o no posee una tarjeta, llame al 855-710-6984.
Tagalog Tagalog	Kung ikaw, o ang isang taong iyong tinutulungan ay may mga tanong, may karapatan kang makakuha ng tulong at impormasyon sa iyong wika nang walang bayad. Upang makipag-usap sa isang tagasalin-wika, tumawag sa numero ng serbisyo para sa kustomer sa likod ng iyong kard ng miyembro. Kung ikaw ay hindi isang miyembro, o kaya ay walang kard, tumawag sa 855-710-6984.
اردو Urdu	گر آپ کو، یا کسی ایسے فرد کو جس کی آپ مدد کر رہے ہیں، کوئی سوال درپیش ہے تو، آپ کو اپنی زبان میں مفت مدد اور معلومات حاصل کرنے کا حق ہے۔ مترجم سے بات کرنے کے لیے، کسٹمر سروس نمبر پر کال کریں جو آپ کے کارڈ کی پشت پر درج ہے۔ اگر آپ ممبر نہیں ہیں، یا آپ کے پاس کارڈ نہیں ہے تو، 855-710-6984 پر کال کریں۔
Tiếng Việt Vietnamese	Nếu quý vị hoặc người mà quý vị giúp đỡ có bất kỳ câu hỏi nào, quý vị có quyền được hỗ trợ và nhận thông tin bằng ngôn ngữ của mình miễn phí. Để nói chuyện với thông dịch viên, gọi số dịch vụ khách hàng nằm ở phía sau thẻ hội viên của quý vị. Nếu quý vị không phải là hội viên hoặc không có thẻ, gọi số 855-710-6984.

Health care coverage is important for everyone.

We provide free communication aids and services for anyone with a disability or who needs language assistance.
We do not discriminate on the basis of race, color, national origin, sex, gender identity, age or disability.

To receive language or communication assistance free of charge, please call us at 855-710-6984.

If you believe we have failed to provide a service, or think we have discriminated in another way, contact us to file a grievance.

Office of Civil Rights Coordinator
300 E. Randolph St.
35th Floor
Chicago, Illinois 60601

Phone: 855-664-7270 (voicemail)
TTY/TDD: 855-661-6965
Fax: 855-661-6960
Email: CivilRightsCoordinator@hcsc.net

You may file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, at:

U.S. Dept. of Health & Human Services
200 Independence Avenue SW
Room 509F, HHH Building 1019
Washington, DC 20201

Phone: 800-368-1019
TTY/TDD: 800-537-7697
Complaint Portal: <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>
Complaint Forms: <http://www.hhs.gov/ocr/office/file/index.html>




The Summary of Benefits and Coverage (SBC) document will help you choose a health plan. The SBC shows you how you and the plan would share the cost for covered health care services. NOTE: Information about the cost of this plan (called the premium) will be provided separately.

This is only a summary. For more information about your coverage, or to get a copy of the complete terms of coverage, call 1-800-548-1686 or at <https://policy-srv.box.com/s/rmr8ir8geor4agd3nabhp5adxqgxrbgm>.

For general definitions of common terms, such as allowed amount, balance billing, coinsurance, copayment, deductible, provider, or other underlined terms see the Glossary. You can view the Glossary at www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf or call 1-800-548-1686 to request a copy.

Important Questions	Answers	Why This Matters:
What is the overall deductible?	For <u>In-Network</u> : \$1,350 Individual/\$2,700 Family For <u>Out-of-Network</u> : \$2,000 Individual/\$4,000 Family	Generally, you must pay all of the costs from <u>providers</u> up to the <u>deductible</u> amount before this plan begins to pay. If you have other family members on the policy, the overall family <u>deductible</u> must be met before the plan begins to <u>pay</u> .
Are there services covered before you meet your deductible?	Yes. Certain <u>preventive care</u> is covered before you meet your <u>deductible</u> .	This <u>plan</u> covers some items and services even if you haven't yet met the <u>deductible</u> amount. But a <u>copayment</u> or <u>coinsurance</u> may apply. For example, this <u>plan</u> covers certain <u>preventive services</u> without <u>cost sharing</u> and before you meet your <u>deductible</u> . See a list of covered <u>preventive services</u> at https://www.healthcare.gov/coverage/preventive-care-benefits/ .
Are there other deductibles for specific services?	No.	You don't have to meet <u>deductibles</u> for specific services.
What is the out-of-pocket limit for this plan?	For <u>In-Network</u> : \$4,000 Individual/\$6,850 Family For <u>Out-of-Network</u> : \$10,000 Individual/\$20,000 Family	The <u>out-of-pocket limit</u> is the most you could pay in a year for covered services. If you have other family members in this <u>plan</u> , the overall family <u>out-of-pocket limit</u> must be met.
What is not included in the out-of-pocket limit?	<u>Premiums</u> , <u>balanced-billed charges</u> , and healthcare this <u>plan</u> doesn't cover.	Even though you pay these expenses, they don't count toward the <u>out-of-pocket limit</u>
Will you pay less if you use a network provider?	Yes. See www.bcbsil.com or call 1-800-548-1686 for a list of <u>network providers</u> .	This <u>plan</u> uses a <u>provider network</u> . You will pay less if you use a <u>provider</u> in the plan's <u>network</u> . You will pay the most if you use an <u>out-of-network provider</u> , and you might receive a bill from a <u>provider</u> for the difference between the provider's charge and what your <u>plan</u> pays (<u>balance billing</u>). Be aware, your <u>network provider</u> might use an <u>out-of-network provider</u> for some services (such as lab work). Check with your <u>provider</u> before you get services.
Do you need a referral to see a specialist?	No.	You can see the <u>specialist</u> you choose without a <u>referral</u> .

 All **copayment** and **coinsurance** costs shown in this chart are after your **deductible** has been met, if a **deductible** applies.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you visit a health care provider's office or clinic	Primary care visit to treat an injury or illness	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	<u>Specialist</u> visit	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	<u>Preventive care/screening/immunization</u>	No Charge; <u>deductible</u> does not apply	40% <u>coinsurance</u>	You may have to pay for services that aren't <u>preventive</u> . Ask your <u>provider</u> if the services needed are <u>preventive</u> . Then check what your <u>plan</u> will pay for.
If you have a test	<u>Diagnostic test</u> (x-ray, blood work)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Imaging (CT/PET scans, MRIs)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need drugs to treat your illness or condition More information about prescription drug coverage is available at www.bcbsil.com .	Generic drugs	\$10 <u>copay</u> /prescription (retail) \$20 <u>copay</u> /prescription (mail order)	\$10 <u>copay</u> /prescription (retail)	30-day supply at Retail 90-day supply at Mail Order 90-day supply at Retail
	Preferred brand drugs	\$35 <u>copay</u> /prescription (retail) \$70 <u>copay</u> /prescription (mail order)	\$35 <u>copay</u> /prescription (retail)	For <u>Out-of-Network</u> drug <u>provider</u> , you are responsible for 25% of the eligible amount after the <u>copay</u> .
	Non-preferred brand drugs	\$60 <u>copay</u> /prescription (retail) \$120 <u>copay</u> /prescription (mail order)	\$60 <u>copay</u> /prescription (retail)	Certain women's preventive services will be covered with no cost to the member. For a full list of these prescriptions and/or services, please contact Customer Service.
	<u>Specialty drugs</u>	\$60 <u>copay</u> /prescription (retail)	Not Covered	Coverage based on group policy. Prior <u>authorization</u> may be required.

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/rmr8ir8geor4agd3nabhp5adxqgxrbgm>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you have outpatient surgery	Facility fee (e.g., ambulatory surgery center)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need immediate medical attention	<u>Emergency room care</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	Non-emergency use of the emergency room has a 50% <u>coinsurance</u> up to a \$1,000 <u>copayment</u> .
	<u>Emergency medical transportation</u>	20% <u>coinsurance</u>	20% <u>coinsurance</u>	None
	<u>Urgent care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you have a hospital stay	Facility fee (e.g., hospital room)	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Physician/surgeon fees	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you need mental health, behavioral health, or substance abuse services	Outpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
	Inpatient services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If you are pregnant	Office visits	20% <u>coinsurance</u>	40% <u>coinsurance</u>	<u>Cost sharing</u> does not apply for <u>preventive services</u> . Depending on the type of services, a <u>coinsurance</u> or <u>deductible</u> may apply. Maternity care may include tests and services described elsewhere in the SBC (i.e. ultrasound.)
	Childbirth/delivery professional services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	
	Childbirth/delivery facility services	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/rmr8ir8geor4agd3nabhp5adxqgxrbgm>.

Common Medical Event	Services You May Need	What You Will Pay		Limitations, Exceptions, & Other Important Information
		In Network Provider (You will pay the least)	Out of Network Provider (You will pay the most)	
If you need help recovering or have other special health needs	<u>Home health care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 100 visits per benefit period.
	<u>Rehabilitation services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 visits per calendar year for occupational therapy, speech therapy and physical therapy.
	<u>Habilitation services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Skilled nursing care</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Limited to 60 days per benefit period.
	<u>Durable medical equipment</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	Benefits are limited to items used to serve a medical purpose. <u>DME</u> benefits are provided for both purchase and rental equipment (up to the purchase price).
	<u>Hospice services</u>	20% <u>coinsurance</u>	40% <u>coinsurance</u>	None
If your child needs dental or eye care	Children's eye exam	No Charge	50% <u>coinsurance</u>	Limited to one routine eye exam per 24 months.
	Children's glasses	Not Covered	Not Covered	None
	Children's dental check-up	Not Covered	Not Covered	None

Excluded Services & Other Covered Services:

Services Your <u>Plan</u> Generally Does NOT Cover (Check your policy or <u>plan</u> document for more information and a list of any other <u>excluded services</u>.)		
<ul style="list-style-type: none"> • Acupuncture • Bariatric surgery • Cosmetic surgery 	<ul style="list-style-type: none"> • Dental care (Adult) • Long term care 	<ul style="list-style-type: none"> • Routine foot care (with the exception of persons diagnosed with diabetes) • Weight loss programs
Other Covered Services (Limitations may apply to these services. This isn't a complete list. Please see your <u>plan</u> document.)		
<ul style="list-style-type: none"> • Chiropractic care • Hearing aids 	<ul style="list-style-type: none"> • Infertility treatment • Non-emergency care when traveling outside the U.S. 	<ul style="list-style-type: none"> • Private-duty nursing (with the exception of private duty nursing) • Routine eye care (Adult)

* For more information about limitations and exceptions, see the plan or policy document at <https://policy-srv.box.com/s/rmr8ir8geor4agd3nabhp5adxqgrbgm>.

Your Rights to Continue Coverage: There are agencies that can help if you want to continue your coverage after it ends. The contact information for those agencies is: the plan at 1-800-548-1686, U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or www.dol.gov/ebsa/healthreform, or Department of Health and Human Services, Center for Consumer Information and Insurance Oversight, at 1-877-267-2323 x61565 or www.cciio.cms.gov. Other coverage options may be available to you too, including buying individual insurance coverage through the Health Insurance Marketplace. For more information about the Marketplace, visit www.HealthCare.gov or call 1-800-318-2596.

Your Grievance and Appeals Rights: There are agencies that can help if you have a complaint against your plan for a denial of a claim. This complaint is called a grievance or appeal. For more information about your rights, look at the explanation of benefits you will receive for that medical claim. Your plan documents also provide complete information to submit a claim, appeal, or a grievance for any reason to your plan. For more information about your rights, this notice, or assistance, contact: Blue Cross and Blue Shield of Illinois at 1-800-548-1686 or visit www.bcbsil.com, or contact the U.S. Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or visit www.dol.gov/ebsa/healthreform. Additionally, a consumer assistance program can help you file your appeal. Contact the Illinois Department of Insurance at (877) 527-9431 or visit <http://insurance.illinois.gov>.

Does this plan provide Minimum Essential Coverage? Yes

If you don't have Minimum Essential Coverage for a month, you'll have to make a payment when you file your tax return unless you qualify for an exemption from the requirement that you have health coverage for that month.

Does this plan meet the Minimum Value Standards? Yes

If your plan doesn't meet the Minimum Value Standards, you may be eligible for a premium tax credit to help you pay for a plan through the Marketplace.

Language Access Services:

Spanish (Español): Para obtener asistencia en Español, llame al 1-800-548-1686.

Tagalog (Tagalog): Kung kailangan ninyo ang tulong sa Tagalog tumawag sa 1-800-548-1686.

Chinese (中文): 如果需要中文的帮助, 请拨打这个号码 1-800-548-1686.

Navajo (Dine): Dinek'ehgo shika at'ohwol ninisingo, kwijigo holne' 1-800-548-1686.

To see examples of how this plan might cover costs for a sample medical situation, see the next section.

About these Coverage Examples:



This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

Peg is Having a Baby

(9 months of in network pre natal care and a hospital delivery)

■ The <u>plan's overall deductible</u>	\$1,350
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Specialist office visits (prenatal care)
Childbirth/Delivery Professional Services
Childbirth/Delivery Facility Services
Diagnostic tests (ultrasounds and blood work)
Specialist visit (anesthesia)

Total Example Cost	\$12,800
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In this example, Peg would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,350
<u>Copayments</u>	\$30
<u>Coinsurance</u>	\$2,300
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Peg would pay is	\$3,740

Managing Joe's type 2 Diabetes

(a year of routine in network care of a well controlled condition)

■ The <u>plan's overall deductible</u>	\$1,350
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Primary care physician office visits (including disease education)
Diagnostic tests (blood work)
Prescription drugs
Durable medical equipment (glucose meter)

Total Example Cost	\$7,400
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In this example, Joe would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,350
<u>Copayments</u>	\$800
<u>Coinsurance</u>	\$300
<u>What isn't covered</u>	
Limits or exclusions	\$60
The total Joe would pay is	\$2,510

Mia's Simple Fracture

(in network emergency room visit and follow up care)

■ The <u>plan's overall deductible</u>	\$1,350
■ <u>Specialist coinsurance</u>	20%
■ Hospital (facility) <u>coinsurance</u>	20%
■ Other <u>coinsurance</u>	20%

This **EXAMPLE** event includes services like:

Emergency room care (including medical supplies)
Diagnostic test (x-ray)
Durable medical equipment (crutches)
Rehabilitation services (physical therapy)

Total Example Cost	\$1,900
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In this example, Mia would pay:

<u>Cost Sharing</u>	
<u>Deductibles</u>	\$1,350
<u>Copayments</u>	\$0
<u>Coinsurance</u>	\$100
<u>What isn't covered</u>	
Limits or exclusions	\$0
The total Mia would pay is	\$1,450



If you, or someone you are helping, have questions, you have the right to get help and information in your language at no cost. To speak to an interpreter, call the customer service number on the back of your member card. If you are not a member, or don't have a card, call 855-710-6984.

العربية Arabic	إن كان لديك أو لدى شخص تساعد أسئلة، فذلك الحق في الحصول على المساعدة والمعلومات الضرورية بلغتك من دون أية تكلفة. للتحدث إلى مترجم فوري، اتصل على رقم خدمة العملاء المذكور على ظهر بطاقة عضويتك. فإن لم تكن عضواً، أو كنت لا تملك بطاقة، فتصل على 855-710-6984.
繁體中文 Chinese	如果您，或您正在協助的對象，對此有疑問，您有權利免費以您的母語獲得幫助和訊息。洽詢一位翻譯員，請致電印在您的會員卡背面的客戶服務電話號碼。如果您不是會員，或沒有會員卡，請致電 855-710-6984。
Français French	Si vous, ou quelqu'un que vous êtes en train d'aider, avez des questions, vous avez le droit d'obtenir de l'aide et l'information dans votre langue à aucun coût. Pour parler à un interprète, composez le numéro du service client indiqué au verso de votre carte de membre. Si vous n'êtes pas membre ou si vous n'avez pas de carte, veuillez composer le 855-710-6984.
Deutsch German	Falls Sie oder jemand, dem Sie helfen, Fragen haben, haben Sie das Recht, kostenlose Hilfe und Informationen in Ihrer Sprache zu erhalten. Um mit einem Dolmetscher zu sprechen, rufen Sie bitte die Kundenservicenummer auf der Rückseite Ihrer Mitgliedskarte an. Falls Sie kein Mitglied sind oder keine Mitgliedskarte besitzen, rufen Sie bitte 855-710-6984 an.
Ελληνικά Greek	Εάν εσείς ή κάποιος που βοηθάτε έχετε ερωτήσεις, έχετε το δικαίωμα να λάβετε βοήθεια και πληροφορίες στη γλώσσα σας χωρίς χρέωση. Για να μιλήσετε σε έναν διερμηνέα, καλέστε τον αριθμό εξπηρέτησης πελατών που αναγράφεται στο πίσω μέρος της κάρτας μέλους σας. Εάν δεν είστε μέλος ή δεν έχετε κάρτα, καλέστε τον αριθμό 855-710-6984.
ગુજરાતી Gujarati	જો તમને અથવા તમે મદદ કરી રહ્યા હોય એવી કોઈ બીજી વ્યક્તિને એસ.બી.એમ. દુભાષિયા સાથે વાત કરવા માટે, તમારા સભ્યપદના કાર્ડની પાછળ આપેલ ગ્રાહક સેવા નંબર પર કોલ કરો. જો આપ સભ્યપદ ના ધરાવતા હોવ, અથવા આપની પાસે કાર્ડ નથી તો 855-710-6984 નંબર પર કોલ કરો.
हिंदी Hindi	यदि आपके, या आप जिसकी सहायता कर रहे हैं उसके, प्रश्न हैं, तो आपको अपनी भाषा में निःशुल्क सहायता और जानकारी प्राप्त करने का अधिकार है। किसी अनुवादक से बात करने के लिए, अपने सदस्य कार्ड के पीछे दिए गए ग्राहक सेवा नंबर पर कॉल करें। यदि आप सदस्य नहीं हैं, या आपके पास कार्ड नहीं है, तो 855-710-6984 पर कॉल करें।
Italiano Italian	Se tu o qualcuno che stai aiutando avete domande, hai il diritto di ottenere aiuto e informazioni nella tua lingua gratuitamente. Per parlare con un interprete, puoi chiamare il servizio clienti al numero riportato sul lato posteriore della tua tessera di socio. Se non sei socio o non possiedi una tessera, puoi chiamare il numero 855-710-6984.
한국어 Korean	만약 귀하 또는 귀하가 돕는 사람이 질문이 있다면 귀하는 무료로 그러한 도움과 정보를 귀하의 언어로 받을 수 있는 권리가 있습니다. 회원 카드 뒷면에 있는 고객 서비스 번호로 전화하십시오. 회원이 아니시거나 카드가 없으시면 855-710-6984 으로 전화하십시오.
Diné Navajo	T'áá ní, éí doodago fa'da biká anánílwo'ígíí, na'idííkidgo, ts'ídá bee ná ahóótí'i' t'áá níí'k'e níká a'doolwof. Ata' halne'í bich'í'í' hadeesdzih nínízingo éí kwe'é da'íníshgí áká anídaalwo'ígíí bich'í'í' hodiílníh, bee nééhóziníi bine'déé' bikáá'. Kojí atah naaltsoos ná hadít'éégóó éí doodago bee nééhózinígíí ádingo kojí' hodiílníh 855-710-6984.
Polski Polish	Jeśli Ty lub osoba, której pomagasz, macie jakiekolwiek pytania, macie prawo do uzyskania bezpłatnej informacji i pomocy we własnym języku. Aby porozmawiać z tłumaczem, zadzwoń pod numer podany na odwrocie karty członkowskiej. Jeżeli nie jesteś członkiem lub nie masz przy sobie karty, zadzwoń pod numer 855-710-6984.
Русский Russian	Если у вас или человека, которому вы помогаете, возникли вопросы, у вас есть право на бесплатную помощь и информацию, предоставленную на вашем языке. Чтобы поговорить с переводчиком, позвоните в отдел обслуживания клиентов по телефону, указанному на обратной стороне вашей карточки участника. Если вы не являетесь участником или у вас нет карточки, позвоните по телефону 855-710-6984.
Español Spanish	Si usted o alguien a quien usted está ayudando tiene preguntas, tiene derecho a obtener ayuda e información en su idioma sin costo alguno. Para hablar con un intérprete comuníquese con el número del Servicio al Cliente que figura en el reverso de su tarjeta de miembro. Si usted no es miembro o no posee una tarjeta, llame al 855-710-6984.
Tagalog Tagalog	Kung ikaw, o ang isang taong iyong tinutulungan ay may mga tanong, may karapatan kang makakuha ng tulong at impormasyon sa iyong wika nang walang bayad. Upang makipag-usap sa isang tagasalin-wika, tumawag sa numero ng serbisyo para sa kustomer sa likod ng iyong kard ng miyembro. Kung ikaw ay hindi isang miyembro, o kaya ay walang kard, tumawag sa 855-710-6984.
اردو Urdu	گر آپ کو، یا کسی ایسے فرد کو جس کی آپ مدد کر رہے ہیں، کوئی سوال درپیش ہے تو، آپ کو اپنی زبان میں مفت مدد اور معلومات حاصل کرنے کا حق ہے۔ مترجم سے بات کرنے کے لیے، کسٹمر سروس نمبر پر کال کریں جو آپ کے کارڈ کی پشت پر درج ہے۔ اگر آپ ممبر نہیں ہیں، یا آپ کے پاس کارڈ نہیں ہے تو، 855-710-6984 پر کال کریں۔
Tiếng Việt Vietnamese	Nếu quý vị hoặc người mà quý vị giúp đỡ có bất kỳ câu hỏi nào, quý vị có quyền được hỗ trợ và nhận thông tin bằng ngôn ngữ của mình miễn phí. Để nói chuyện với thông dịch viên, gọi số dịch vụ khách hàng nằm ở phía sau thẻ hội viên của quý vị. Nếu quý vị không phải là hội viên hoặc không có thẻ, gọi số 855-710-6984.

Health care coverage is important for everyone.

We provide free communication aids and services for anyone with a disability or who needs language assistance.
We do not discriminate on the basis of race, color, national origin, sex, gender identity, age or disability.

To receive language or communication assistance free of charge, please call us at 855-710-6984.

If you believe we have failed to provide a service, or think we have discriminated in another way, contact us to file a grievance.

Office of Civil Rights Coordinator
300 E. Randolph St.
35th Floor
Chicago, Illinois 60601

Phone: 855-664-7270 (voicemail)
TTY/TDD: 855-661-6965
Fax: 855-661-6960
Email: CivilRightsCoordinator@hcsc.net

You may file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, at:

U.S. Dept. of Health & Human Services
200 Independence Avenue SW
Room 509F, HHH Building 1019
Washington, DC 20201

Phone: 800-368-1019
TTY/TDD: 800-537-7697
Complaint Portal: <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>
Complaint Forms: <http://www.hhs.gov/ocr/office/file/index.html>

Appendix E: School District Contracts

TRANSPORTATION AGREEMENT

THIS AGREEMENT, entered into this 1st day of August, 2018 by and between the STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1, hereinafter referred to as “DISTRICT” AND DURHAM SCHOOL SERVICES, L.P., hereinafter referred to as “CONTRACTOR,” for the consideration hereinafter named, mutually agree as follows:

- 1. Scope of Agreement.** The CONTRACTOR shall operate transportation services and shall furnish labor, school buses and bus maintenance, and materials and supplies as required to provide the DISTRICT with transportation service, as requested and authorized by the DISTRICT, and pursuant to Terms and Conditions of the Request for Proposal, and as further described herein.

This Agreement contemplates a minimum of 180 operating days per school year. If actual number of operating days falls below 180 during any school year, then the parties agree to renegotiate in good faith the rates provided in the pricing requirements if such negotiation is requested by Contractor. If the average daily number of routes, mid-day runs, shuttles or after-school runs is changed by five percent (5%) or more, then both parties agree to renegotiate in good faith the rates provided in the pricing requirements if such renegotiation is requested by the contractor. If the parties cannot reach an agreement, Contractor may, at its option, continue to operate the Agreement at the original rate or terminate the Agreement upon sixty (60) days written notice.

- 2. Terms of Agreement.** This Agreement shall be effective beginning August 1, 2018 and ending July 31, 2023, a period of five years.
- 3. Agreement Documents.** The Agreement consists of the Contract Terms and Conditions, the DISTRICT REQUEST FOR PROPOSAL document, including all terms and conditions contained therein, and CONTRACTOR’S proposals thereto; including price schedules (“Exhibit A – Pricing Requirements”) and CONTRACTOR policies which have been approved and accepted by the DISTRICT.
- 4. Alterations and Amendments.** This Contract may be amended only by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.
- 5. Access to Records.** Within ten days of a request from the District, the Contractor shall provide the District (including without limitation any District designee or any State or Federal Auditor) with access to, and upon District request, copies of, any records in any form, data or information generated or received and maintained by the Contractor under or pertaining to this Contract at no additional cost to the District.

6. **Bus Discipline and Driver Incident Reports.** The Contractor will provide weekly to the District all reports related to student bus discipline and driver incidents. This will include all reports on student safety when being transported by the Contractor.
7. **Assignment.** Neither the District nor the Contractor shall assign this Contract, either in whole or in part, without the prior written consent of the other party, which shall not be unreasonably withheld. Any assignment permitted under this clause does not relieve either party from its duties or obligations under this Contract.

Contractor may assign or transfer any of its rights, burdens, duties, or obligations under this Agreement to its parent company, affiliates, subsidiaries, or related legal entities. Contractor will advise District of such assignment or transfer.

8. **Americans with Disabilities Act (ADA) of 1990, Public Law 101-336, also referred to as the "ADA" 28 CFR Part 35.** The Contractor must comply with the ADA in all aspects of performance under this Contract, which provides comprehensive civil protection to individuals with disabilities in the area of employment, public accommodations, state and local government services, and telecommunications.
9. **Non-Discrimination.** The Contractor shall comply with all the federal, state, and local non-discrimination laws, regulations, and policies, which are otherwise applicable to the District. Accordingly, no person shall on the ground of race, creed, color, religion, national origin, sex, sexual orientation, marital status, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability, be unlawfully excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any activity performed by the Contractor and its agents under the contract awarded. In the event of the Contractor's noncompliance or refusal to comply with this nondiscrimination provision, the contract may be rescinded, cancelled, or terminated in whole or part, and the Contractor may be declared ineligible for further proposals or contract with the District. Except to the extent permitted by a bona fide occupational qualification, it is agreed that:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, religion, national origin, sex, sexual orientation, disability, marital status, age, or honorably discharged veteran or military status. Harassment on the basis of any of the foregoing conditions is strictly prohibited. The Contractor will ensure that applicants are considered and employed without regard to race, creed, color, religion, national origin, sex, sexual orientation, disability, marital status, age, or honorably discharged veteran or military status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.
 - b. The Contractor will, in solicitations for employees or job announcements/orders placed with any employment agency, union, or other firm or agency, state that all

qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sex, sexual orientation, disability, marital status, age, or honorably discharged veteran or military status. The words "Equal Opportunity Employer" in advertisements shall constitute compliance with this section.

- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or duty to bargain a notice advising said entity or person of the Contractor's commitments under this section.
- d. The Contractor will include the provisions of this paragraph and its subparagraphs in every subcontract or purchase order for goods or services, which are the subject matter of the resultant contract.
- e. The District considers the nondiscrimination features of the proposal to be a material and essential part of the proposal and subsequent contract. If the Contractor fails to comply with the nondiscrimination provisions, the District, at its sole discretion, may elect to terminate the agreement as a result of this proposal, in which case it shall be obligated only to pay the fair market value or the contract price, whichever is lower, for the goods and services which have been received and accepted.
- f. The Contractor shall notify the District's Superintendent or Chief Financial Officer immediately of any decision by a local, state or federal agency, court or jury that the Contractor violated a law, regulation or ordinance prohibiting discrimination.

10. Background Checks. The Contractor shall conduct criminal background checks in accordance with RCW 43.43.830 through 43.43.835, as now or hereafter amended, on all employees or volunteers who will or may have contact with children or vulnerable adults in the work to be performed under this Contract. The Contractor shall prohibit any employee, subcontractor, intern or volunteer from performing work under this Contract who has pled guilty to or been convicted of any felony crime involving the physical neglect of a child under chapter 9A.42 RCW, the physical injury or death of a child under chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under chapter 46.61 RCW), sexual exploitation of a child under chapter 9.68A RCW, sexual offenses under chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a minor child under Chapter 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or violation of similar laws of another jurisdiction. Failure to comply with this provision shall be grounds for the District immediately terminating the contract. The Contractor shall incorporate this requirement into every subcontract it enters relating to services with the District.

11. Authority of Parties. Any individual signing this Contract on behalf of the Contractor represents and warrants that such individual has authority to do so and to bind the Contractor to the terms and conditions set out in this Contract.

12. **Certification Regarding Debarment, Suspension, and Ineligibility.** If federal funds are expended under this Contract, the Contractor certifies that neither it nor its principals are presently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency, and will provide documentation of this on an annual basis.
13. **Change in Status.** In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the Contractor, Contractor agrees to notify the District's Superintendent or Chief Financial Officer of the change. The Contractor shall provide notice as soon as practicable, but no later than thirty (30) days after such a change takes effect.
14. **Compliance with Laws, Ordinances, and Regulations.** The Contractor shall comply with all local, state, and federal laws, ordinances and regulations applicable to the performance of its responsibilities under this Contract. Compliance shall include, but not be limited to, all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary to the performance of this Contract.
15. **Confidentiality.** The Contractor acknowledges that certain data, material, or information which originates from this Contract regarding students, may consist of confidential records owned by the District or confidential personally identifiable information subject to the federal Family Educational Rights and Privacy Act or other privacy laws, and that disclosure to or use by third parties would be damaging. The Contractor, therefore, agrees to hold all such material and information in strictest confidence, not to make use thereof other than for the performance of this Contract, to release it only to authorized employees and agents requiring such information and not release or disclose it to any other party. The Contractor agrees to release such information or material only to employees and agents who have signed a written agreement expressly prohibiting redisclosure on a form approved by the District.
16. **Conflict of Interest:** No director, employee or agent of the Contractor shall give or receive any commission, fee, rebate, gift, or entertainment in excess of \$25 value in connection with the work, or enter into any non-consumer business arrangement with any director, employee or agent of Steilacoom Historical School District No. 1, other than as a representative of the district, without prior written notification thereof to the district. Any representative(s) authorized by the District's Superintendent may audit all records of the Contractor that pertain to the Steilacoom Historical School District No. 1, for the sole purpose of determining whether there has been compliance with this paragraph. Information obtained through this process shall be administered confidentially to the extent permitted by law.
17. **Continuing Effect.** Rights and obligations under these general Terms and Conditions, this Contract and any attachments or exhibits thereto which, by their nature should

survive termination of the Contract will remain in effect after termination or expiration of all or any portion of this Contract.

18. **Disputes.** In the event that a dispute arises under this Contract, the parties shall attempt to resolve such disputes through informal discussion and negotiation; *provided*, that this provision shall not preclude any party from initiating litigation in order to enforce the terms of this Contract. The substantially prevailing party in any such lawsuit shall be entitled to an award of reasonable attorney fees and costs in addition to any relief awarded by the court.
19. **Entire Agreement.** This written Contract constitutes the mutual agreement of the Contractor and the District or designee in whole. No alteration or variation of the terms of this Contract and no oral understandings or agreements not incorporated herein shall be binding.
20. **Ethical Conduct.** The Contractor certifies that he/she/it, or his/her/its employees or agents, has not given, offered, provided, promised, pledged or been solicited to provide anything of economic value to a District official, employee or agent, as a gift, gratuity, commission or favor that may influence the selection of the Contractor for the work to be performed under this Contract. No director, employee, or agent of the Contractor shall enter into any non-consumer business arrangement with any director, employee, or agent of the District without prior written notice to the District's Superintendent or Chief Financial Officer. Neither the Contractor nor any employee or agent of the Contractor shall participate in the performance of any duty or service in whole or part under this Contract in violation of any law, regulation, or policy that prohibits the use of public resources for political purposes.
21. **Governing Law.** The laws of the state of Washington shall govern this Contract. Venue for any litigation arising out of this Contract shall be in Pierce County Superior Court or the United States District Court for the Western District of Washington in Tacoma.
22. **Indemnification.** To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the District and all directors, officials, agents, and employees of the District, from and against all claims for injuries, damages, or death arising out of or resulting from Contractor's performance of this Contract. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractor's agents, employees, directors, representatives, or any subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the District for any claim arising out of or incident to Contractor's or subcontractor's performance or failure to perform the Contract. Contractor's obligation to indemnify, defend, or hold harmless the District shall not be eliminated or reduced by any actual or alleged concurrent negligence by the District or its agents, employees, directors or officials, except to the extent required by law for this indemnity obligation to be enforceable.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the District and its agents, employees, or officials.

Claims shall include, but not be limited to, assertions that the use or transfer of any software, book, document, report, film, tape, or sound reproduction or material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, or otherwise results in an unfair trade practice or in unlawful restraint of competition.

23. Independent Capacity. The District and the Contractor intend that an independent Contractor relationship will be created by this Contract. The Contractor and his/her/its employees or agents performing under this Contract are not employees or agents of the District. The Contractor will not hold himself/herself/itself out as, nor claim to be, an officer or employee of the District by reason hereof, nor will the Contractor make any claim of right, privilege, or benefit which would accrue to such employee under law.

24. Insurance.

a. **Worker's Compensation Coverage.** The Contractor shall at all times comply with all applicable worker's compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the fullest extent applicable. This requirement includes the purchase of industrial insurance coverage for the Contractor's employees, as may now hereafter be required of an "employer" as defined in Title 51 RCW. Such worker's compensation and occupational disease requirements shall include coverage for all employees of the Contractor, and for all employees of any subcontractor retained by the Contractor, suffering bodily injury (including death) by accident or disease, which arises out of or in connection with the performance of this Contract. Satisfaction of these requirements shall include, but shall not be limited to:

1. Full participation in any required governmental occupational injury and/or disease insurance program, to the extent participation in such a program is mandatory in any jurisdiction.
2. Purchase worker's compensation and occupational disease insurance benefits to employees in full compliance with all applicable laws, statutes, and regulations, but only to the extent such coverage is not provided under any mandatory governmental program as in "a" above, and/or;
3. Maintenance of a legally permitted and governmentally approved program of self-insurance for worker's compensation and occupational disease.
4. Except to the extent prohibited by law, the program of the Contractor's compliance with worker's compensation and occupational disease laws,

statutes, and regulations in 1), 2), and 3) above shall provide for a full waiver of rights of subrogation against the District, its directors, officers, and employees.

If the Contractor, or any subcontractor retained by the Contractor, fails to effect and maintain a program of compliance with applicable worker's compensation and occupational disease laws, statutes, and regulations and the District incurs fines or is required by law to provide benefits to such employees or to obtain coverage for such employees, the Contractor will indemnify the District for such fines, payment of benefits to Contractor or subcontractor employees or their heirs or legal representatives, and/or the cost of effecting coverage on behalf of such employees. Any amount owed the District by the Contractor pursuant to the indemnity may be deducted from any payments owed by the District to the Contractor for the performance of this Contract.

- b. **Public Liability Insurance.** The Contractor shall at all times during the term of this Contract, at its cost and expense, carry and maintain Commercial General Liability insurance written on an occurrence basis with limits no less than \$2,500,000 combined single limit per occurrence/\$5,000,000 combined single limit aggregate, for personal injury, bodily injury and property damage. Coverage shall include but not be limited to: blanket contractual; products/complete operations; broad form property damage; explosion, collapse and underground (XCU) if applicable; Stop Gap and employees' liability.
- c. **Automobile Liability.** Insurance, including owned, non-owned and hired automobile coverage, with limits no less than \$5,000,000 combined single limit per accident for bodily injury and property damage; \$2,500 Automobile Medical Payments and Uninsured/Underinsured Motorist Coverage. The Contractor will provide Comprehensive and Collision Coverage for vehicles owned by the Steilacoom School District but scheduled for use by the contractor.
- d. **Additional Insured.** The District shall be specifically added as an additional insured on all policies and all policies shall be primary to any other valid and collectible insurance. The District shall be named Loss Payee on the Automobile Liability policy as respects vehicles owned by the district.
- e. The Contractor will be responsible for any and all insurance deductibles and/or self-insured retention.
- f. **Proof of Insurance.** Certificates and/or evidence/proof satisfactory to the District confirming the existence, terms, and conditions of all insurance required in this Contract shall be delivered to the District's District Office within five (5) days of the Contractor's receipt of authorization to proceed. If the insurance policy is subject to renewal during the term of the contract, then a current policy renewal document must be provided to the District's District Office prior to the expiration of the previous proof of insurance document. The policy of insurance that must be

maintained in accordance with this Contract shall not be cancelled or given notice of non-renewal nor shall the terms and conditions thereof be altered or amended without forty-five (45) days written notice being given to the District's Superintendent or Chief Financial Officer.

25. Licensing and Accreditation Standards. The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary to the performance of this Contract.

26. Liquidated Damages: The District has an immediate and on-going requirement for the services specified herein. Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to students, their families, and school staff. From the nature of the services to be rendered, it would be impractical and extremely difficult to fix the actual damage under the proposal and contract.

District must notify the General Manager (of the Contractor locations that performs the services) in writing (an email to the General Manager is an acceptable form of notice) within three (3) days of an occurrence giving rise to a liquidated damage claim and must assess such liquidated damage claim within 30 days of its occurrence. No liquidated damages shall be assessed during the first 30 days of the first school year of this Agreement. Failure to timely notify or assess shall relieve Contractor of its obligation to pay liquidated damage for such occurrence. Notice must provide specifics regarding the occurrence, including a reference to the contract provision at issue as well as all information necessary for Contractor to review the claim. This Agreement does not provide for a District unilateral right to set-off and District cannot deduct the liquidated damages from payment due Contractor until Contractor has confirmed in writing (email is an acceptable form of writing) to the District that the claim and amounts are appropriated.

Liquidated damages will be assessed in that amount of \$1,000 per day for failure to meet critical performance requirements. Critical performance requirements will include meeting bus driver availability, fulfilling the "to and from" daily routes, meeting extracurricular, ASA and field bus requirements, and continuous late bus arrivals and pick-ups at school buildings. Both the District and the Contractor agree that such amount represents a reasonable amount for actual damages likely to be incurred by the District and is compensatory and not punitive.

27. Records, Documentation and Reports. The Contractor shall maintain complete financial records relating to this Contract and complete records documenting the services rendered under the Contract, including all books, records, documents, magnetic media, receipts, invoices, and all other evidence of accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. These records shall be subject at all reasonable times to inspection, review, copying, or audit by personnel duly authorized by the District's

Superintendent and state and federal officials so authorized by law, rule, regulation or agreement. The Contractor shall retain all books, records, documents, and other materials pertaining to this Contract and Contractor's performance hereunder for seven (7) years after the date of final payment by the District's Superintendent or Chief Financial Officer, and make them available for inspection and copying by persons authorized under this provision within ten days of a request from the District. If any litigation, claim or audit is started before the expiration of the seven (7) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

28. Review. The parties to this Contract have had the opportunity to review it with their respective legal counsel and execute it knowingly and voluntarily with full knowledge of its contents. It shall not be construed more strictly against one party than the other.

29. Rights in Data and Publications. Data that is developed pursuant to this Contract shall be "works for made for hire" as defined by the U.S. Copyright Act of 1976, as amended, and shall be deemed authored and owned by the District. Ownership includes ownership of all intellectual concepts and properties embodied in the data, the right to copyright, patent or register data and the right to transfer those rights. In the event any data which originates under this Contract is not considered "work made for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all rights, title and interest in such data, including all intellectual rights, to the District from the moment of creation of such data. "Data" shall mean all work product to be provided by the Contractor under this Contract and shall include, but not be limited to, draft and final reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, photographs, tapes and/or sound reproductions in any format, form or medium.

The Contractor shall obtain the District's written approval prior to the publication of any results of students and/or services performed or to be performed for any purpose other than for District use. This provision shall not apply to any data that is developed independent of this Contract.

Data which is delivered under this Contract, but which does not originate under it, shall be transferred to the District with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so: PROVIDED, that such a license shall be limited to the extent to which the Contractor has a right to grant such a license. The Contractor shall notify the District, at the time of delivery of data furnished under this Contract, of all known or potential limitations on such license and any data that was not produced in the performance of this Contract.

The Contractor shall promptly notify the District in writing of each notice or claim of copyright, trademark, or patent infringement it receives regarding any data delivered under this Contract.

30. Right of Inspection. The Contractor shall provide right of access to its facilities to the District's Superintendent or Chief Financial Officer at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this

Contract on behalf of the District. All inspections and evaluations shall be performed in such a manner that will not unduly interfere with the Contractor's business or work hereunder.

31. **Severability.** If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect other provisions of this Contract which can be given effect without the invalid provision, and to this end the provisions of this Contract are declared to be severable.
32. **Subcontracting.** Neither the Contractor nor any subcontractor shall enter into subcontracts for any of the work contemplated under this Contract without obtaining prior written approval of the District's Superintendent or Chief Financial Officer. In no event shall the existence of any subcontract operate to release or reduce liability of the Contractor to the District for any breach in the performance of the Contractor's duties. This clause does not include Contracts of employment between the Contractor and personnel assigned to work under this Contract.
33. **Termination for Default.** The District may terminate this Contract for default, in whole or in part, if following 30 days written notice to the Contractor, the Contractor has continued to:
 - a. Fail to meet or maintain any requirements for Contracting with the District;
 - b. Fail to ensure the health or safety of students and the community in services provided under this Contract;
 - c. Fail to perform under, or otherwise breached, any term or condition of this Contract; and/or
 - d. Violate any applicable law or regulation.

In such event, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time; provided that if (i) it is determined for any reason the Contractor was not in default, or (ii) the Contractor's failure to perform is without Contractor's control, fault or negligence, then the termination shall be deemed a "Termination for Convenience."

If either Party refuses or fails to perform services as specified in this Agreement, or any separable part thereof the other Party may, without prejudice to any other right or remedy, service written notification upon it of intention to terminate and, unless within thirty (30) days after service of such written notice of the condition or violation the party in breach shall cease and make satisfactory arrangements for the correction thereof, the Agreement shall, upon the expiration of the thirty (30) days, cease and terminate.

34. **Termination Due to Funding Limitations.** District shall have the right to terminate the Agreement at the end of any contract year if it has been denied adequate funding for the provision of school bus services. In the event District is denied adequate funding for the provision of school bus services, District shall immediately notify Contractor in writing. In the even funding is restored, Contractor shall have the right of first refusal to resume providing services to District in accordance with the Agreement.

35. **Termination Procedure.** Upon termination of this Contract, the District's Superintendent or Chief Financial Officer, in addition to other rights provided in this Contract, may require the Contractor to deliver to the District any property, including, but not limited to records, specifically produced or acquired for the performance of such part of this agreement as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The District shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by the District and the amount agreed upon for (a) completed work and services for which no separate price is stated, (b) partially completed work and services, (c) other property or services which are accepted by the District, and (d) the protection and preservation of the property, unless the termination is for default, in which case the District shall determine the extent of the liability. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause for this Contract. The District may withhold from any amounts due to the Contractor such sum as the District's Superintendent or Chief Financial Officer determines necessary to protect the District against potential loss or liability.

The rights and remedies of the District provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law under this Contract.

After receipt of a notice of termination, and except as otherwise directed by the District, the Contractor shall:

- a. Stop work under this Contract on the date and to the extent specified, in the notice;
- b. Place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;
- c. Assign to the District, in the manner, at the times, and to the extent directed by the District, all rights, title, and interest of the Contractor under the orders and subcontracts in which case the District has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- d. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the District to the

extent the District may require, which approval or ratification shall be final for all the purpose of this clause;

- e. Complete performance on such part of the work not terminated by the District; and
- f. Take such action as may be necessary, or as the District may direct, for the protection and preservation of the property related to this Contract that is in the possession of the Contractor and in which the District has or may acquire an interest.

36. Treatment of Assets. Except as otherwise provided for in the Contract, the ownership and title to all real property and all personal property purchased by the Contractor in the course of performing this Contract with moneys paid by the District shall vest in the District, except for supplies consumed in performing this Contract. The Contractor shall surrender property and title to the District without charge prior to settlement upon completion, termination, or cancellation of this agreement. Any property of the District furnished to the Contractor shall, unless otherwise provided herein or approved by the District, be used only for the performance of the Contract. The Contractor shall be responsible for any loss or damage to property of the District which results from the negligence of the Contractor or the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.

If any property is lost, destroyed, or damaged, the Contractor shall notify the District and take all reasonable steps to protect the property from further damage. All reference to the Contractor under this clause shall include Contractor's employees, agents, and subcontractors.

37. Waiver. Any express waiver or failure to exercise promptly any right under this Contract will not create a continuing waiver of enforcement of any other terms or conditions of the Contract.

38. Acquisition of Buses: Should the cancellation or termination of this agreement become necessary because of the default of the Contractor in the performance of the services under the contract with the District, the District will provide or furnish transportation services itself or by other contractors, and the District will require buses, real property, and other facilities and property for student transportation.

- a. Upon cancellation, termination, or expiration of this agreement, on thirty days written notice, District may buy or lease from Contractor, and Contractor agrees to sell or lease to District, the fleet of regular buses and spare buses that are then being used. The price for said buses shall be determined by appraisal of the actual cash value without any assignment of any value for a "going concern or group lot." The choice from among the various methods, as set forth below, by which District may acquire or lease said buses, will be determined at the so discretion of both the District and the contractor:

- i. Outright purchase of any or all of the buses, and
 - ii. Purchase the fleet of buses that are then being used on a conditional contract over a period of three to five years.
 - iii. Lease the fleet of buses that are then being used over a period or periods of up to five years; said periods to be at the sole discretion of District.
- b. In the event the District exercises the option to purchase or lease the fleet of Contractor's buses that are then being used, the actual cash value at date of notification shall be used for valuation purposes and shall be determined by appraisal using three appraisers, one to be selected and paid by District, one to be selected and paid by Contractor, and the third selected by the two said appraisers with the payment for the third appraiser to be equally shared by the Contractor and the District.

The value of each vehicle shall be established by majority vote of the three appraisers. The appraisers shall determine lease payments on any lease using said value. The District may reject the appraisers' report as to the lease or purchase price within 15 days of receipt and such rejection shall work to forfeit District's right to lease or purchase.

- c. It is further understood and agreed that any interest rates payable by the District under these provisions shall not exceed the existing statutory limit, or two points over the existing prime rate, whichever is less.

39. Payments. The District shall not make payments in advance or in anticipation of services or supplies to be provided under this Contract. All payments to the Contractor are conditioned upon (1) Contractor's submission of a properly executed and supported voucher for payment, including such supporting documentation of performance and supporting documentation of costs incurred or paid, or both as is otherwise provided for in the body of this Contract, and (2) acceptance and certification by the District's Superintendent or Chief Financial Officer of satisfactory performance by the Contractor.

Except as otherwise provided in this Contract, (1) all acceptable vouchers for payment due to the Contractor shall be paid within thirty (30) calendar days of their submission by the Contractor, and (2) all expenses necessary to the Contractor's performance of this Contract shall be borne in full by the Contractor.

Payment for such services will be made in check, money order, or ACH or wire transfer with a reasonable time ager receipt of invoice, not to exceed thirty (30) calendar days. Payment by credit card is accepted but requires an increase in the invoice amount of two and one-half percent (2.5%) to cover processing fees.

In the event sums due and payable are not received within thirty (30) calendar days, a late charge of 1.5% per month or the maximum percentage allowed by law, whichever is less, of the outstanding balance will be assessed upon the account.

In the event such sums are not received with sixty (60) days, services may be discontinued until such time as Contractor has received all sums due.

The monthly home to school invoice will be itemized to include a proration of the Contractor's startup costs related to the initial transition to contracted services. The proration of startup costs are included in the monthly billing and are not additional costs.

40. Savings Clause. The Contractor and District agree that, in the event any provisions specified herein are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the agreement shall remain in full force and effect.

41. Student Count Verification. At the sole discretion of the District, ridership counts can be required up to three times per school year at no additional charge to the District. The District will determine format and times for the counts. This is exclusive of the ridership count required by the State for funding purposes.

Student count verification is a count taken by the bus driver over a period of 5 days showing: (1) location of stops, (2) number of students at each stop, (3) by school (individual run), (4) time (optional *), and (5) student's names (optional *), (6) student's grade (optional *). * Options are at District's discretion.

42. Inspection of Records. In addition to any other right to access Contractor's records under this Contract, the District has the right to inspect and audit the Contractor's records upon ten days' notice to verify the accuracy of the information and data used to compile and calculate billings.

43. Disclosure. By submission of a proposal, each Contractor and its employees certify under penalty of perjury, that to the best of his/her/their knowledge and belief, the prices in this proposal have been arrived at independently without collusion, consultation, communication, or agreement with any other Contractor or competitor. Further, the prices which have been stated in this proposal have not and will not be knowingly disclosed by the Contractor prior to opening, directly or indirectly, to any other Contractor or competitor.

44. Registration with Department of Revenue. The Contractor shall complete registration with the Washington State Department of Revenue, Olympia, WA, 98504, and be responsible for payment of all taxes due on payments made under the resulting contract.

45. **Annual Performance Review.** The District’s Superintendent or Chief Financial Officer shall review the Contractor’s performance during each school year annually in July of each year of the contract. Any unsatisfactory results, whether costs or service, shall be corrected by the Contractor within thirty (30) days written notice of unsatisfactory performance. Failure by the Contractor to correct the unsatisfactory performance shall result in termination of the contract for default under Section F, 36 of this document.
46. **Force Majeure.** It is agreed by the parties that in the event the Contractor is unable to provide transportation services as herein specified because of acts of God, fire, riot, war, civil commotion, or unforeseeable loss or shortage of transportation facilities by the government the Contractor shall be excused from performance hereunder; *provided*, that while labor strikes that prevent the Contractor from performing its obligations under this Agreement do not constitute force majeure events, the District agrees that the Contractor’s inability to perform its obligations under this Agreement shall not be grounds for liquidated damages, termination or other remedies for breach if such non-performance arises due to a strike, labor dispute or work stoppage that is outside of the Contractor’s control, provided that Contractor agrees to use good faith efforts to resolve such strike, labor dispute or work stoppage. The District may assess liquidated damages in the amount of \$1,000 per day on the 16th school day of the strike, provided that no liquidated damages shall be assessed for a period exceeding ten (10) school days or for an amount exceeding \$10,000.


The parties to the resulting contract shall be excused from performance hereunder during the time and to the extent that they are prevented from obtaining or performing the service by act of God, fire, riot, war, civil commotion, or unforeseeable loss or shortage of transportation facilities by the government, when satisfactory evidence thereof is presented to the other party, provided that it is satisfactorily established that the nonperformance is not due to the fault or neglect of the party not performing.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT as of the date written above.

DURHAM SCHOOL SERVICES, L.P.

STEILACOOM HISTORICAL SCHOOL DISTRICT NO. 1

By: Durham Holding II, L.L.C.,
Its general partner

By: 
Name: Gary L. Waits
Title: CEO, Student Transportation
Date: November 29, 2017


By: 
Name: Jim Brittain
Title: Chief of Finance and Operations
Date: November 30, 2017

EXHIBIT A - PRICING REQUIREMENTS

- 1. School Routes.** Pricing is based on 19 general student routes with 78 passenger buses and 7 special education routes with 20 passenger capacity (two with wheelchair lift) A call-out is equal to dispatches up to three (3.0) hours. Additional services are defined as field trips, sports and activity trips, extended route times, or other dispatches requested by the District. Changes of the number of routes will be effective on the normal route change days as established by the district transportation department.

- a. Price per call-out based on 19 routes per day: \$270.74
Per hour price for additional services per hour: \$39.99
- b. Price per call-out based on pre-school mid-day routes per day: \$126.75
Per hour price for additional services per hour: \$N/A
- c. Price per call-out based on 7 Special Education routes per day: \$250.12
Per hour price for additional services per hour: \$39.99

Contractor annual price increase percentage:

Year 2	3.0%
Year 3	3.0%
Year 4	3.0%
Year 5	3.0%

School Route Note 2: Driver and bus availability. There will be a disincentive fee based upon the average number of drivers (may not include office staff or mechanics) available for the District per day over the course of each month. The District has determined that it is extremely important that the Contractor have sufficient drivers available to cover all of the assigned routes on a daily basis. Therefore, the District will use the following fee factors to motivate the Contractor to meet the District's requirements.

Drivers equal to 100% of the number of routes assigned: standard – no incentive or disincentive fee - 0%

- a. Drivers equal to 98 - 99% of the number of routes assigned: **-1%**
- b. Drivers equal to 96 - 97% of the number of routes assigned: **-2%**
- c. Drivers equal to 94 - 95% of the number of routes assigned: **-3%**
- d. Drivers equal to 93% or less of the number of routes assigned will be subject to liquidated damages.

2. **Sports and Extra-Curricular Activity Events.** Pricing is based on a need for an average of 5 drivers/buses per school day for sports and extra-curricular to and from trips (events) for middle and high school students. The call-out price for these events assuming that the drivers/buses are not available for PM school routes and that each event will require two (2) hours.

Price per call-out based on 25 events per week: \$54.00

Per hour price for additional services per hour: \$27.00

3. **School Field Trip Events.** The District has identified a need for an average of three (3) drivers/buses per week for field trip events. Propose a call-out price for these events assuming that the drivers/buses are not available for AM and/or PM school routes and that each event will require five (5) hours. (NOTE: these buses may be the same vehicles used to fulfill Sports and Extra-Curricular activity events as noted in #2 above.)

Price per call-out based on 5 events per week: \$135.00

Per hour price for additional services per hour: \$27.00

STUDENT TRANSPORTATION SERVICES
CONTRACT

THIS AGREEMENT between SPOKANE SCHOOL DISTRICT NO. 81, commonly known as Spokane Public Schools, a municipal corporation under the laws of the State of Washington, hereinafter referred to as the "District", and DURHAM SCHOOL SERVICES, LP, a limited partnership corporation, hereinafter referred to as the "Contractor" provides as follows:

1. CONTRACT:

TERM: The term of the Contract resulting from this solicitation shall be for a five-year period commencing on August 1, 2018 and ending July 31, 2023. This Contract shall be performed in accordance with the terms, conditions, specifications, Addendum No. 1, Amendment No. 1 and Attachments No. 1, 2 and 3 of RFP 8-1718 (attached).

2. SCOPE OF THE CONTRACT:

The Contractor shall, during the period hereinafter set forth, provide, maintain, and operate for the District the required number of school buses with drivers to transport conveniently and safely all students designated by the District to be served under the provisions of this Contract. Further, the Contractor shall, during the period set forth herein, provide all equipment, apparatus, facilities, personnel, and materials necessary to the performance of this Contract. Such transportation shall be provided for each and every day that school is convened and in accordance with bus routes and schedules submitted by the Contractor to the District and approved by the District. The District reserves the right to revise or change any or all bus routes and the number of buses required hereunder to best suit its needs at any time before or during the school year. At the option of the District, the Contractor shall, during the period of this Contract, provide transportation for students or other authorized personnel as may be required by the District on field trips, excursions, athletic activities, or any other purpose designated by the District. In furnishing Student Transportation Service, the Contractor agrees to comply with and observe all of the provisions of the State of Washington Motor Vehicle Code and all other applicable laws, rules, and regulations prescribed by the Washington State Legislature, the Superintendent of Public Instruction, Board of Education, and any other State, Federal, or County agency, and the Board of Directors of Spokane School District No. 81.

IN WITNESS WHEREOF, the parties enter into this agreement in Spokane, Washington.

SPOKANE PUBLIC SCHOOLS:



Dr. Mark Anderson
Associate Superintendent, School Support Services

6-20-18
Date

DURHAM SCHOOL SERVICES, LP:



~~David A. Duke~~ MATTHEW E. ASHLEY
Chief Executive Officer

6/11/2018
Date

STUDENT TRANSPORTATION SERVICES
RATE SCHEDULE

The following rate schedule applies for Student Transportation Services, for the period August 1, 2018, through July 31, 2019.

A. Basic and Special Needs Service Rate Schedule for Regular To and From Home Student Transportation:

	MINIMUM 3 HOURS		OVER 3 HOURS	
	With Attendant	Without Attendant	With Attendant	Without Attendant
71-85 passenger	356.93	297.68	53.46	35.50
Lift Bus	356.93	N/A	53.46	N/A

B. School Day Excess Hour Rate:

	FIRST HOUR		OVER 1 HOUR	
	With Attendant	Without Attendant	With Attendant	Without Attendant
71-85 passenger	53.46	35.50	53.46	35.50
Lift Bus	53.46	N/A	53.46	N/A

C. Non-School Day Excess Rate:

	FIRST HOUR		OVER 1 HOUR	
	With Attendant	Without Attendant	With Attendant	Without Attendant
71-85 passenger	53.46	35.50	53.46	35.50
Lift Bus	53.46	N/A	53.46	N/A

D. Per Diem: \$40.00 per day for meals and incidentals (District will provide lodging)

STUDENT TRANSPORTATION SERVICES
DEADHEAD TIME ALLOWANCE
 (Applicable to all District routes and field trips)
 (See Section II, paragraph 24.a of RFP Specifications)

HIGH SCHOOLS

Ferris	20 minutes
Hart Field	20 minutes
The Community School	15 minutes
Lewis & Clark	15 minutes
North Central	10 minutes
Rogers	5 minutes
Shadle Park	15 minutes
NEWTECH	5 minutes
On Track	5 minutes

MIDDLE SCHOOLS

Chase	25 minutes
Garry	10 minutes
Glover	15 minutes
Sacajawea	20 minutes
Salk	20 minutes
Shaw	5 minutes

ALTERNATIVE SCHOOLS

Bryant	15 minutes
Eagle Peak	20 minutes
Libby Center	15 minutes
MAP	10 minutes
Montessori School	15 minutes
Old Jefferson	20 minutes

ELEMENTARY SCHOOLS

Adams	20 minutes
Arlington	15 minutes
Audubon	15 minutes
Balboa	20 minutes
Bemiss	5 minutes
Browne	20 minutes
Cooper	10 minutes
Finch	20 minutes
Franklin	15 minutes
Garfield	10 minutes
Grant	15 minutes
Hamblen	20 minutes
Holmes	20 minutes
Hutton	20 minutes
Indian Trail	20 minutes
Jefferson	20 minutes
Lidgerwood	10 minutes
Lincoln Heights	15 minutes

Linwood	15 minutes
Logan	5 minutes
Longfellow	5 minutes
Madison	15 minutes
Moran Prairie	25 minutes
Mullan Road	25 minutes
Regal	5 minutes
Ridgeview	15 minutes
Roosevelt	15 minutes
Sheridan	15 minutes
Stevens	10 minutes
Westview	20 minutes
Whitman	10 minutes
Willard	10 minutes
Wilson	20 minutes
Woodridge	25 minutes

STUDENT TRANSPORTATION SERVICES
LIQUIDATED DAMAGES

LIQUIDATED DAMAGES: It is agreed by the Contractor and District that:

1. Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to students, their families and school staff.
2. From the nature of the services to be rendered it would be impractical and extremely difficult to fix the actual damage under the Contract.
3. There shall be assessed as liquidated damages, but not as penalty the amount(s) set out below. Assessment of liquidated damages shall not in any way prohibit the District from enforcing its indemnification, hold harmless and defense rights under this Contract. District radio log/recordings, daily bus reports, route notebooks, videotapes, or equipment inspection will be used as verification.
 - a. \$1000.00 may be assessed for each incident of the following:
 - (1) Computerized routing system not fully functional on both Contractor and District computers with current maps and student data. (e.g. not complying with Section II, Paragraph 5.e & 5.f)
 - (2) Student left on bus at bus yard.
 - (3) Student lost due to driver negligence.
 - (4) Special Ed student dropped off at home or school without supervision or District approval.
 - (5) For each day after the 10th of each month when invoices are to be submitted to the District.
 - (6) Student dropped off at their home without District approval.
 - b. \$700.00 may be assessed for each incident of the following:
 - (1) Morning or afternoon trip missed or exceeds 10-minute delay (excluding documented weather delays).
 - (2) Failure of driver and attendant of special needs students to meet with District designated special needs staff at each school of their assigned routes by the end of the second week of September.
 - (3) Failure of driver to report for and/or execute District/State-mandated safety exercise for students or student management in-services.
 - (4) Failure to maintain and implement seating charts at elementary, middle school and special program schools (Eagle Peak, MAP, etc.) and/or failure to provide forward these charts to the schools and District Transportation office.
 - (5) Failure to maintain and implement student eligibility rider lists for all school levels and locations.

- (6) Use of exempt vehicle license plates for non-District service.
 - (7) Failure for a lost and/or late driver to call Central Dispatch.
 - (8) Driver misses stop or fails to pick up or drop off student(s).
- c. \$400.00 charges may be assessed for each incident of the following:
- (1) Failure by Contractor employees to immediately follow District-prescribed procedures for reporting breakdowns, accidents, serious student management incidences, buses out of service, buses being placed back into service, late buses, cover, relief, or standby drivers on route or to submit proper/complete reports.
 - (2) Two way radio not provided for a bus (including stand-by buses) at \$400/day until Contract provision is met.
 - (3) At the District's discretion, any repeated violation of Contractor's policies or procedures shall result in liquidated damages. This determination shall be based on case by case evaluation of the problem with prior discussion with the Contractor.
 - i. At the discretion of the District, liquidated damages will be applied to any items that are in the Contract relating to RCW or WAC that may not be complied to. The District will also apply liquidated damages to repetitive violations.
 - ii. Failure of the Contractor to require drivers to conduct a dry run of the route to ensure familiarity or placing a substitute driver on a route of which he/she is unfamiliar.
- d. \$200.00 charges may be assessed for each incident of the following:
- (1) Use of bus driver to cover two (2) routes assigned by District to the Contractor with the intention of a driver for each route.
 - (2) Failure of a driver or dispatch to keep up-to-date route notebooks or route description.
 - (3) Failure to furnish District with monthly updated route/driver list or termination listing with confirmation of returned ID badges.
 - (4) Failure to clean a dirty bus (interior and exterior) within twenty-four (24) hours of notice.
 - (5) Switching regular route driver to temporary assignment (field trip/charter, BTW training or rodeo) and covering regular driver route with substitute driver.
 - (6) Incident of driver or attendant smoking or using intoxicants on school grounds, within view of students being transported, while on a bus, or while performing District service.
 - (7) Failure to maintain operating video camera equipment or failure to provide clear video within twenty-four (24) hours of District request.
 - (8) Any bus cited as Out of Service during a Washington State Patrol bus inspection.
 - (9) Failure of driver/attendants to be conducting District business without proper uniform attire.

- (10) Failure to maintain two (2) of the four (4) designated dispatchers in the dispatch office, during the hours of 7:30 a.m. to 4:30 p.m.
 - (11) Failure to provide good customer service as determined by the District.
 - (12) Failure to return telephone calls to parents, school staff and District transportation office within twenty-four (24) hours.
4. Damages for trip delays which are in the sole judgment of the District clearly and unquestionably caused by factors totally beyond the control of the Contractor will be waived by the District.
5. The above damages are cumulative if a single incident, includes more than one category.

It is the District preference to continue a good working relationship between the District, Contractor and parents. It is agreed that prompt and safe transportation to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to students, families and school staff.

The Contractor may propose an option to provide a service at no cost (i.e., field trips) to the transportation office in lieu of liquidated damages. The Contractor will notify the District of all missed trips and the rectification to the school or group. If the Contractor fails to comply, the District will assess liquidated damages accordingly.



January 31, 2018

ADDENDUM NO. 1

Request for Proposal No. 8-1718, STUDENT TRANSPORTATION SERVICES

Please change:

Page 9, Section II, Paragraph 5.a

- b. Estimated Buses Required (Based on October 2017 experience and one-mile radius boundary).
 - (1) Regular Education Buses: One hundred twenty (120) each 71 to 85 passenger non-lift school buses (to be adjusted as needed). In addition, a lift is to be installed in two (2) of the Regular Education fleet to accommodate a regular education student who may be wheelchair bound. These two buses will have space for one (1) wheelchair and 71 passengers.

To read:

- b. Estimated Buses Required (Based on October 2017 experience and one-mile radius boundary).
 - (1) Regular Education Buses: One hundred nineteen (119) each 71 to 85 passenger non-lift school buses (to be adjusted as needed). This figure includes Standby and Spare buses. In addition, a lift is to be installed in two (2) of the Regular Education fleet to accommodate a regular education student who may be wheelchair bound. These two buses will have space for one (1) wheelchair and 71 passengers.

Please add:

Page 13, Section II, Paragraph 6.i

Systems are to be in accordance with the SEON Smart Reach Mobile Wireless System specifications attached to this addendum.

Please change:

Page 19, Section II, Paragraph 8.r

- r. Z-Pass Policy. The contractor is to purchase existing Z-Pass units and accompanying equipment from the District. The District currently owns 212 (200 on buses; 12 spare) units that will sell for the cost of \$150 per system (reader, mount and cabling). It will be the Contractor's responsibility to maintain, update, install and replace non-operational units for Z-Pass. The Contractor shall also update and maintain Zonar Systems and Ground Traffic Control with the Z-Pass option software and pay for the monthly service fee to Zonar for use of GPS and state vehicle inspection information, as well as the Z-Pass system. The District will provide all Z-Pass cards and accessories which will be issued to the students and schools.

To read:

- r. The District currently owns and the Contractor uses Zonar Systems Z-Pass units in conjunction with Z-Pass software. The winning contractor will have the option of continuing to use District owned Z-Pass units, or to purchase new equipment. Regardless of which option is selected, It will be the Contractor's responsibility to maintain, update, install and replace non-operational units for Z-Pass. The Contractor shall also update and maintain Zonar Systems and Ground Traffic Control with the Z-Pass option software and pay for the monthly service fee to Zonar for use of GPS and state vehicle inspection information, as well as the Z-Pass system. The District will provide all Z-Pass cards and accessories which will be issued to the students and schools.

Addendum No. 1 (cont)

Please change:

Page 23, Section II, Paragraph 21.b.2

2. A standard motor vehicle fleet and automobile liability insurance policy providing, without limitation, the following: (i) a combined single limit of not less than \$20,000,000.00 for bodily injury liability, property damage liability, and uninsured/ under-insured motorist benefits; (ii) no-fault medical expense and Personal Injury Protection coverage for vehicle occupants and pedestrians and bicyclists, with limits of not less than \$35,000 per person per incident; (iii) and contractual liability insurance coverage for the defense, indemnification, and hold harmless promises made by Contractor elsewhere in this Contract. Such policy shall also afford coverage for owned, hired, and non-owned vehicles.

To read:

2. A standard motor vehicle fleet and automobile liability insurance policy providing, without limitation, the following: (i) a combined single limit of not less than \$20,000,000.00 for bodily injury liability and property damage liability, \$1,000,000 per each occurrence of uninsured/ under-insured motorist benefits; (ii) no-fault medical expense and Personal Injury Protection coverage for vehicle occupants and pedestrians and bicyclists, with limits of not less than \$35,000 per person per incident; (iii) and contractual liability insurance coverage for the defense, indemnification, and hold harmless promises made by Contractor elsewhere in this Contract. Such policy shall also afford coverage for owned, hired, and non-owned vehicles.

Please change:

Page 26, Section II, Paragraph 24.d.3

- (2) In the event changes in local, state, or federal taxes, laws, specifications, or regulations or changes in cost of buses, materials, or insurance which could not reasonably have been anticipated by the Contractor and which cause the Contractor's costs for providing services under this agreement to increase (cost of fuel fluctuations and overhead cost increases shall not be considered justification for a rate increase), then the parties shall determine a reasonable and just amount to cover such increase not to exceed the CPI year end figure.

To read:

- (2) In the event changes in local, state, or federal taxes, laws, specifications, or regulations or changes in cost of buses, materials, or insurance which could not reasonably have been anticipated by the Contractor and which cause the Contractor's costs for providing services under this agreement to increase (cost of fuel fluctuations and overhead cost increases shall not be considered justification for a rate increase), then the parties shall determine a reasonable and just amount to cover such increase. In most circumstances, this increase does not exceed the annual CPI year-end figure.

Please change:

Page 34, Attachment III to Section II

Annual Field Trip Data
2011-2012

To Read:

Annual Field Trip Data
2016-2017

Please acknowledge receipt of Addendum No. 1 on RFP document.

Thank you,
Pam Tatosky
Buyer II

Smart Reach Mobile Wireless System

Wireless Bridge

Wireless Bridge — Minimum Performance Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless bridge shall be capable of supporting 802.11 a/b/g/n protocols		
The wireless bridge shall have Adjustable Channel support (5/10/20 MHz)		
The wireless bridge shall be capable of transmitting data at an average of 23dBm up to 54Mbps using 802.11b/g while receiving data at 54Mbps with a minimum receiver sensitivity of at least -75dBm		
The wireless bridge shall be capable of transmitting data at an average of 22/19dBm* MCS7 using 802.11n while receiving data MCS7 with a minimum receiver sensitivity of at least -74dBm		
The wireless bridge shall support an N connector to connect to an appropriate antenna		
The wireless bridge shall support an operating frequency of 2412-2462 MHz or 5170-5825 MHz		

Wireless Bridge — Minimum Electrical Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless bridge shall be powered from a Seon DVR or with the Seon POE adapter. The Seon DVR shall operate between 8VDC and 32 VDC.		
The wireless bridge shall consume less than 7W		

Wireless Bridge — Minimum Mechanical/ Environmental / Warranty Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless bridge dimensions shall not exceed 6 in X 1.25in X 1.45 in (15.2cm. x 3.1 cm. x 3.7cm.)		
The wireless bridge shall not exceed 6.5 oz. (180g)		
The wireless bridge shall operate between -40F to +140F (-40C to +80C)		
The wireless bridge shall withstand shock and vibration ETSI300-019-1.4 test.		

The wireless bridge must have one (1) year parts and repair labor warranty.		
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The Wireless Bridge must be the Seon Smart Reach Lite Mobile Bridge or Equivalent.

Wireless Access Point

Wireless Access Point — Minimum Performance Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless access point shall be capable of supporting 802.11 a/b/g/n protocols		
The wireless access point shall be capable of operating at 2.4 GHz and 5.8 GHz		
The wireless access point shall be capable of supporting single or dual band radios, the dual band radio supporting diversity antennas		
The wireless access point shall support direct to source destination traffic forwarding to maximize application delivery without injecting a detour to the controller, enabling traffic to flow along the shortest path.		
The wireless access point shall support up to 16 virtual service communities (VSCs), each with a unique SSID and MAC address, with each VSC independently configurable for authentication, encryption, VLANs, and up to four quality of service (QoS) levels		

Wireless Access Point — Minimum Network Management Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless access point shall support auto-selection of the RF channel and the level of transmitted power.		
The wireless access point shall support per-client event log of 79 association, security and DHCP activities for easy diagnosis.		
The wireless access point shall support PCAP packet capture on WLAN or LAN interface		
The wireless access point shall support SNMP, CLI, and web-based management interfaces for integration with third party, standards-based network management systems (autonomous mode)		

Wireless Access Point — Minimum Security Specifications	Compliance (Y/N/P):	Vendor Response:

The wireless access point shall support enforcement of client authorization based on user credentials (802.1X/EAP), hardware identifiers (MAC address, WEP key), and HTML login		
The wireless access point shall support hardware-assisted encryption using WPA2/AES (IEEE 802.11i), WPA/ RC4 and/or WEP		
The wireless access point shall support management communication via SSH/SSL, IPsec, and digital certificates		

Wireless Access Point — Minimum Electrical Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless access point shall be powered via the Ethernet port using 802.3af		
The wireless access point shall consume less than 12.9W		

Wireless Access Point — Minimum Mechanical, Environmental and Warranty Specifications	Compliance (Y/N/P):	Vendor Response:
The wireless access point shall be available in a NEMA 4 outdoor rated enclosure, operating between -4F to +122F (-20C to +50C)		
The outdoor rated wireless access point shall not exceed 8.44 in X 7.25 in X 2.14 in (21.5 cm. x 18.5 cm. x 5.5 cm.)		
The outdoor rated wireless access point shall not exceed 9 lbs (4 kg)		
The wireless access point must have 1-year parts and repair labor warranty		

The Wireless Access Point must be the Seon Smart Reach Wireless Access Point or Equivalent

WIRELESS VIDEO MANAGEMENT SOFTWARE

Wireless Video Management Software — Minimum Performance Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall be a multi-user, multi-site, cloud based enterprise class application		
The video management software shall allow multiple licensed users to use the system at the same time		
The video management software shall be responsible for discovering the DVRs, getting the DVR health status, and alarm list, creating the archive job list, and processing the job queue		
The video management software shall be able to download video and telemetry data from DVRs on multiple vehicles at the same time.		
The video management system shall be web-based		

Wireless Video Management Software — Minimum Search Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall provide the ability to filter search by: <ul style="list-style-type: none"> • Vehicle group • Vehicle type • Selecting vehicles form vehicles' list 		
The video management software shall provide the ability search by alarms and events for individual vehicles or a group of vehicles		
The video management software shall provide the ability to search by time and date		
The video management software shall provide the ability to search for an alarm or event by a geographic zone; either pre-defined in the software or can be created on-demand by choosing up to eight points on a map		

Wireless Video Management Software — Minimum Track History Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall provide the ability to view the track history of vehicles (up to five vehicles at a time) on a map		

The vehicle track shown by the video management software shall clearly indicate the travel direction of the vehicle and the time of each point on the track		
The video management software shall provide the ability to request video download by selecting the start point and end point of the vehicle track on the map		
The video viewing software shall provide the ability to export vehicle track data in CSV or GPX format		

Wireless Video Management Software — Minimum Video Management Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall automatically download videos based on alarm type as configured by the user		
The video management software shall provide the ability to schedule video downloads by time and date		
The video management software shall provide the ability to schedule recurring video downloads at certain time by week and month		
The video management software shall be able to assign priority level to scheduled video downloads		
The video management software shall provide the ability to schedule a video download from any number/combination of available cameras		
The video management software shall provide the option to download low resolution version of videos		
The video management software shall provide filtering option for video archives by: <ul style="list-style-type: none"> • Vehicle • Group • Archive status • Archive priority • Alarm type • Start time • End time • Execution time • Camera number • User 		
The video management software shall provide the option to set duration of pre-alarm and post-alarm video download		
The video management software shall handle resuming the downloading of the archives in the case that the downloading is interrupted or disconnected		

The video management software shall record who requested a video archive		
The video management software shall provide the ability to play video directly from the DVR without downloading it		

Wireless Video Management Software — Minimum DVR Management Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall provide the ability to change DVR settings remotely		
The video management software shall allow settings changes to be committed even when the vehicle is offline. Changes shall take place when the vehicle becomes online		
The video management software shall provide the ability to update DVR firmware remotely		
The video management software shall allow firmware update to be set even when the vehicle is offline. Changes shall take place when the vehicle becomes online		

Wireless Video Management Software — Minimum Administration Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall provide the ability to create as many user roles (access levels) as required		
The video management software shall provide the ability to create as many vehicle groups as the user needs		
The video management software shall provide the ability to create different vehicle types and assigning different icons for them		
The video management software shall provide the ability to create geographical zones, for reporting and search purpose, by choosing up to eight points on a map		
The video management software shall provide the ability to customize each user role (access level) permissions for system features as required.		
The video management software shall provide the ability to export the following lists in comma separated file format <ul style="list-style-type: none"> • Users list • Vehicles groups list • Vehicles types list 		

<ul style="list-style-type: none"> Zones list 		
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Wireless Video Management Software — Minimum Reporting Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall provide reports on alarms, events, geofencing reports, and user activity/system usage		
The video management software shall provide reporting on vehicle groups and on individual vehicles		
The video management software shall provide the ability to schedule recurring reports daily, weekly, monthly, or on specific week days		

Wireless Video Management Software — Minimum User interface Specifications	Compliance (Y/N/P):	Vendor Response:
The video management software shall have a dashboard that shows a summary of the vehicle status, the alarms, the health of the DVRs and the scheduled and automatic video downloads completed and pending for a specified date. The dashboard can be filtered by vehicle number, vehicle group and date		
The video management software shall provide the ability to play downloaded video from the dashboard		
The video management software shall provide the ability to place a vehicle in maintenance mode and display a separate icon for vehicles in maintenance		

The video management software shall be Seon's vMaxCommander 5.0 or later, Video Management Software or equivalent.

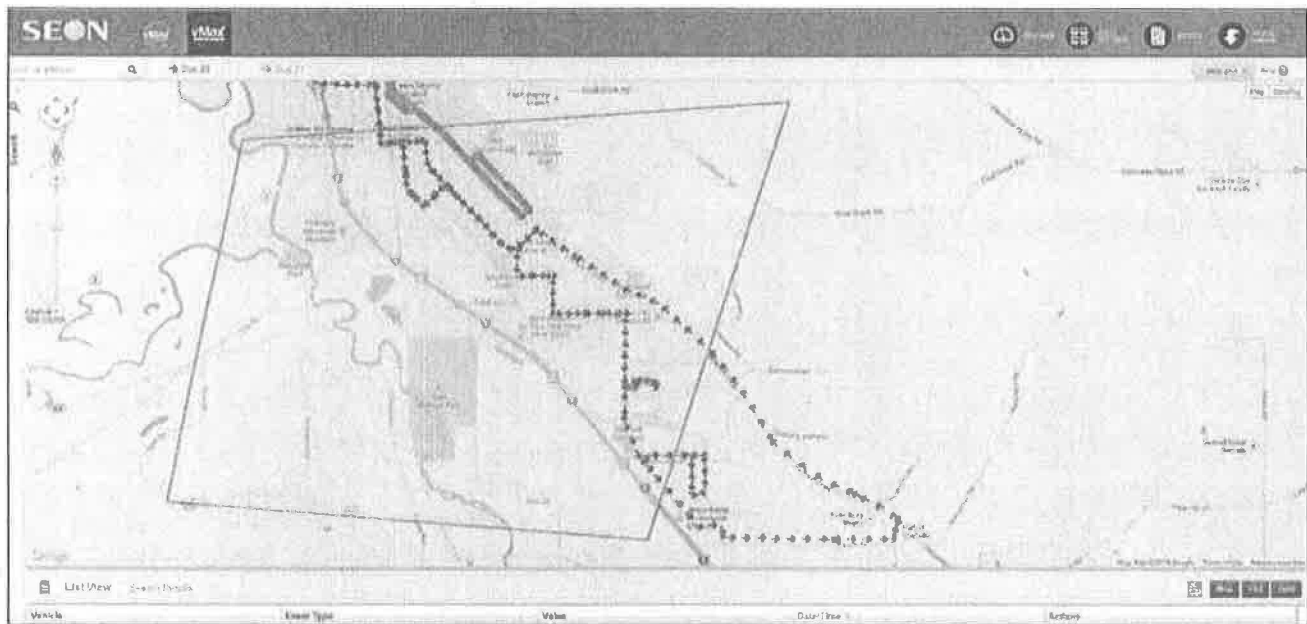
Video & Data Management Software



Scalable, multi-site, multi-user enterprise management software

vMax Commander lets you efficiently manage all of your on-board video surveillance systems through a single web-based application. A convenient, user-friendly dashboard gives you an at-a-glance view of all of your video-related activities including alarms, video downloads, system health status, and connected vehicles.

When combined with Smart-Reach, video with marked events can be automatically downloaded from a bus as it enters the yard and is ready for viewing from a central location — eliminating the hassle and labor involved in retrieving video footage.



Key Benefits

Hassle-free Video Retrieval

Eliminate hard drive handling costs and free up labor resources with automatic video downloading.

Monitor Video System Health

Monitor the status of your on-board video systems in a convenient at-a-glance dashboard of video health status, downloads and alarms.

Web-based Video Management

Now you can manage your video surveillance system from anywhere with no software to download or devices to configure.

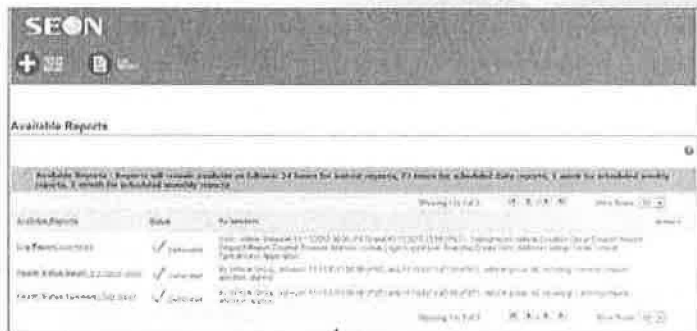
Quick & Easy Video Location

Find critical video evidence in seconds with geographic and zone-based map search.



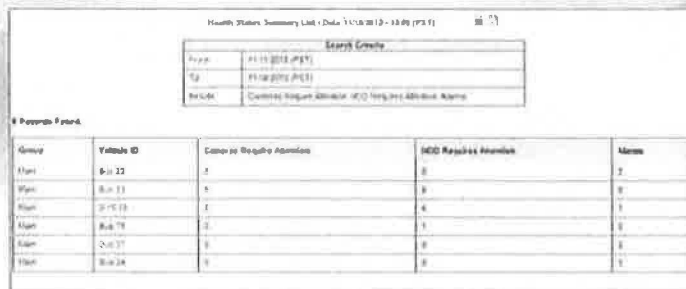
Advanced Reporting

Web-based access to user accounts and system health reports. Control access to critical video by restricting and assigning permissions.



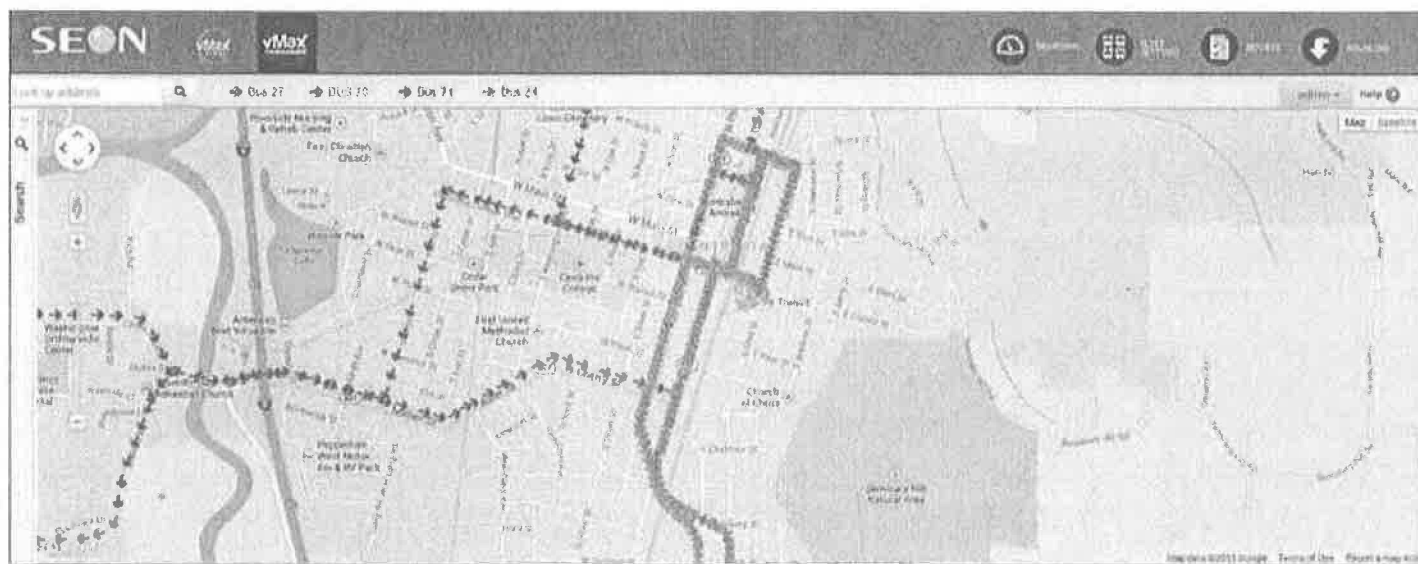
Advanced DVR Health Status

Monitor and report on camera system health right down to individual camera loss.



View GPS Tracks

View the GPS tracks of up to 5 buses on a map, with detail in 2 second intervals, without having to download video — ideal for route adherence or incident investigation.



Web-based Archive Manager

Easily locate, review, and manage your downloaded video archives via a convenient web interface.



Map-based Video Search

Don't know the time of an incident? Simply select an area on the map where the incident occurred, and the



system will automatically locate any available video from that date and location.

Smart-Reach® Lite Mobile Wireless Bridge

The Smart-Reach Lite Mobile wireless bridge connects Seon's family of mobile digital video recorders to a wireless LAN with simplicity and security. It enables organizations to unwire their "in-vehicle" video surveillance system and realize the benefits of mobility. The labor involved in handling video retrieval from medium to large bus yards is expensive. It costs money to search for a parked bus, board it, retrieve the media cartridge, replace it with spare one, bring the hard drive back to the office, and review the video.

With Smart-Reach Lite Mobile, the bus can be located at any location where a wireless LAN signal is available, eliminating the time and expense of retrieving hard drives. Another benefit of Smart-Reach Lite Mobile is the elimination of the possibility of damaging the hard drives during handling and transportation to the office.

Smart-Reach Lite Mobile virtually ends hard drive handling and tracking costs, allowing system administrators to receive health check alerts from the Seon video system deployed in vehicles.

Reliable System Performance

The Smart-Reach Lite Mobile features a signal strength LED meter for antenna alignment, a low-loss integrated N-type RF connector, and a quick and robust weatherproof design.



smart
reach lite

Specifications

System Information

Networking Interface 1 X 10/100 BASE-TX (Cat. 5, RJ-45) Ethernet interface

Antenna Magmount and weatherproof antennae are available

Adjustable Channel Size Support 802.11 b, g, n

Range Performance

Outdoor
Typical line of sight Maximum line of sight 0.62 miles
300 feet to 500 feet (antenna dependent)

Physical / Electrical / Environmental

RF Connector Integrated N-type male jack with RP SMA adapter (connects directly to antenna)

Enclosure Size (WxLxH) 1.45 x 6 x 1.22" (37 x 152 x 31 mm)

Weight (without antenna) 0.4 lbs (0.18 kg)

Enclosure Characteristics UV stabilized plastic

Max Power Consumption 7 watts

Power Rating 8 to 32 V

Power Supply Seon POE adapter

Power Method Passive Power over Ethernet (pairs 4,5+; 7,8 return)

Operating Temperature -40 to 176°F (-40 to 80°C)

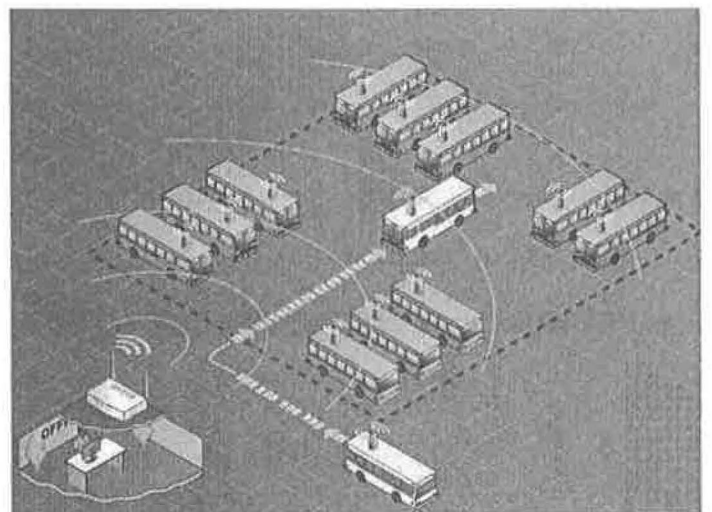
Operating Humidity 5 to 95% Condensing

Shock and Vibration MIL 810F

Regulatory / Compliance

Wireless Approvals FCC Part 15.247, IC RS210

RoHS Compliance Yes



Smart-Reach® Lite equipped yard layout sample

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NEWPORT SCHOOL DISTRICT #26-056
NEWPORT, WASHINGTON 99156

PUPIL TRANSPORTATION SPECIFICATIONS

Terms and Conditions

For the purposes of these specifications the terms "Contract" and "Agreement" refers to the written contract which will be signed by the successful bidder and the Newport School District for pupil transportation services for the term of the contract. CONTRACTOR as referred to in these specifications means any company or entity that submits a bid or proposal to provide pupil transportation services to the Newport School District. DISTRICT refers to the Newport School District.

1. **TERM OF THE CONTRACT.** The term of the Contract shall be for a period commencing on July 1, 2017 and shall continue through June 30, 2022 except as noted below. For purposes of the agreement the term "Contract Year" shall mean each one-year period commencing July 1 during the term of this Agreement.
2. **SCOPE OF CONTRACT.** The CONTRACTOR shall, during the period of the Agreement provide, maintain and lease to the DISTRICT the required number of school buses with drivers, supervisors, mechanics and dispatchers to transport conveniently and safely all students designated by the DISTRICT to be served under the provisions of the Contract. Such transportation shall be provided for each and every day that school is convened in accordance with to and from school, pre-school and other midday, and shuttle schedules submitted by the CONTRACTOR to DISTRICT and approved by the DISTRICT. The CONTRACTOR shall, during the period of the Agreement, provide safe and convenient transportation of any and all students and other authorized personnel, as may be requested by the DISTRICT on field trips, excursions, shuttles and athletic and other extra-curricular activities, or any other purpose designated by the DISTRICT throughout the contract year. The DISTRICT reserves the right to revise, delete or change any and all routes and the number and type of buses required thereunder to best suit its needs at any time before or during the contract year. The CONTRACTOR will also conduct all activities and reporting in connection with the bus ridership data collection or other successor reporting requirements, required driver information reports, bus inventory report, mileage, and other information required by Superintendent of Public Instruction, State Board of Education or other federal, state or local agency. The CONTRACTOR will also be responsible for employing qualified and competent personnel in all positions and ensure their training is in accordance with all applicable standards and regulations.

In furnishing the Pupil Transportation Service under the Contract, the CONTRACTOR agrees to comply with and observe all the provisions of the State of Washington Vehicle Code and all other applicable federal, state and local laws, rules, policies, procedures and regulations prescribed by the Washington State Legislature, the State Board of Education, the Office of the State Superintendent of Public Instruction, and any other State or Federal Agency and the Board of Directors of Newport School District No. 26-056.

The service shall include the providing and maintaining of all transportation equipment, apparatus, facilities, personnel, and materials per the minimum specifications herein and any

applicable laws, rules, policies, procedures and regulations of any agency having legal jurisdiction.

3. **EXPERIENCE/FINANCIAL STABILITY.** The CONTRACTOR shall have at least five (5) years demonstrated successful experience in pupil transportation with at least five school districts of the size and route complexity of the Newport School District. The CONTRACTOR may be required to show evidence of financial stability. The DISTRICT reserves the right to remove a potential CONTRACTOR from consideration if evidence of financial stability is not presented upon request or if the DISTRICT, solely on its determination, deems the potential CONTRACTOR to be financially unstable.
4. **ASSIGNMENT OF AGREEMENT.** The CONTRACTOR may not assign rights, burdens, duties or obligations under this contract, nor may any portion of this contract be sublet to another party without prior written consent of the DISTRICT. Contractor may assign or transfer any of its rights, burdens, duties, or obligations under this Agreement to its parent company, affiliates, subsidiaries, or related legal entities. Contractor will advise District of such assignment or transfer.
5. **NONDISCRIMINATION.** Except to the extent permitted by a bona fide occupational qualification, the CONTRACTOR agrees as follows:
 - A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, age or other criteria barred by federal or state law. The CONTRACTOR will ensure that applicants are employed without regard to their race, creed, color, national origin, sex, sexual orientation, or age or other criteria barred by federal or state law. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training.
 - B. The CONTRACTOR will in all solicitations for employees or job orders for employees placed online, with any employment agency, union, or other firm or agency, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, sexual orientation or age or other criteria barred by federal or state law. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
 - C. The CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the CONTRACTOR'S commitments under this section.
 - D. The CONTRACTOR will include the provisions of the foregoing paragraphs A, B, and C in every sub-contract or purchase order for the goods or services that are the subject matter of this Contract.

In the event of noncompliance of the CONTRACTOR with any of the nondiscrimination provisions of Title 49.60 RCW the DISTRICT shall have the right, at its option, to cancel the Contract in whole or in part. If the Contract is canceled after performance the DISTRICT shall be obligated to pay the fair market value or the Contract price, whichever is lower, for goods or services that have been received and accepted.

6. **DISTRICT SERVICES REQUIREMENTS.** During the contract period, the DISTRICT requirements for Pupil Transportation Service shall be as follows:

- A. **School Calendar Year.** (August-June) The total number of buses in “B” below is estimated to be required on each school day for approximately 180 days of school. The DISTRICT reserves the right to alter the number of required buses or types of buses or number of days of required service at any time before commencement of this Contract or during the Contract with no financial penalty imposed by the CONTRACTOR. Adjustments in the rate structure for any required changes in types or number of buses will be negotiated between the CONTRACTOR and DISTRICT. Summer school pupil transportation service shall be arranged by the parties separately as needed.
- B. **Estimated Buses and Sizes Required.** Rate proposals will be made and CONTRACTOR will provide buses in accordance with the following guidelines as well as comply with Sections 6C and 7 below.

Bus Use	Qty.	Passenger Capacity & Options
Regular Route	14	65 to 84 passenger, Type C or D
Lift Bus Route	2	2 – w/c stations + 8-seated with belts
Special Needs Spare	1	2 – w/c stations + 8-seated with belts (Preference is track seating for spare)
Special Needs	2	18 to 22 passenger, Type A
Spare Buses	3	65 to 84 passenger, Type C or D (Other spare buses may be needed)
Total Minimum School Buses	22	

- a. In addition, at least two (2) of the vehicles must be a 78 to 82 passenger Class D bus with pass through storage compartments that shall be made available for activity trips when required.
- b. These buses are to be used for regular route transportation and spares and activity buses. The DISTRICT reserves the right, at its discretion, to operate one (1) of these buses only on the morning or afternoon school to home route at ½ (one half) of the 3-hour rate bid by the CONTRACTOR for the first hour and a half (1 ½) of route time. Any time required by this bus in excess of 1 ½ (one and one half) of route time. Any time required by this bus in excess of 1 ½ (one and one half) hours per day will be billed at the excess (above 3 hour) rate. The DISTRICT additionally reserves the right to schedule additional buses for ½ (one half) routes (either morning or afternoon) at a rate negotiated with the CONTRACTOR.
- c. School buses should be equipped with a minimum of the following options:

Type of Special Equipment Option	Number of School Buses
Automatic Tire Chains (Insta-Chains)	(17) All Buses Above, except Type A
One set/pair steel or tungsten tire chains	(22) All Buses Above
Front and rear heaters	(22) All Buses Above
Luggage Bays or Storage Compartments (double or triple luggage)	(8) Regular Route Buses
Pass through storage bay	(2) Spare bus

- d. DISTRICT reserves the right to require the CONTRACTOR, at DISTRICT expense, to increase or decrease the number of seats or

wheelchair slots on all liftbuses required in special needs buses or spares at any time during the contract period.

- e. DISTRICT may elect to use any combination of the buses for regular routes and preschool noon routes listed above for special education and preschool needs depending on wheelchair needs.
- f. All buses will meet the age and maintenance specifications listed in Condition and Age portion of Section 7 of this Agreement. The DISTRICT reserves the right to increase or decrease the number of buses needed at any time during the contract period.

*for specifications as to bus sizing see OSPI website bus specifications at <http://www.k12.wa.us/Transportation/statespecs/specifications2016-17.aspx>

- C. Buses. The buses used for pupil transportation services provided under the Contract will be in compliance with the Rules and Regulations (Title 392 WAC) of the Superintendent of Public Instruction for the Common Schools entitling the DISTRICT to State transportation funds. All buses operated under the Contract shall be subject to WAC 392-142, Depreciation Schedule-School Buses, as now stated and hereafter amended. CONTRACTOR will ensure all buses operated under this Contract conform to WAC 392-143, Specifications for School Buses.
- D. Other Vehicles. CONTRACTOR will provide such other vehicles as needed for its operations. This will include, as a minimum, a 4-wheel vehicle or vehicles to plow snow to accommodate bus access to public roads, access stranded buses while on route and evaluate road conditions as stated in Section 6G.
- E. Personnel. The CONTRACTOR, at its expense, will provide all required drivers, maintenance, flagger/crossing guard, clerical, bus aides and management personnel. The CONTRACTOR will additionally provide bus aides as requested by the DISTRICT. CONTRACTOR will bill the DISTRICT for the exact amount of salaries and benefits paid to or in behalf of Bus Aides. Bus Aide Salary rates will be approved by the DISTRICT and will not be part of the bid. The CONTRACTOR will be responsible for training and conduct of these employees. These employees shall be hired and employed under the provisions outlined in Section 5 (NONDISCRIMINATION) of this Agreement. The DISTRICT reserves the right to audit CONTRACTOR employee records to ensure that they meet the provisions of this Agreement and that the employee meets all mandated training, medical and other requirements.
- F. “Other” Days. “Other” days are those days when school is not in session. On such “Other” days, the number of buses and type of service shall be on an as-requested basis. Transportation provided during “other” days will be billed at the Activities Rate.
- G. Routing and Scheduling of Buses. CONTRACTOR shall be primarily responsible for planning, routing and scheduling all buses as required for DISTRICT operations. CONTRACTOR shall schedule all routes, keeping safety of school children as the prime consideration. The CONTRACTOR shall furnish the DISTRICT Representative, on or before August 1 of each year, the routes to be followed including designated stops both in written and map form. All routes, schedules and stops shall be subject to the approval of the DISTRICT Representative. Subsequently, changes in routes, schedules and stops shall not be made without the

approval of the DISTRICT Representative. The CONTRACTOR will provide the district transportation representative a copy of all route sheets, list of stops, route maps and other route data published. Updates or changes to these documents will be provided to the DISTRICT within five (5) business days.

DISTRICT reserves the right to establish routes and schedules to be followed and to establish criteria for times buses must arrive at school for drop off or pick up of students. DISTRICT also reserves the right to restrict eligibility of riders and modify service levels at any time during this Agreement, including the number and location of routes, number and location of stops, bus boundaries, walking distances and other transportation standards. DISTRICT shall notify CONTRACTOR whenever changes are necessary in routes or time schedules and CONTRACTOR shall make a reasonable effort to adjust its operations to incorporate such changes within three (3) business days after notice is received from the DISTRICT.

The CONTRACTOR shall cooperate with the DISTRICT in maintaining a good public relations program with the community and news media so that any pertinent items affecting the transportation program or the patrons of the DISTRICT can be brought to the attention of the public.

CONTRACTOR will coordinate and cooperate with DISTRICT personnel in the evaluation of inclement conditions and decisions as to the practicality of conducting pupil transportation operations under conditions which may be deemed unsafe. This will include CONTRACTOR physical evaluation of road and other conditions with regard to the safety of students riding the bus in a timely manner as directed by the Superintendent or designee.

- H. Optional Bid Component-Maintenance of District-Owned Vehicles. As an optional bid component to CONTRACTORS, the DISTRICT may consider as part of the RFP contracting with the CONTRACTOR to put DISTRICT owned vehicles on CONTRACTOR'S maintenance program. This will include scheduling and tracking preventive maintenance and repairs for all DISTRICTS owned vehicles, at the discretion of the DISTRICT. CONTRACTOR will provide preventive maintenance and repair reports to the DISTRICT on a quarterly basis. All work performed according to rates provided on the pricing page. DISTRICT will have the option to have major or minor work done through another provider if it is deemed in the best interest of the DISTRICT.

7. Equipment Requirements.

- A. Condition of Buses. All school buses utilized in performance of the Agreement shall meet or exceed the standards established by the laws and regulations of all federal, state or local agencies. CONTRACTOR shall maintain the school buses used to provide transportation services under the Agreement in accordance with the law and accepted industry maintenance standards at its sole expense. Said buses shall also be kept in a clean and sanitary condition and open to examination by the DISTRICT or its representative at all times.

The CONTRACTOR will make available to the DISTRICT or its representative upon request all bus maintenance records, including driver pre-trip safety inspections, maintenance shop bus safety inspections, Washington State Patrol inspections, preventative maintenance performed, and all repairs made and the CONTRACTOR further agrees to implement timely correction of any deficiencies found by the CONTRACTOR's personnel or reported by the DISTRICT.

- B. Code of Regulations Requirements. All buses, regular and substitute, to be used in service hereunder shall be approved prior to commencement of service by the DISTRICT Representative and authorized representatives of the Washington State Patrol, and shall, at all times during the contract year, comply in all respects with the pertinent provisions of the Washington State Motor Vehicle Code, regulations of Spokane and Stevens Counties, Office of Superintendent of Public Instruction and the State Board of Education.
- C. Age of Buses. All buses used in performance with this Contract will fall within the Washington State School Bus Depreciation Schedule (WAC 392-142) for the entire length of the contract. No Class A or B bus shall be older than eight years old throughout the life of the Contract. No Class C or Class D bus used will be older than 13 years old at any time during the life of the Contract. Age shall be determined by the date the bus was originally placed in service. In no event, may any bus be used at any time or for any purpose that does not qualify for the State Depreciation Schedule as defined in WAC 392-142-Transportation-replacement and depreciation allocation. For purposes of this Agreement Class definitions in use as of the signing of the Contract shall remain in force for the remainder of the Contract.
- D. Number of Buses. CONTRACTOR shall provide buses in sufficient number to efficiently transport all pupils for whom DISTRICT orders services, including an adequate number of spare buses to ensure continuous service for regular routes, shuttles, activity and field trips and excursions without interruption as specified in Section 6A of this document. Buses shall be of sufficient capacity to permit every pupil transported to be seated. CONTRACTOR shall ensure that the number of buses needed to provide daily pupil transportation services and the normal number of shuttles, additional activity, field trips and excursions, including spares are assigned to and housed at the DISTRICT. CONTRACTOR may appropriate buses or qualified drivers from other operations during days of unusual demand only.

CONTRACTOR shall not allow the number of buses, the type or size of buses, in general, to vary from those submitted on the Contractor Proposed Bus Fleet during the life of the Contract without the written permission of the DISTRICT.

- E. Required Modification of Equipment. Any installation or modification of equipment required by a change in the law or regulation or directed by the DISTRICT shall be made by the CONTRACTOR solely at CONTRACTOR'S expense. Equipment modifications required by law will be made as expeditiously as possible. All buses, at the beginning of this contract will meet all requirements and regulations of all federal, state and local agencies as in effect at that time. Notwithstanding any contrary statements in this Agreement or in any documents incorporated herein by reference, in the event any federal, state, local or other government body's statutes, laws, rules, or regulations impact Contractor's methods and/or costs in connection with the provision of services hereunder (e.g., changes in equipment requirements, changes in services requirements, etc.), or in the event there are other material changes in the requirements of the District (such as major enrollment changes or additions of special needs or physically handicapped children, which require added transportation equipment), and the impact of such changes materially impacts the methods and/or costs of the Contractor in connection with providing the Bus Service hereunder during the term of the Agreement, Contractor, upon written notice to District, may request a renegotiation of the Agreement which shall be conducted in good faith. Such renegotiations may include, without limitation, changes in rates, term, payment schedules, levels of service, and the types or number of vehicles to be used. Any modification to the Agreement resulting from such renegotiations shall become

effective on a mutually agreed upon date. If the parties cannot come to an agreement, either party may terminate the Agreement upon thirty (30) days' notice.

- F. **Two-Way Radio.** All buses used in accordance with the contract and any 4-wheel drive support vehicles will be equipped with a working, reliable two-way communications system which is capable of operating effectively through the entire school district. CONTRACTOR will also maintain in proper working order a base station in the transportation office. CONTRACTOR will provide its own two-way communications system at its sole expense. All two-way radio equipment used by the CONTRACTOR will be installed, maintained, adjusted and repaired solely at the expense of the CONTRACTOR. CONTRACTOR will provide, at its own expense, any additional communications equipment needed at any time during the course of this Contract. The CONTRACTOR will provide training to its employees in proper use of two-way communications equipment. The CONTRACTOR'S employees are to use said communications equipment for such purposes related to the scope of this agreement as the DISTRICT may direct and under rules and regulations promulgated by the DISTRICT and any other agency having jurisdiction. Replacement equipment provided will remain the property of the CONTRACTOR. All radio operations will be in accordance with Federal Communications Commission (FCC) or other applicable agency guidelines and regulations. CONTRACTOR will comply with any changes in communications practices, procedures or equipment requirements made by the Federal Communications Commission (FCC) or any other federal, state or local jurisdiction at its sole expense during the life of this contract.

In the event of any emergency declared by the Superintendent or his designated representative, all contractor buses equipped with two-way communications equipment that are not in student service are to be dispatched to locations as directed by the Superintendent or designee. DISTRICT employees shall use the bus as a fixed communication link.

- G. **P. A. Systems.** An operational P. A. system with at least two speakers' systems will be in all buses.
- H. **Surveillance System.** All buses subject to the Agreement shall be equipped with a bus surveillance system. The system will consist of a 3-camera digital system, with hard drive storage, placed as specified by the district with the capability of recording all bus activity for at least 75 hours. The cameras will be wired to enable recording when the ignition is off as well as when the engine is running. Other monitoring equipment that serves the same function may be substituted for this equipment with written approval of the DISTRICT. This equipment will only be used within the provisions of policies, rules and procedures established by the DISTRICT.
- I. **Traction Devices.** All buses designated for day-to-day to-and-from routes, including special education and regular routes, will be equipped with automatic traction devices. For all other buses in the CONTRACTOR's fleet, chains or other traction enhancing devices must be readily available for use by the CONTRACTOR. Buses will be equipped at all times with proper tires for road conditions. CONTRACTOR will maintain equipment and establish procedures for chaining of tires when required by road conditions without significant impact on route schedules and times. Each proposal will contain a listing of the type or types of traction devices to be used on buses that will fulfill this contract.
- J. **Other Vehicles.** CONTRACTOR will maintain sufficient vehicles required for the evaluating of road conditions and shuttling of maintenance personnel to stranded buses

during all weather conditions.

- K. Strobes. All buses will be equipped with strobe lights on the roof.
 - L. Child Safety Restraint Systems (CSRS). CONTRACTOR shall provide and properly maintain at least 12 Star System seats or equivalent with upper torso constraints for use for special needs and preschool students. These seats must be of proper sizing to fit the needs of district students and be able to be moved from bus to bus as needed. DISTRICT will reserve the right to reject any restraint system that it solely deems as unacceptable.
 - M. Management and Monitoring System. CONTRACTOR will employ a bus monitoring system such as ZONAR, or equivalent, which will record pre-trip inspections and monitor, track and record bus position, speed and driving characteristics at all times when the bus is in motion.
 - N. Equipment Maintenance. CONTRACTOR shall maintain sufficient maintenance tools and equipment and procure supplies to repair vehicles and equipment as needed.
 - O. District Name. All school buses used by the CONTRACTOR in the DISTRICT, in addition to CONTRACTORS operating name, shall have "Newport" painted or decaled on both sides, except when emergency transportation is used or in DISTRICT approved situations.
8. Personnel. For the purposes of the Contract and interpretation thereof it is agreed that the transportation of school children is an unusual and specialized function. It is the essence of the Contract that the students are transported to and from school regularly, promptly, safely, and without interruption or incident and that the interests of children in such transportation shall take precedence over the interests of the CONTRACTOR and its drivers or the DISTRICT. It shall be a primary obligation of the CONTRACTOR to conduct its affairs so 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 in a condition of mental, physical and emotional stability 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. The CONTRACTOR agrees that he will not allow any person to drive a school bus whose moral character is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever, nor shall the CONTRACTOR allow any person to drive a school bus who is not, at the time, in condition of mental, physical or emotional stability. CONTRACTOR will be responsible for ensuring all employed personnel meet the requirements of WAC 392-144.

CONTRACTOR will allow DISTRICT personnel or other representative designated by the Superintendent to review all records of individual or group training, employee qualifications for meeting bus-driving standards or any other requirement of this section at any time during the course of this CONTRACT. Significant deviations from requirements of this Contract, federal, state, or local laws or DISTRICT policy will be grounds for termination of this Contract. All training, first aid courses and the costs of satisfying other requirements for CONTRACTOR'S employees whether required by local, state or federal agencies and regulations shall be solely at CONTRACTOR'S expense.

The responsibility for hiring and discharging personnel in respect to all of the foregoing shall rest entirely upon the CONTRACTOR, and the CONTRACTOR agrees that it shall enter

into no agreement or arrangement with any employee, person, group or organization which will, in any way interfere with the CONTRACTOR'S ability to comply with this requirement.

DISTRICT and CONTRACTOR shall develop a program that allows for employees of the CONTRACTOR to notify the DISTRICT of CONTRACTOR breaches of the Contract or report other potential safety and operational hazards associated with CONTRACTOR operations. A program ensuring an avenue for communication between DISTRICT, CONTRACTOR and CONTRACTOR'S employees shall be developed.

- A. Bus Drivers. CONTRACTOR shall employ a sufficient number of drivers, including substitutes, to ensure DISTRICT of continuous and reliable service. Drivers employed by the CONTRACTOR shall be subject at all times to the approval of the DISTRICT and they shall satisfy the requirements for "School Bus Certification" as directed by the Superintendent of Public Instruction and any government agency having jurisdiction over the training and competency of drivers within the DISTRICT. CONTRACTOR shall maintain a driver-training program in accordance with all applicable laws and regulations and approved by the DISTRICT Superintendent or designee.

The CONTRACTOR agrees to require all prospective employees who would have unsupervised access to DISTRICT students during the course of their employment to satisfactorily complete a fingerprinting and related background check as required by state law. The CONTRACTOR furthermore agrees to make any offer of employment conditional and subject to the acceptable outcome of the criminal history records check. The CONTRACTOR agrees to immediately terminate any such employee. The CONTRACTOR also agrees to inform all applicants in writing at the time of their applying for work that would involve unsupervised access to DISTRICT children that a national and state background check will be required. Accusations of child misconduct shall fall under and meet state laws. Any request to remove an employee from service under the agreement shall be in writing, with the reasons stated forth therein, and shall not be in violation of any federal, state or local law.

CONTRACTOR will give first hiring preference to current transportation staff. CONTRACTOR will notify the DISTRICT of any current route drivers or other staff that elect not to continue employment and the reason for their election. CONTRACTOR will pay all drivers a starting hourly wage rate of at least \$12.00 per hour for driving duties during the first year of the Contract. CONTRACTOR must pay at least the minimum legal wage rate for standby time on activity runs or field trips. On regular routes, drivers will be paid their regular hourly wage rate for route gaps between transporting children. The current weighted average hourly rate for all current drivers according to the present contractor is \$13.82 (accumulated driver hourly rates divided by number of drivers including substitutes) based on a starting salary of \$12.00. No current driver that is rehired by the CONTRACTOR will be paid less than his/her current hourly rate of pay. As part of the evaluation process the DISTRICT will evaluate the salary schedule included in each proposal to ensure pay rates are reasonable and competitive. CONTRACTOR will ensure a stable driver work force is employed during the entire life of this Contract.

DISTRICT may specify that salaries of bus drivers and/or other CONTRACTOR employees be increased at any time during the Contract at its sole discretion. If the DISTRICT specifies an increase, it will negotiate compensating rate increases with the CONTRACTOR in a manner which ensures such increase is profit-neutral for the CONTRACTOR.

CONTRACTOR shall provide qualified drivers, trained, licensed and certified in accordance with the laws of the State and the rules and regulations of the DISTRICT. The CONTRACTOR will follow all procedures and make reports in accordance with WAC 392-144.

In addition, CONTRACTOR agrees that each driver shall:

- (a) Possess a valid license and any required permit or certification issued by this state authorizing such person to operate a school bus.**
- (b) Be certified by a duly licensed medical practitioner, practicing in Pend Oreille, Spokane or Stevens County, as medically qualified and free of medical or physical conditions which, absent reasonable accommodation, would limit safe operation of a school bus. The physical examination shall be conducted prior to employment and periodically (at least every 2 years) thereafter.**
- (c) Successfully complete a course of training, including classroom instruction in school bus safety, pupil discipline, human relations, defensive driving, first aid, use of fire extinguisher, traffic laws, DISTRICT'S policies and regulations and behind the wheel school bus driving instruction. Driver will pass a driving examination demonstrating competency in driving a school bus in actual traffic conditions. Driver will satisfactorily complete the annual school bus driver in-service training course.**
- (d) Hold a current and valid first-aid card that certifies that the applicant has completed a course in first aid.**
- (e) Submit annually to the school district a disclosure of all crimes against children or other persons and all civil adjudications in a dependency action or in a domestic relation action and all disciplinary board final decisions of sexual abuse or exploitation or physical abuse as required by RCW 43.43.834(2) and disclosure of all convictions which may be grounds for denial, suspension, or revocation of authorization under WAC 392-144-103.**
- (f) Possess a satisfactory driving record and criminal history record which shall be obtained by CONTRACTOR in accordance with requirements of the State of Washington. Periodic rechecks will be made as required by state law at the expense of the CONTRACTOR.**
- (g) Prior to employment and from time to time thereafter, to the extent permitted by law, drivers will undergo such tests as may reveal, within a reasonable degree of medical or scientific certainty, the presence or absence of drugs or controlled substances in the body and such tests as may clinically reveal alcoholism or alcohol abuse. Negative findings for such tests shall be a condition of employment. CONTRACTOR shall ensure the frequency, conduct and reporting of these tests conforms to state law.**
- (h) Satisfy all requirements of the U.S. Department of Transportation, Federal Highway Administration, Department of Transportation (DOT) in rendering transportation services regulated by that agency.**
- (i) Meet any other criteria required by law or by DISTRICT policies, rules or regulations.**

Drivers assigned to routes that primarily serve special needs children will additionally receive training

in special techniques used in handling such children. Drivers will meet the qualifications and training requirements of WAC 392-144- 101 and continuing requirements of WAC 392-144-102.

CONTRACTOR will ensure each school bus driver meets the following physical requirements:

- (a) Is physically able to maneuver and control a school bus under all driving conditions.
- (b) Is physically able to perform daily routing school bus vehicle safety inspections.
- (c) Has sufficient strength and agility to move about in a school bus as required to provide assistance to students in evacuating the bus. The driver must be able to move from a seated position in a sixty-five-passenger school bus, or the largest school bus the driver will be operating, to the emergency door, open the emergency door and exit the bus through the emergency door, all within twenty-five seconds.
- (d) Provide verification of holding a current and valid medical examiner's certificate.
- (e) School Bus operators shall observe all state statutes and administrative rules governing traffic safety and school bus operation. The **CONTRACTOR** shall, at the beginning of each school year, verify that each school bus driver has been provided a copy of the School Bus Driver Handbook (SBI), any additional laws and/or rules that apply to school bus drivers, and the district's written rules for student conduct on buses.
- (f) Prior to transporting students, each school bus driver must have a school bus driver's authorization issued by the Superintendent of Public Instruction; a commercial driver's license appropriate for the size vehicle they will drive, including a passenger endorsement; and a school bus endorsement (with the air brake restriction removed if they drive a bus with air brakes). A school bus driver is required to maintain and carry a valid Department of Transportation (DOT) medical examiners certificate and to demonstrate annually their continued ability to pass the Superintendent of Public Instruction school bus driver physical certification requirement. The school district retains the right to request more frequent medical examinations or demonstration of the physical ability requirements of WAC 392-144-102 (5).
- (g) Prior to employment and at least once each school year, school bus drivers must submit to his or her supervisor a photocopy of the following: a valid commercial driver's license indicating the appropriate endorsements, a DOT medical examiners certificate, and a current first aid card. On an annual basis, each school bus driver shall provide verification that he or she continues to meet the requirements of WAC 392-144-102 and verification that his or her driving or criminal record does not indicate any disqualifying conditions as listed on WAC 392-144-103 including: not having had a driving license privilege disqualified, suspended or revoked in the preceding three years, that he or she has not had three or more speeding tickets ten miles per hour or more over the speed limit in the preceding five years, and that he or she has not been convicted or undergone a deferred prosecution for any misdemeanor, gross misdemeanor or felony.
- (h) **CONTRACTOR** is required to conduct a pre-employment drug-screening test pursuant to CFR 49.382. The **CONTRACTOR** shall verify a negative result of such test prior to allowing the driver to operate a school bus on public roads, regardless of whether there are students on the bus. The **CONTRACTOR** shall comply with

the other drug testing requirements under Federal law, which includes random, reasonable suspicion, and post-accident testing.

All training, certifications, licensing or other requirements listed above shall be at the CONTRACTOR'S expense and evidence of such training, certifications, licensing or other requirements above shall be available to DISTRICT personnel or representative upon request. The CONTRACTOR shall maintain and produce records and paperwork with respect to drivers and driver training as required by any state or another agency.

In addition, the CONTRACTOR shall be responsible for and shall hold each driver responsible for:

- (a) Supervising the 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 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 time piece while on duty so that the driver can maintain established schedule times.
- (f) Operating the bus within the provisions outlined in WAC 392-145, Transportation, Operation Rules.

In accordance with the provisions of Washington law, RCW 28A.400.330, CONTRACTOR will prohibit any of CONTRACTOR'S employees or agents who have plead guilty to or been convicted of any felony crime specified under RCW 28A.400.322 involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury to or death of a child under Chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual offenses under Chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a of a minor under 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or a violation of similar laws of another jurisdiction as specified in RCW 28A.400.322 (1)(g) from working at DISTRICT or on any DISTRICT controlled property, equipment, or in association with DISTRICT activities. Any failure of CONTRACTOR to comply with this provision shall be grounds for DISTRICT to immediately terminate this Agreement and all obligations hereunder.

- B. Management Personnel. At least one competently trained individual must be appointed as manager of local operations. That individual must have the competency to manage the DISTRICT transportation operations, CONTRACTOR employees and coordinate transportation operations with DISTRICT administrative personnel. The site manager chosen for this position will be interviewed and must be approved by the DISTRICT prior to his/her assuming those duties. CONTRACTOR must ensure that personnel receive training and are competent within the conditions set forth by this agreement. At least one competent employee will be on hand in the transportation office to ensure route requirements are met and to coordinate operations and handle two way communications with bus fleet during the period from the beginning of the first regularly scheduled route each school day and the end of the last daily route. Designated manager will also schedule buses and drivers for activity runs, field trips, shuttles and excursions as

required by the district and to appoint substitute drivers for routes as needed. The manager of local operations will be available to make a recommendation as to feasibility of transporting children at least three hours prior to scheduled routes during inclement days and to implement the chaining of buses. The DISTRICT reserves the right to require the CONTRACTOR to terminate employment of manager of local operations who is found to not be competent in the areas listed above.

- C. Maintenance Personnel. CONTRACTOR shall employ enough bus maintenance staff to ensure that vehicles are in proper state of repair at all times and that all buses pass the annual State School Bus Inspection (WAC 392-143-035) or any other bus inspections designated by authorities. CONTRACTOR will have maintenance personnel available to immediately repair buses that have broken down on route.
 - D. Bus Aides. CONTRACTOR will employ aides for the routes primarily designated for special needs children as required by the DISTRICT. Aides will have proper training in first aid and techniques for handling special needs children. Bus Aides shall have significant physical strength to handle special needs children on the bus and while loading and unloading. CONTRACTOR will bill the DISTRICT for the exact amount of salaries and benefits paid to or in behalf of Bus Aides. Bus Aide Salary rates, number of aides hired and assignments will be approved by the DISTRICT. Contractor will provide First Aid and CPR subject to Contractor's guidelines, a copy of which will be provided to District. Contractor will not provide other medical services, including, but not limited to: DiaStat; Versa Magnet; or Tracts and tube medical procedures unless such services are required of a private school bus contractor by state or federal law.
 - E. Flagger/Crossing Guard. CONTRACTOR shall employ a flagger/crossing guard whose primary duty is to ensure the safe crossing for all students and direct traffic at the corner of Calispel Avenue and 5th Street. The flagger/crossing guard will be present at the assigned location each and every morning and afternoon when school is in session. The flagger/crossing guard will work a maximum of two one-half hour sessions, one-half hour in the morning and one-half hour in the afternoon. The DISTRICT and the CONTRACTOR will determine the start and end times for the flagger/crossing guard with the DISTRICT having the final determination. The flagger/crossing guard must have a valid Washington State Flagger certificate. The CONTRACTOR is required to provide the proper mandated training program as required by the State of Washington and/or the DISTRICT to ensure safe crossing for all students and direct traffic. The CONTRACTOR rate schedule shall include salary, benefits, and any other associated costs of the flagger/crossing guard.
9. **SAFETY PROGRAM.** The CONTRACTOR shall administer a satisfactory safety program that shall conform to the requirements of the Washington State Safety Act. The CONTRACTOR'S school bus driver safety and training program shall be presented to the DISTRICT with the bid. A driver supervisor shall ride with every driver at least once each semester for the purpose of observing their driving practices with respect to safety, and regulations, including adherence to published time schedules. Results of this observation will be recorded for DISTRICT review. The manager of local operations listed in Section 8B may fill this requirement if qualified.
10. **DISCIPLINE PROGRAM.** The CONTRACTOR shall employ and designate a Safety and Discipline Officer who shall work with students, drivers, school personnel, and parents. It shall be the responsibility of the officer to implement the Policies, Rules and Regulations of the DISTRICT as directed by the DISTRICT. The manager of local operations listed in Section 8B may fill this requirement if qualified.
11. **ADMINISTRATION.**

- A. Compensation Rates 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 Exhibit A (Bid Sheet) and amended from year to year due to escalation portion of this Agreement. CONTRACTOR will bill the DISTRICT by the 10th calendar day of each month, on a form acceptable by the DISTRICT, for actual services performed in the previous calendar month. Payment will be made at the end of the month of billing. Billing will be split between regularly scheduled routes, mid-day and noon routes, activity trips by sport, field trips by school, shuttles and excursions and bus aides

Billing for routes, shuttles, field and activity trips will begin at the time the bus leaves the bus lot or begins the trip if leaving from another location and will end when the bus enters the bus lot at the end of the route or trip. The district will not be billed for pre-trip and post-trip inspections, bus cleaning, administrative, fueling by outside fuel provider while in the bus lot, or other functions performed by the driver or other CONTRACTOR personnel. Time for fueling operations, if performed on-route is billable to the district. Subsequent to the first month CONTRACTOR and DISTRICT will review established route times at the end of each month and adjust established route times as both agree to be effective the following month. Charges shall be subject to adjustment in the event of an increase or decrease of increments of six (6) minutes per day in any bus route.

CONTRACTOR's proposed alternate pricing assumes that the DISTRICT would be responsible for all fuel costs and annual rate increases for subsequent contract years will be fixed at 3.0%.

The DISTRICT will pay for each scheduled morning and afternoon route the three-hour base rate plus the additional excess hour rate times any hours over the three-hour minimum. If the DISTRICT elects to route one bus on a ½ day schedule as outlined in Section 6B, billing for that route will be at ½ (one half) the 3-hour base rate for the first hour and a half with additional time billed at the excess rate. The rate paid for the first hour and one half will be considered the base rate for this ½ day route. Any additional ½ day route rates as provided for in Section 6B will be negotiated between the DISTRICT and CONTRACTOR with the rate for the first hour and one half considered the base rate and additional time billed at the excess hour rate. These additional ½ day route rates will be agreed to in writing. Billing time will be to the nearest tenth of an hour for each route. In no instance, will the DISTRICT pay for less than the base rate as delineated above for any regularly scheduled morning, afternoon or early release to-and-from route for days' school is in session. Regular routes will be billed from the time the bus leaves the bus lot until bus return to the lot both AM and PM and include any waiting time that is part of the route except any times a driver is not on pay status such as buses parked at the driver's home. Driver will be paid the regular salary for said waiting time billed as regular route time. Billing for noon routes and other shuttles that are an extension of the regular route shall be at the excess hour rate. Field trips, activity trips, isolated shuttles (shuttles not an extension of the regular route) and excursions will be billed exclusively at the activities rate with a 1-hour minimum charge. CONTRACTOR will bill the DISTRICT for the exact salary and benefits paid to or in behalf of Bus Aides. All trip charges for transportation services will be computed to the nearest 1/10th hour in increments of six (6) minutes. Each non-overnight activity trip, shuttle, or noon route will be billed for a minimum of one hour or actual time from leaving the bus lot or route until return to the bus lot, whichever is higher.

On overnight trips, the hourly rate shall be for that time the bus is moving or waiting. Hours when the bus is not required, i.e., when released at the end or during the day by the

student supervisor until the bus is again required the next day, are not to be charged to the DISTRICT except that for each full day between the first and last day of the trip a minimum of eight (8) driving and waiting hours will be paid by the district. The billing rate for such trips shall be at the activities rate. In addition, the DISTRICT will reimburse the CONTRACTOR a reasonable per diem rate for the driver meals and lodging which shall be billed as a separate item or provide driver lodging at its expense.

Payment by the DISTRICT of any invoices shall constitute full and final payment for services rendered for the period covered by such invoice, unless the CONTRACTOR files a claim for error or omission within sixty (60) calendar days of the date of such invoice.

Payment for such services will be made in check, money order, or ACH or wire transfers within a reasonable time after receipt of invoice, not to exceed thirty (30) calendar days. Payment by credit card is accepted but requires an increase in the invoiced amount of two and one-half percent (2.5%) to cover processing fees.

In the event sums due and payable are not received within thirty (30) calendar days, a late charge of 1.5% per month or the maximum percentage allowed by law, whichever is less, of the outstanding balance will be assessed upon the account.

In the event such sums are not received within sixty (60) days, service may be discontinued until such time as Contractor has received all sums due.

- B. Uncompleted Trips. In the event the CONTRACTOR cannot make or complete a scheduled trip, the DISTRICT shall not pay for the trip and, in addition, the CONTRACTOR shall be assessed a penalty of 1.5 times the scheduled rate for the trip.

Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to the student, their families and school staff. From the nature of services to be rendered, it would be impractical and extremely difficult to fix the actual damage under the Agreement caused by these defects in service. Within forty-five (45) days of the event, there shall be assessed as liquidated damages, but not as a penalty, the amount(s) set out below for defects in service. In the event DISTRICT fails to notify and assess liquidated damages within such forty-five (45) days, such failure shall relieve CONTRACTOR of its obligation to pay liquidated damages for the event. (If an entire assignment is missed, the liquidated damage assessment per route per day will be \$100.)

1. \$25.00 shall be assessed for each incident of the following:
 - a. Morning trip delay (penalty assessed for each 10 minute increment of delay).
 - b. Noon trip delay (penalty assessed for each 10 minute increment of delay).
 - c. Afternoon trip delay (penalty assessed for each 10 minute increment of delay).
2. \$50.00 charges shall be assessed for each incident of the following:
 - a. Driver misses stop or fails to pick up or drop off student(s).
 - b. Driver off the bus at any time once the bus leaves the yard, including while students are loading or unloading.
 - c. Failure to clean a dirty bus (interior and exterior) within twenty-four hours of notice.
 - d. Failure to display route numbers.

- e. Failure to maintain operating video camera equipment or failure to provide clear video within twenty-four (24) hours of DISTRICT request.
 - f. Failure to provide good customer services as determined by the DISTRICT.
 - g. Failure to return telephone calls to parents, school staff and DISTRICT within twenty-four (24) hours.
3. Damages for trip delays, which are the sole judgement of the DISTRICT clearly and unquestionably caused by factors totally beyond the control of the CONTRACTOR, will be waived by the DISTRICT.
 4. If the DISTRICT becomes aware that a late or missed field trip occurred, but was not reported by the CONTRACTOR to the DISTRICT, the CONTRACTOR may be charged \$75.00 for each trip which is not reported to the DISTRICT. A late trip is defined as a trip operated more than 10 minutes late.

The above damages are cumulative if a single incident includes more than one category.

It is the DISTRICT preference to continue a good working relationship between the DISTRICT, CONTRACTOR and parents. It is agreed that prompt and safe transportation to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to students, families, and school staff.

The CONTRACTOR may propose an option to provide a service at no cost (i.e. field trips) to the DISTRICT in lieu of liquidated damages. The CONTRACTOR will notify the DISTRICT of all missed trips and the rectification to the school or group. If the CONTRACTOR fails to comply, the DISTRICT will assess liquidated damages accordingly. District must notify the General Manager (of the Contractor location that performs the services) in writing (an email to the General Manager is an acceptable form of notice) within three (3) days of an occurrence giving rise to a liquidated damage claim and must assess such liquidated damage claim within 30 days of its occurrence. No liquidated damages shall be assessed during the first 30 days of any Agreement school year. Failure to timely notify or assess shall relieve Contractor of its obligation to pay liquidated damages for such occurrence. Notice must provide specifics regarding the occurrence, including a reference to the contract provision at issue as well as all information necessary for Contractor to review the claim. This Agreement does not provide for a District unilateral right to set-off and District cannot deduct the liquidated damages from payment due Contractor until Contractor has confirmed in writing (email is an acceptable form of writing) to the District that the claim and amounts are appropriate.

- C. Unscheduled Closing of School. The DISTRICT shall not be obligated to accept or pay for services herein agreed to be furnished by the CONTRACTOR on those days when, by direction of the Superintendent or designee, any DISTRICT'S school or schools are closed to insure the health or safety of the pupils or for any other lawful reason, and such closures reduces in part or whole the normal transportation service. The DISTRICT agrees to notify the CONTRACTOR in an expeditious manner on such days of school closure.

The DISTRICT further agrees to notify the CONTRACTOR of canceled special bus trips no less than two (2) hours prior to the first scheduled pick up per trip. If the

DISTRICT fails to give the CONTRACTOR two (2) hours notification of school closure and/or canceled special bus trips, the DISTRICT shall pay the CONTRACTOR the driver(s) actual time or minimum call out time whichever is less.

- D. Escalation Clause. It is recognized by the parties hereto (1) that certain of the CONTRACTOR'S operational expenses such as the cost of buses, materials and labor may change materially, up or down, during the contract period; (2) that such changes in cost cannot be determined in advance; (3) that without a realistic clause in the contract, the parties must of necessity agree on a rate high enough to compensate for possible, yet unknown added cost to cover the entire term of the contract; (4) that if an escalation clause is included in a contract, which is fair and just to both CONTRACTOR and the DISTRICT, cost projections and bids can be more accurate and the corresponding rate the DISTRICT would pay will be lower than it otherwise would be. Annual rate increases for subsequent contract years will be fixed at 3.0%.
- E. Daily Bus Report and Daily Ridership Summary. Pursuant to State of Washington requirements, CONTRACTOR shall submit to the DISTRICT representative a "Daily Bus Report" for each bus operated under the Contract. This report shall include the following: (1) Driver's complete pre-trip safety check in accordance with State Pupil Transportation Manual; (2) Total miles traveled, time in route, and number of students transported daily to and from high school, middle school, and elementary school as separate groups; (3) Total miles, time and student count for extra or special trips ordered by the DISTRICT; (4) such other related student information that may be required from time to time by the State of Washington or DISTRICT. The CONTRACTOR shall also provide the DISTRICT with a Weekly Ridership Summary spreadsheet identifying number of AM and PM riders per day by school for each route.
- F. State Reports. It shall be the responsibility of the CONTRACTOR to prepare for the DISTRICT any and all pupil transportation related reports requested or required by the State. This includes all paperwork required for the school ridership data collection process or any successor required information used to apportion funds to districts for pupil transportation, required driver information reports, bus inventory report, mileage, and other information required by Superintendent of Public Instruction, State Department of Education or other federal, state or local agency. CONTRACTOR is responsible to the DISTRICT for the accuracy of such reports.
12. FORCE MAJEURE. It is agreed by the parties that in the event the CONTRACTOR is unable to provide transportation services as herein specified because of acts of God, fire, riot, war, civil commotion, picketing, strikes, labor disputes, or any other similar conditions, the DISTRICT shall excuse the CONTRACTOR from performance hereunder and District shall not be allowed to levy any damages or penalties, liquidated or otherwise during the time and to the extent that Contractor is prevented from performing in the customary manner.

In the event Contractor is unable to provide transportation services for the reasons described above and the District takes over buses during a Force Majeure event, the District shall insure that the drivers are properly licensed and the District must carry the same insurance as required by the Contractor. Contractor shall inform the District when the Contractor is able to resume its regular operations. Under these circumstances, the district shall have the right, but not be required, to assume the transportation operations with such CONTRACTOR equipment, school employees or other persons as the DISTRICT may deem appropriate until the CONTRACTOR is able to resume operation. If the DISTRICT does not operate the buses, it is not obligated to any payments. The DISTRICT shall pay to the CONTRACTOR for such buses used, the same amount specified in the heretofore-mentioned rate schedule, less all expenses and costs incurred by the DISTRICT in securing the services of operating and management personnel and other additional costs that are incurred. The CONTRACTOR shall provide supervisory personnel to assist the DISTRICT.

The CONTRACTOR shall not be released from contractual obligation because of the above- mentioned conditions until it is satisfactorily established that the non-performance is not due to the fault or neglect of the CONTRACTOR.

13. **PERMIT, LICENSES, LAWS AND REGULATIONS.** The CONTRACTOR and all his employees or agents shall secure and maintain in force such licenses and permits as required by law for furnishing the services herein specified, and comply with and observe all provisions of the Washington Motor Vehicle Code, Superintendent of Public Instruction codes, directive and regulations, and those of any other governmental agency and the DISTRICT relating to the transportation of pupils. Subject to the prior approval of the State of Washington Department of Motor Vehicles and in accordance with the laws of the State of Washington, school buses operated by the CONTRACTOR may be licensed and titled showing the DISTRICT as the registered owner/lessee and the CONTRACTOR as the legal owner/lessor. In such event, the licenses shall be obtained by the DISTRICT at the CONTRACTOR'S expense. If buses are licensed with tax-exempt licenses, the CONTRACTOR shall use such buses only for those purposes permitted under the exempt license. Further, CONTRACTOR agrees that if vehicles are to be utilized in other types of services, that they will, at the CONTRACTOR'S expense, purchase the necessary licenses and permits in compliance with state, county and city laws and that the county exempt plates will be removed from the bus and forwarded to the DISTRICT Transportation office for retention. Upon termination of the Contract, CONTRACTOR agrees to forward all tax-exempt plates to the DISTRICT Transportation office.

14. **HOLD HARMLESS CLAUSES.** To the fullest extent allowed by law, the CONTRACTOR, while performing the requirements for transportation herein, shall hold harmless and indemnify the DISTRICT and the Board of Directors and its officers and employees from every claim or demand including attorney fees which may be made by reason of:
- A. An injury to person or property sustained by the CONTRACTOR or by any person, firm, or corporation, employed directly or indirectly by it upon or in connection with its performance under the Contract, however caused.
 - B. Any injury to person or property sustained by any person, firm, or corporation caused by an act, neglect, default, or omission of the CONTRACTOR or any person, firm or corporation directly or indirectly employed by it or in connection with its performance.
 - C. Any act arising from neglect, default or omission of the CONTRACTOR in performance of the Contract,
 - D. CONTRACTOR'S hold harmless and indemnification agreement herein set forth shall extend to and include all activities whether occurring while equipment is being operated independently by CONTRACTOR or while leased to the DISTRICT. The agreement to indemnify, hold harmless, and defend shall be total and complete being intended to avoid and insulate the DISTRICT from any and all liability, loss, damage, cost, charge, claim, or demand, including attorney fees against the DISTRICT.

The CONTRACTOR, at its own expense and risk, shall defend any legal proceeding that may be brought against the DISTRICT, Board, or any district officers or employees on any such claim or demand to which the foregoing indemnity applies and satisfy any judgment that may be rendered against the DISTRICT, Board, or DISTRICT officers or employees therein.

The requirements of this section shall survive termination of any contract entered into

between the CONTRACTOR and the DISTRICT. The CONTRACTOR and the DISTRICT acknowledged that the provisions of this paragraph have been explicitly agreed to.

15. **INSURANCE.** CONTRACTOR agrees, at its sole expense, to procure and keep in force during the entire period of the agreement public liability and property damage liability insurance, protecting the DISTRICT and its officers and employees and agents, its Board of Directors and the individual members thereof, the CONTRACTOR, drivers, and other related personnel in the following minimum sum:
- A. A standard General Commercial Liability insurance policy providing, without limitation, \$15,000,000 combined single limit coverage for bodily injury and property damage liability and contractual liability insurance coverage for the defense, indemnification and hold harmless promises made by CONTRACTOR elsewhere in this Agreement subject to the policy's terms and conditions. Limits can be satisfied by evidencing primary and umbrella/excess policies.
 - B. A standard motor vehicle fleet and automobile liability insurance policy providing, without limitation, the following: (i) a combined single limit of not less than \$15,000,000 for bodily injury liability, property damage liability, (ii) no-fault medical expense and Personal Injury Protection coverages for vehicle occupants and pedestrians and bicyclists, with limits of not less than \$50,000 per person per incident; (iii) and contractual liability insurance coverage for the defense, indemnification, and hold harmless promises made by Contractor elsewhere in this Agreement. Such policy shall also afford coverage for owned, hired, and non-owned vehicles subject to the policy's terms and conditions. Limits can be satisfied by evidencing primary and umbrella/excess policies.
 - C. With respect to the insurance policies required in the immediately preceding subparagraphs a). and b)., CONTRACTOR shall: (i) cause the insurer(s) from whom CONTRACTOR procures such insurance policies to issue endorsements attached to and made a part of such policies, adding and protecting the DISTRICT and its employees, agents, Board of Directors and individual members thereof, and representatives as additional insured under such policies, for all purposes and claims made against the DISTRICT related to or arising in any way from the subject matter or performance of this Agreement; (ii) CONTRACTOR shall assure that such policies of insurance provide that they shall serve as primary-level insurance coverage with respect to any such claim made against the DISTRICT, such that any liability insurance separately procured and maintained by the DISTRICT shall be considered excess-level insurance coverage with respect to such claim; and (iii) CONTRACTOR will ensure that insurance company issuing such coverage is rated as an "A" rating or higher as defined by AM Best.

A facsimile copy of the policy shall be furnished as proof to the DISTRICT fifteen calendar days prior to the start of the school year. Such insurance shall include a thirty (30) day cancellation clause guaranteeing the DISTRICT will be notified of a cancellation of, reduction of limits, non-renewal or change in the policy. An insurance company licensed to do business within the State of Washington shall provide such insurance.

16. **INDEPENDENT CONTRACTOR STATUS.** In the interpretation of the Agreement and the relations between CONTRACTOR and DISTRICT, CONTRACTOR shall be construed as being an independent CONTRACTOR employed to provide transportation services only. No

agent, employee, or servant of the CONTRACTOR shall be or shall be deemed to be the employee, agent, or servant of the DISTRICT. None of the benefits provided by the DISTRICT to its employees are available from the DISTRICT to the employees, agents or servants of the CONTRACTOR. CONTRACTOR will be solely and entirely responsible for his acts and for the acts of his agents, employees, servants and sub-contractors during the performance of this Contract. Should DISTRICT be required by reason of this Contract and lease to make any payments of benefits referred to herein, the CONTRACTOR shall reimburse the DISTRICT for such payment or benefits. CONTRACTOR shall be responsible for, indemnify and hold DISTRICT harmless from any claims or liability for unemployment taxes or contributions, workers' compensation premiums or claims, payroll taxes or other federal or state employment taxes.

17. **FUEL.** It is the responsibility of the District to provide for procurement of fuel for use within the scope of the Contract. The additional cost of any required fuel procurement method that requires the CONTRACTOR's buses to be fueled outside the boundaries of the district will be borne by the DISTRICT. CONTRACTOR will operate a fleet using only diesel fuel.
18. **FACILITIES.** The DISTRICT shall lease to the CONTRACTOR during the term of the Agreement its facilities located on 1624 W 7th, Newport, Washington 99156. CONTRACTOR shall procure and maintain in force, without cost or expense to DISTRICT, on or before the commencement date of the Agreement and throughout the agreement term or as long as CONTRACTOR remains in possession of the premises, a broad form comprehensive general liability policy of insurance covering bodily injury and property damage, with respect to the use and occupancy of the premises with liability limits of not less than \$1,000,000, per occurrence and \$2,000,000 aggregate. DISTRICT shall be added as additional insured on all such policies, which policies shall in addition provide that they may not be cancelled or modified for any reason without fifteen (15) days prior written notice to DISTRICT. CONTRACTOR shall provide DISTRICT with a certificate or certificates of such insurance within ten (10) day of the execution of the Agreement.

Repairs to the aforementioned leased premises shall be at DISTRICT'S expense unless it is deemed that damage-requiring repairs were caused by the CONTRACTOR, CONTRACTOR'S employees or agents. In this case, CONTRACTOR shall then be responsible for said repairs. CONTRACTOR will pay for all utilities at the premises. CONTRACTOR at its own expense, shall keep these premises neat, clean and in sanitary condition, and use the premises in accordance with applicable laws ordinances, rules, regulations and requirements of governmental authorities. Any alterations to the facilities shall be made at CONTRACTOR'S expense and only upon receiving permission for such alterations by the DISTRICT. All equipment shall be stored in a neat and orderly manner. The CONTRACTOR shall be responsible for the general appearance and upkeep of the grounds to include the removal of debris and the restriction of weed growth on both sides of the fence surrounding the fenced area. CONTRACTOR will be responsible for any required plowing of snow within the fenced area and to secure a path to the street.

Maintenance operations, while performed in this facility, shall be made in a manner to reduce fumes as much as possible within the building. CONTRACTOR shall provide all tools and apparatus needed for maintaining and repairing buses at its sole expense during this time.

Real property taxes shall be the responsibility of the DISTRICT. CONTRACTOR shall pay all personal, excise, sales, use and other taxes or assessments with respect to CONTRACTOR'S personal property and business operations on the premises prior to same becoming delinquent. CONTRACTOR shall pay all leasehold excise tax charged against the lease and improvements on the premises.

DISTRICT may recapture the premises if it is needed for DISTRICT purposes in the future by providing thirty (30) days written notice to the CONTRACTOR. In such event, the parties shall renegotiate the rates of compensation or other related conditions for pupil transportation services.

CONTRACTOR hereby waives and relinquishes any indemnification by or from the DISTRICT, express or implied, for any costs or liabilities arising out of or related to the discharge, release or presence of any hazardous or toxic waste, substance, or constituent or other substances on, in or from the premises, which discharge, release or presence first occurs on or after July 1, 2017 and before the end of CONTRACTOR'S possession of the premises. CONTRACTOR shall indemnify, hold harmless and defend DISTRICT against and in respect of any and all liability, claim, loss, cost, damage, expense (including attorneys' fees and remedial costs), fine, penalty, suit, demand or other action, including but not limited to those matters related to the death, dismemberment or other injury to any person, asserted against DISTRICT resulting from, arising out of, related to or in connection with the (1) release by CONTRACTOR, its agents, contractors or employees, from or upon the premises of any hazardous or toxic substance, waste, constituent or other substance into the environment; (2) any arrangement by CONTRACTOR, its affiliates, or agents for the treatment, recycling, storage or disposal at any facility owned or operated by any person or entity of a hazardous or toxic substance, waste, constituent or other substance which has been or may be deposited at, disposed on, or released onto the premises; and (3) cleanup or other remedial measures with regard to environmental pollution caused by CONTRACTOR, its affiliates or agents, which may be required by any governmental agency pursuant to federal, state, or local statutes or regulations, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 *et seq.* ("CERCLA")

CONTRACTOR, in conducting or authorizing any activities on the premises, shall ensure compliance with all federal, state and local laws, ordinances and regulations regarding the use and disposal of contaminants and toxic and hazardous waste, substances or constituents. Upon vacating the premises, CONTRACTOR shall insure that any such contaminants or hazardous or toxic wastes that are used or stored on the premises are properly removed. DISTRICT, at its expense, may conduct an inspection to ensure no toxic substances or materials have been introduced into the ground by the CONTRACTOR within the time period of this contract. If such materials are found to be present in the ground, CONTRACTOR will ensure clean-up at its sole expense.

19. **CANCELLATION.** Transportation services may be terminated at DISTRICT discretion immediately, without notice, at any time the DISTRICT has reason to believe the safety of students may be put at risk related to CONTRACTOR'S services under this Agreement. In the event, local funding is not appropriated, or state transportation allocations are curtailed or seriously reduced any transportation service may be discontinued or reduced at the option of the DISTRICT after thirty (30) calendar days' written notice.

Should the CONTRACTOR fail to comply with any of the terms or conditions set forth in the Agreement, or should the DISTRICT determine that the CONTRACTOR is in any other way unfit, unqualified, or unable to perform the transportation needs of the DISTRICT under the Contract, then, and in that event, with a minimum thirty (30) days written notice to the CONTRACTOR this Agreement may be terminated unless within thirty (30) days after service of such written notice of the condition or violation the Contractor shall cease and make satisfactory arrangements for the correction thereof. If the DISTRICT terminates the Agreement under this provision it may, at its sole discretion, elect to purchase or lease CONTRACTOR's buses in accordance with Section 20 of this Agreement.

District shall have the right to terminate the Agreement at the end of any contract year if it has been denied adequate funding for the provision of school bus services. In the event District is denied adequate funding for the provision of school bus services, District shall immediately notify Contractor in writing. In the event funding is restored, Contractor shall have the right of first refusal to resume providing services to District in accordance with the Agreement.

20. **OPTION TO PURCHASE OR LEASE CONTRACTOR'S BUSES.** Should the DISTRICT determine that it will provide its own transportation services at any time during or upon the expiration of the Contract, the DISTRICT shall so notify the CONTRACTOR at least ninety (90) calendar days prior to exercising this option. In the event of termination of contract or the DISTRICT determining to provide its own transportation, the DISTRICT may buy or lease and the CONTRACTOR agrees to sell or lease to the DISTRICT, the buses that are then being used in direct application of this Contract with the purchase or lease agreement to be determined by one of the following basis, at a price agreed to hereinafter.

- A. Outright purchase of any or all of the buses.
- B. Purchase any or all of the buses on a conditional sales contract over a period of five (5) years.
- C. Lease any or all of the buses over a period of five years with or without an option to purchase said buses.

In any such event, CONTRACTOR grants to the DISTRICT an option to purchase and/or extend its lease hereunder as to any or all of the buses that are being leased by CONTRACTOR in the performance of its contract. Should the DISTRICT desire to purchase or extend its lease hereunder as to any or all of the buses, it shall exercise the option to purchase or lease by notifying CONTRACTOR in writing at least ninety (90) calendar days prior to the expiration of this Contract.

In the event that the DISTRICT exercises its option to acquire or lease any or all of the CONTRACTOR'S buses, the fair market value of the buses shall be determined by appraisal of three (3) appraisers: one selected and paid for by the DISTRICT, one selected and paid for by the CONTRACTOR and one of which shall be selected by mutual agreement of the DISTRICT'S and CONTRACTOR'S appraisers. Payment of the third expert shall be mutually shared. The value of each vehicle shall be established by a majority vote of the three experts. Should the DISTRICT elect to extend its lease or, alternatively, to lease the buses with option to purchase, the appraisers shall additionally determine the fair market value of said lease payment and/or option price.

It is understood and agreed that the DISTRICT shall have the option to acquire any or all the CONTRACTOR'S buses on any of the above basis or on any combination of "A", "B", "C", whichever is deemed to be the best rates payable by the DISTRICT. It is further understood and agreed that interest rates payable by the DISTRICT on Options "B" and "C", or any

combination thereof, shall not exceed the existing statutory limit, or two (2) points over the existing prime rate of Chase Manhattan Bank of New York, whichever is less.

21. **ADHERENCE TO SPECIFICATIONS.** Of necessity and natural attrition, it is agreed by the DISTRICT and potential CONTRACTORS that the numbers of passengers and route lists are estimates and are accurate as can be ascertained at this time. Therefore, CONTRACTORS are reminded to adhere to specifications as set forth herein, for their proposal.
22. **CERTIFICATION REGARDING FEDERAL DEBARMENT, SUSPENSION AND INELIGIBILITY.** By submitting a proposal, CONTRACTOR certifies that neither it nor its principals are presently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency. A declaration to this effect will be part of the final contract signed by CONTRACTOR. At any time during the duration of this contract the CONTRACTOR or its agents become debarred, or excluded from participation in transactions by any federal department or agency, the CONTRACTOR will notify the DISTRICT of such action.
23. **BID DISCLOSURE CLAUSE.** By submission of this proposal, each CONTRACTOR and each person signing on behalf of any CONTRACTOR certifies under penalty of perjury, that to the best of his knowledge and belief, the prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement with any other bidder or competitor, and further, that the prices which have been quoted in the bid have not and will not be knowingly disclosed by the CONTRACTOR prior to opening, directly or indirectly, to any other CONTRACTOR or competitor.
24. **SAVINGS CLAUSE.** The CONTRACTOR and DISTRICT hereto agree that, in the event any provisions specified herein are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the agreement shall remain in full force and effect.
25. **ASSIGNMENT.** The services contemplated under the Agreement are deemed to be in the nature of personal services. This Agreement shall not be assigned by CONTRACTOR without prior written consent of DISTRICT. The parties agree that assignment by the CONTRACTOR of any sums due and owing CONTRACTOR under the Agreement shall not constitute an assignment of the Agreement.
26. **ENTIRE AGREEMENT.** This Agreement sets forth the entire agreement between the DISTRICT and CONTRACTOR concerning the subject matter hereof. There are no representations, either oral or written, between the DISTRICT and CONTRACTOR other than those contained in this Agreement.
27. **ARBITRATION.** In the event that a dispute shall arise regarding the terms, conditions, or breach of the Contract between the parties, the parties shall, as a condition precedent to taking any action and as a condition precedent to seeking arbitration, mediate the dispute using the services of a mutually agreed upon independent mediator. Each party shall split the expenses of the mediator and the facility for mediation. Each party shall otherwise pay its own expenses. The site of the mediation shall be in Newport, Washington.

Any controversy of claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s)

may be entered in any court having jurisdiction thereof. Venue of such arbitration shall be in Pend Oreille County, Washington.

The terms of this agreement shall be governed by the laws of the State of Washington. In the event that legal action is commenced to resolve a dispute arising out of this Agreement, the venue of such action shall be in Pend Oreille County, Washington.

In the event, legal action becomes necessary to enforce any term or condition of this Agreement the prevailing party in any legal action shall be entitled to recover reasonable attorneys' fees and costs incurred in such appeals and determined by the court(s). The term "costs" shall include, in addition to statutory costs and disbursements, all costs associated with discovery depositions, expert witness fees, and out of -pocket costs incurred by the prevailing party in the prosecution or defense of the action. For the purpose of this paragraph, the term "action" shall be deemed to include any proceeding commenced in the bankruptcy courts of the United States.

28. **BID BOND.** Each proposal must be accompanied by a bid bond or cashier's check in the amount of \$50,000 to guarantee Vendor intent to enter into a contract with the District.
29. **REJECTION OF PROPOSALS.** The Newport School District reserves the right to waive any or all bids and/or proposals and to waive informalities or irregularities in any RFP, bid or the Proposal process at its sole discretion and for any reason(s) it determines appropriate.
30. **AWARD OF CONTRACT.** The DISTRICT reserves the right to accept the proposal that it deems to be in the best interest of the DISTRICT. A contract award, if any, will be based on the DISTRICT'S determination of which proposal best meets the needs of the DISTRICT. Judgements to be made may include anticipated cost of services, ability and capacity to perform, experience, reputation, past performance, responsiveness to terms and conditions of the proposal or any other factor the DISTRICT at its sole discretion deems relevant. The DISTRICT reserves the right to select a proposal with higher prices than the lowest of all prices received, if in the opinion of the DISTRICT, the interests of the DISTRICT will be best served by such proposal. Annual estimated operating cost for purposes of this award process will be determined by multiplying actual time billed to the district in the various bid categories for the 2015-16 fiscal year (September 1, 2016 or first day of school until August 31, 2016) times the rates proposed by each prospective CONTRACTOR submitting a proposal for pupil transportation services. Additionally, the DISTRICT will calculate the estimated annual depreciation amount of each proposed bus fleet which will also be taken into consideration in determining net estimated pupil transportation cost of each proposal. Each bidder will provide, on the form provided, with submitted proposal documents a listing of at least 5 references from former or present contracted districts which will attest to the reliability, experience and quality of the CONTRACTOR'S performance in other pupil transportation contracts. The DISTRICT also reserves the right to seek information as to prior transportation contract performance and competency or other business affairs of the CONTRACTOR during the Request for Proposal evaluation period or any time thereafter from any source that it deems appropriate, whether or not they are on the CONTRACTOR reference list. The decision as to which proposal the Newport School District will accept rests solely with the Board of Directors of the Newport School District No. 26-056 by majority vote. The decision of the Board of Directors of the Newport School District will be final.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written above.

DURHAM SCHOOL SERVICES, L.P.

NEWPORT SCHOOL DISTRICT

By: Durham Holding II, L.L.C.,
its general partner

By: _____
Name: _____
Title: _____
Date: _____

By: David E. Smith
Name: David E. Smith
Title: Superintendent
Date: 03/20/2017

Exhibit A

TO AND FROM SCHOOL RATE:	SIZE OF VEHICLE		
	65-84 Passenger	Mid Size w/Lift	Type A, 18-22
Rate for first 3 Hours (Minimum paid per route*)	\$231.98	\$231.98	\$231.98
Hourly rate over 3 Hours (Excess Hour Rate)	\$41.00	\$41.00	\$41.00

The above Excess Hour Rate also applies to shuttle runs.

ACTIVITES RATE-(FOR EXTRA-CURRICULAR, FIELD TRIP, EXCURSIONS):

Hourly rate (one hour minimum)	
78 to 82 Passenger Transit Hourly Rate	\$41.00
All Other Vehicle Rate	\$41.00

OTHER DEPARTMENT EMPLOYEE RATES:

Bus Aide Hourly Rate \$21.00 Flagger Hourly Rate \$21.00

OTHER:

White Fleet Labor Hourly Rate \$49.00 White Fleet Mark Up Rate 10%
Annual Routing Software Cost (included in 3 hour rate) \$576.00

BATTLE GROUND SCHOOL DISTRICT #119
AND
HOCKINSON SCHOOL DISTRICT #98
PUPIL TRANSPORTATION SERVICES – CONTRACT #1216-33

The PARTIES, Battle Ground School District and Hockinson School District enter into this contract for Pupil Transportation Services with Santa Barbara Transportation Corp. dba Cascade Student Transportation, Vendor.

The PARTIES mutually agree that the terms and conditions of the contract are as contained in the following: the Request For Proposal presented by the Districts and the Proposal as presented by Santa Barbara Transportation Corp. dba Cascade Student Transportation on February 29, 2016, which documents are incorporated herein as though fully set forth in this document, subject to the revisions to the Proposal as negotiated between the parties. Said revisions are set forth in attached Exhibit 'A', a letter dated March 16, 2016 by Cascade Student Transportation and approved by Battle Ground School District #119 Board of Directors and Hockinson School District #98 Board of Directors on March 28, 2016.

Further, all parties agree that Battle Ground School District #119 and Hockinson School District #98 will have full access to view and print routing software information as it pertains to their district.

Battle Ground School District #119

Hockinson School District #98





MaryBeth Lynn

Sandra Yager

Assistant Superintendent of
Finance and School Operations

Superintendent

Date: 4/19/16

Date: 4.18.16

Cascade Student Transportation



By:

Donald D. Kissell

Printed Name:

SR VP of Operations

Title:

5/4/2016

Date:

Exhibit 'A'



March 16, 2016

Ms. MaryBeth Lynn / Ms. Michelle Scott
Battle Ground/Hockinson School Districts
400 N. Parkway Ave.
Battle Ground, WA 98604

Re: Pupil Transportation Services Pricing Proposal

Dear Ms. Lynn and Ms. Scott,

We propose adjusting our rate schedule in subsequent years to help meet your budget goal with a 7% increase for the 2016-17 school year. In order to accomplish this, we require a five year contract with fixed pricing per the attached schedule. We are unable to adjust rates over a three year term. We adopted the following changes and adjusted our pricing accordingly:

1. Eliminate the requirement for cyber liability insurance.
2. Reduce the percentage of bus inventory required for extracurricular trips from 15% to 10%. We will still be able to accommodate the current "prime time" trip level of (12) for Battle Ground and (2) for Hockinson.
3. Eliminate two office staff and one mechanic.
4. Eliminate SafeStop
5. CST will provide a \$30,000 annual trip donation to the Districts.

Please let me know if you have any questions concerning our proposal. I can be reached at (805) 681-8355.

Regards,



Michael Gately
Regional Director of Financial Operations

Exhibit 'A'

**Battle Ground / Hockinson School Districts
Modification to Bid Rates**

March 16, 2016

School Year	% Change	3 Hour Base			Excess Hrs Rate	Trips Per Hour
		42-84	Van	W/C		
July 1, 2016 - June 30, 2017	7.00%	\$229.39	\$238.83	\$242.71	\$35.43	\$43.08
July 1, 2017 - June 30, 2018	10.50%	\$253.47	\$263.91	\$268.19	\$39.15	\$47.60
July 1, 2018 - June 30, 2019	10.50%	\$280.08	\$291.62	\$296.35	\$43.26	\$52.60
July 1, 2019 - June 30, 2020	3.00%	\$288.48	\$300.37	\$305.24	\$44.56	\$54.18
July 1, 2020 - June 30, 2021	3.00%	\$297.13	\$309.38	\$314.40	\$45.90	\$55.81

Annual Trip Donation to Districts - \$30,000 per year



August 18, 2016

VIA FEDERAL EXPRESS

Wendy L. Snider
Business Services Analyst
Everett Public Schools
3900 Broadway
Everett, Washington 98201

Re: Transportation Agreement between Everett Public Schools and Durham School Services, L.P.

Dear Ms. Snider:

Enclosed please find two (2) partially executed originals of the 2017-2022 Pupil Transportation Agreement between Everett Public School and Durham School Services, L.P.

Please have each document signed and kindly return one (1) fully executed original to my attention.

If you should have any questions in regard to the enclosed, please contact me at (630) 821-5785.

Sincerely,

Amy N. O'Dell
Senior Contract Administrator

Enclosures

4300 Weaver Parkway
Warrenville, Illinois 60555
Telephone: 630.821.5400
Fax: 800.318.3227
www.durhamschoolservices.com

RECEIVED
AUG 22 2016
FINANCE DEPT.

*fully executed
copy mailed to
Amy O'Dell
8-29-16*

TRANSPORTATION AGREEMENT 2017-2022



EVERETT SCHOOL DISTRICT NO. 2

PUPIL TRANSPORTATION SERVICES

PUPIL TRANSPORTATION SERVICES

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**EVERETT PUBLIC SCHOOLS
TRANSPORTATION AGREEMENT**

AGREEMENT

THIS AGREEMENT (hereinafter "Agreement") made and entered into this 23 day of August, 2016, by and between Everett Public Schools (hereinafter "District") and Durham School Services (hereinafter "Contractor").

The District and the Contractor, for the consideration hereinafter named, mutually agree as follows:

1. SCOPE OF THE AGREEMENT

Contractor shall provide, maintain, and lease to the District the required number of school buses with drivers to transport conveniently, reliably, efficiently and safely any and all students designated by the District to be served under the provisions of this Agreement. Such transportation shall be provided for each and every day as specified by the District during the term of the Agreement. At the option of the District, the Contractor shall provide the transportation for students or other authorized personnel as may be required by the District on field trips, excursions, athletic activities or any other purpose designated by the District. (The services described in this paragraph, above, may hereinafter be referred to collectively as "Pupil Transportation Service.")

In furnishing the Pupil Transportation Service under this Agreement, the Contractor agrees to comply with and observe all the provisions of the State of Washington vehicle Codes and all applicable laws, rules, and regulations prescribed by the Washington State Legislature, the State Board of Education, the Office of the Superintendent of Public Instruction, any other Federal, State, or local agency, or the Board of Directors of Everett Public Schools.

The Pupil Transportation Service shall include the providing of all transportation equipment, apparatus, facilities, personnel service, materials, and fuels per the minimum specification herein.

The Contractor agrees the District may decrease or increase the number of students assigned to a vehicle when deemed in the best interest of the District.

2. TERM OF AGREEMENT

The term of this Agreement shall be for a period commencing August 1, 2017, terminating at midnight, July 31, 2022. The "school year" as used hereinafter refers to a 12-month period commencing August 1st ending July 31st.

3. APPROVAL

The Pupil Transportation Service provided under this Agreement must meet the approval of the Superintendent of the District or his/her designated representative.

4. CONTRACT DOCUMENTS

The complete contract includes this Agreement, together with all Exhibits hereto, the requirements specified in the RFP, and the Contractor's proposals made in response to the RFP.

5. PERMITS, LICENSES, LAWS, AND REGULATIONS

The Contractor and all of his/her employees or agents shall secure and maintain in force such licenses and permits as required by law to furnish transportation and other services required herein and shall comply with and observe all provisions of the Washington Motor Vehicle Code, Superintendent of Public Instruction codes, and any other governmental agency directive or law relating to the transportation of pupils. Subject to the prior approval of the State of Washington Department of Motor Vehicles and in accordance with the laws of the State of Washington, school buses operated by the Contractor may be licensed and titled showing the District as the registered owner/lessee and the Contractor as the legal owner/lessor. In such event, the licenses shall be obtained by the District at the Contractor's expense. If buses are licensed with tax-exempt licenses, the Contractor shall use such buses only for those purposes permitted under the terms of the tax-exempt license. Further, the Contractor agrees that if at any time vehicles are utilized in other types of service that he/she will, at his/her expense, purchase the necessary licenses and permits in compliance with state, county, and city laws and that the tax-exempt license plates will be removed from the bus. Upon termination of this Agreement, Contractor agrees to forward all tax-exempt license plates to the District Representative.

6. PERFORMANCE

In lieu of a performance bond the Contractor agrees that in the event of the termination of this Agreement because of non-performance, the District will be allowed to use the Contractor's equipment currently in use to provide service under this Agreement. Such use will be free of charge for up to 90 days from the date of termination and will not impact the District's right to purchase the Contractor's buses as outlined in Section 26 of this Agreement.

7. INSURANCE

The Contractor agrees, at its sole expense, to obtain and keep in force during the entire period of this Agreement, general liability and comprehensive automobile liability insurance, with bodily injury limits of not less than \$10,000,000 as to any one occurrence, and a property damage limit of not less than \$10,000,000 as to any one occurrence, protecting the District and its officers and employees, its Board of Directors, and the individual members thereof, the Contractor, drivers, subcontractors, and other related personnel. The Contractor agrees to name the District as an additional insured.

A certificate of insurance shall be furnished to the District fifteen calendar days prior to the start of each year. Such insurance shall include a thirty-day cancellation clause guaranteeing that the District will be notified of any cancellation or change in the policy.

8. AGREEMENT TO HOLD HARMLESS, INDEMNIFY, AND DEFEND

To the fullest extent permitted by law, the Contractor shall hold harmless, indemnify, and defend the District and its agents, officers, directors and employees from any and all claims, demands, lawsuits, or proceedings including but not limited to the following:

- a. Any injuries, damages, or death or injuries or damages to property arising out of, resulting from, or incident to the performance of or failure to perform any portion or portions of this Agreement, however caused, Contractor's obligation to hold harmless, indemnify, and defend shall not be eliminated or reduced by any actual or alleged negligence by the District, its agents, officers, directors, or employees. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractor's agents, employees, directors, representatives, or any subcontractor or its employees;
- b. Any claim or demand arising from or associated with Contractor's operation, use, maintenance, or ownership of above ground or underground fuel storage tanks not owned by the District;
- c. Any claims, suits, or proceedings for patent, trademark, copyright, or franchise infringements;
- d. Contractor's agreement to hold harmless, indemnify, and defend the District and its agents, officers, directors, and employees shall extend to and include all activities that occur on the school bus or arise out of the use of the school bus, whether occurring while equipment is being operated independently by Contractor or while leased to the District. The agreement to indemnify, hold harmless and defend shall be total and complete to the extent allowed by law being intended to protect and insulate the District, its agents, officers, directors, and employees from any and all liability, loss, damage, cost, charge, claim or demand against the District, its agents, officers, directors, and employees, including any actual or alleged negligence by the District, its agents', officers', directors' or employees' alleged negligent act(s) or omission(s);
- e. Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless the District and its agents, officers, directors, or employees from claims by Contractor's employees;
- f. The District shall be entitled to attorney's fees in any action by the District to enforce the terms, conditions, rights, and obligations under this indemnity agreement;
- g. Contractor has read, understands, and agrees to the indemnity obligations set forth in this agreement.

The Contractor, at its own expense and risk, shall defend any legal proceeding that may be brought on any claim or demand (as described in paragraphs 8 a-e above) against the District or its agents, officers, directors, or employees, and shall satisfy any judgment that may be rendered against the District, its agents, officers, directors, or employees therein. This duty to defend includes the duty to provide a defense by a lawyer agreeable to the District.

9. **INDEPENDENT CONTRACTOR**

The parties hereto acknowledge and agree that the District enters into this Agreement for transportation services with the Contractor, a private non-governmental entity, pursuant to RCW 28A.160.140, and the parties agree that the Contractor is an independent contractor responsible for furnishing transportation services pursuant to the Agreement. Neither Contractor nor any agent, shall be deemed to be in any way an employee, agent, officer, official or servant of the District. None of the benefits provided by the District to its employees are available from the District to the employees, agents, or servants of the

Contractor. The Contractor shall be solely and entirely responsible for his/her acts and for the acts of his/her agents, officers, employees, servants, and subcontractors during the performance of the Agreement. The parties agree that nothing contained in this Agreement shall be construed as creating any form of relationship of employer and employee, or of principal and agent, between the District and the Contractor, or between the District and the Contractor's officers, employees, or agents.

10. **ASSIGNMENTS/SUBCONTRACTING**

The Contractor shall not assign, transfer or subcontract any of its rights, burdens, duties, or obligations under this Agreement without the written consent of the District. The District may engage other contractors to substitute for Contractor in the event of Contractor's failure to transport all pupils as scheduled. In the event the District must engage other contractors to substitute for Contractor in the event of such failure, the Contractor shall reimburse the District in full for its cost in fulfilling the required service.

11. **FORCE-MAJEURE CLAUSE**

The Contractor may be excused from performance hereunder during the time and to the extent that performance is prevented by (a) an act of God; or (b) action of the Government commandeering materials, equipment, products, plants or facilities; provided, however, that before the Contractor is so excused he/she must submit satisfactory evidence of (a) or (b) above to the District, and the District must determine to its satisfaction that prevention of performance, or non-performance, is not due to the fault or neglect of the Contractor.

12. **TERMINATION OF AGREEMENT**

- a. Expiration of Term -- This Agreement shall terminate upon the expiration of its term as stated in section 2 above.
- b. Termination for Convenience of the District -- Except as otherwise provided in this Agreement, the District may, after providing 60 days written notice, terminate this Agreement in whole or in part whenever the District determines it is in the District's best interest to do so. If this Agreement is so terminated, the District shall be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the effective date of termination.
- c. Termination for Default -- Should the Contractor fail to comply with any of the terms or conditions set forth in this Agreement, or should the District determine that the Contractor is in any other way unfit, unqualified or unable to provide Pupil Transportation Service for the District under the Agreement, the District shall give the Contractor written notice of that failure or determination, and if the Contractor fails to cure the breach within sixty (60) days, then, and in that event this Agreement may be terminated for default. Such termination shall be referred to herein as "Termination for Default" and may be a termination in whole or part. The term "default" as used herein shall mean and refer to any breach of this Agreement which is not insignificant (including without limitation actions or inactions of the Contractor leading the District to reasonably believe that safety of students is being or may be placed at risk under this Agreement). If after notice of Termination for Default it is determined by the District or a court of competent jurisdiction that the Contractor was not in default, the notice of termination shall be deemed to have been issued under (a) above, as a termination for the convenience of the

District, and the rights and obligations of the parties shall be governed accordingly.

- d. Termination for Bankruptcy -- Upon the filing of a petition for bankruptcy or in the event of insolvency of the Contractor, the District may terminate this agreement by 14 days written notice. Termination under such conditions shall constitute default by the Contractor.
- e. Termination Upon Transfer of Controlling Interest -- This Agreement shall terminate upon the transfer of controlling interest in the Contractor, unless the Contractor has a waiver of this provision from the District. Termination under such conditions shall constitute default by the Contractor.
- f. Termination for Reduction in Funding or Withdrawal of Authority -In the event any federal or state governmental authority or a court of competent jurisdiction removes the funding, authority, or ability of the District to continue its contractual relationship with the Contractor, the District may terminate this Agreement under the "Termination For Convenience" clause (b) above, provided that settlement of the amount due the Contractor if any shall be subject to any restrictions placed on the District by the federal or state governmental authority or the court of competent jurisdiction and available funding.
- g. Termination Procedures -- Upon termination of this Agreement, the District may require the Contractor to deliver to the District any property owned by the District, to stop work, to complete performance of any portion of the work that may not have been terminated by the District, to protect and preserve property in which the District may have or may acquire an interest, and to take other actions or cease to act in accordance with direction from the District. The rights and remedies provided in this subparagraph (g) shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.
- h. Payment Upon Termination -- If the District and the Contractor are unable to agree upon the amount of payment to or from the District as a result of termination, they shall resolve their differences pursuant to the "Resolution of Disputes Clause" of this Agreement.

13. **UNSCHEDULED CLOSING OF SCHOOLS**

The District retains the exclusive right to cancel the normal transportation service from time to time, in whole or in part, because of hazardous road conditions, concern for health or safety of the pupils, or for any other lawful reason. In such event the District agrees to notify the Contractor of such cancellation no later than 5:30 a.m. on the day of cancellation. If the District fails to give the Contractor adequate notification of cancellation, the District shall pay the Contractor the actual time or minimum call out time of its affected drivers, whichever is the lesser amount. The District further agrees to notify the Contractor of canceled special bus trips not less than two (2) hours prior to the scheduled pickup.

Cancellation pursuant to this section is not, and shall not be regarded as, a Termination of the Agreement.

14. **ROUTING AND SCHEDULING/OPERATIONS**

- a. Stop Times and Locations. The District shall have sole authority to direct the routes, times and locations of pick-up and delivery. The District shall furnish the Contractor with a list of the school days by program for which the transportation service is to be furnished with the understanding that the number of days shall vary depending on the program. A school calendar will be provided to the Contractor. In the event of changes in the school calendar the District will provide an amended calendar as soon as practicable. The District may operate certain programs beyond the normal 177-day school year or may operate some or all programs less than 177-days.
- b. Dry Runs. In order to insure driver familiarity with routes and responsibilities, each driver shall complete a dry run of his/her scheduled route during the week prior to the first day of school at no expense to the District. Whenever a change of driver occurs on a route for whatever reason, the new driver will conduct a dry run of that route prior to commencement at no cost to the District.
- c. Student Pickup and Delivery.

Regular Pupils: Buses shall arrive at school no earlier than 20 minutes, and not later than 10 minutes prior to the start of the school day, and pupils shall be picked up at school for the return trip home no later than 15 minutes after the end of the school day, unless otherwise directed by the District. Any delays from the above shall be reported immediately to the District at sign-out. Service delays caused by breakdown enroute with students shall be reported to the District immediately. Routes that arrive to school, or leave school for the return trip home, later than the above times shall be subject to payment deduction under paragraph 21 of this contract as reasonable liquidated damages, and not as a penalty, for the failures. In addition, any failures to notify the District as specified of late school arrival or departure times, or of breakdowns enroute with students, shall be subject to similar payment deduction.

Handicapped Pupils. No handicapped pupil will be required to ride or be in transit between home and school for more than 50 minutes, except upon the approval of the District.

Load Adjustments. The District will monitor all routes and loads assigned to each bus and the Contractor shall adjust routes and loads as directed by the District.

Additional Activity Service. The Contractor shall provide bus service for extended day activities, noon runs, varied school start/dismissal times, and other activities as required by the District.

Other Authorized Riders. The Contractor shall permit adults or other approved visitors to ride buses only when authorized by the District.

- d. Bus Supervisors. The District may assign bus supervisors to routes. The role of the supervisor shall be to work with the bus driver, students and other officials to ensure a safe and orderly bus ride. The final authority for student discipline is the Principal or Assistant Principal of the receiving school; neither

the bus driver nor the supervisor have the authority to put a student off the bus other than at the attending school or the designated bus stop.

- e. Incident Reports. The Contractor shall orally notify the District regarding incident reports of disciplinary and health problems which may arise during scheduled District service. The Contractor shall notify the District immediately of any vehicle accident where students are involved, or of any situation that constitutes a safety hazard to students. A follow-up written accident report shall be submitted within twenty-four (24) hours of the accident.
- f. Accident Reports. The Contractor shall orally notify the District as soon as possible of any accident when students are involved or an injury is sustained. A follow-up written accident report shall be submitted within twenty-four (24) hours of the accident.

The Contractor shall submit a detailed written accident report within twenty-four (24) hours of any accident not involving students or injury but involving property damage to property owned by someone other than the Contractor.

Prior to the start of school, the contractor shall provide the District with a copy of its Standard Operating Procedures for responding to accidents.

- g. Emergency Exit Drills. Emergency exit drills shall be held each school semester. If unexpected problems develop, a make-up drill shall be scheduled as soon as possible. Emergency drill reports shall be submitted as directed by the District.
- h. Field Trips. There will be requirements for field trip busing. Field trips will be assigned as requested by the District.
- i. Ice and Snow. The Contractor shall operate during ice and snow conditions unless routes are cancelled by the District. Chains will be carried on all buses not equipped with automatic chains at all times and the drivers shall be trained and qualified to install tire chains. The Contractor shall implement alternate routes as necessary which have been approved by the District.
- j. Notification of Delays. The Contractor shall notify the District of all service delays at sign-out and all bus breakdowns.
- k. Route Number Signs. Route number signs and rules and regulations will be furnished by the District and shall be prominently displayed on all buses.

15. **EQUIPMENT REQUIREMENTS**

- a. All buses to be used shall meet or exceed the minimum specifications for school buses as determined by the Office of the Superintendent of Public Instruction.
- b. All buses to be used shall be approved prior to commencement of service by the District's representative and authorized representatives of the Washington State Patrol; and shall at all times during performance under this Agreement comply in all respects with the pertinent provisions of the Washington State Motor Vehicle Code, regulations of the City of Everett, City of Mill Creek, County of Snohomish and Office of Superintendent of Public Instruction.

- c. The Contractor shall provide written lists of presently owned buses or a letter from manufacturer at the time proposal is submitted (and by May 15 of each succeeding year) assuring that buses will be available for District use by the last week prior to school opening.
- d. All buses of forty-two (42) or more pupil capacity shall be equipped with full air brakes of the largest size available for the particular chassis involved.
- e. All buses shall be maintained in good mechanical and operating order at all times, so as to successfully pass required bus inspections. The buses shall be kept clean inside and outside, and free of body damage including minor dents and paint scrapes of a cosmetic nature, all repairs to be made within 15 days of occurrence. Bumpers and wheels will be cleaned as needed to maintain a fresh, clean appearance.
- f. All buses used in the performance of this Agreement must meet the maximum and average age criteria on the following table:

<u>State Classification</u>	<u>Average Age</u>	<u>Maximum Age</u>
Type A	8 years	8 years
Type C	10 years	13 years
Type D	10 years	13 years

Age shall be determined by the date the bus was originally placed in service.

Further, in no event may any bus be used at any time or for any purpose that does not qualify for the state depreciation schedule.

- g. The Contractor shall provide the dispatch equipment needed to be compatible with the District’s IP Site Connect radio system and IT infrastructure. All buses shall be equipped with radios for two-way communication, compatible with district-owned frequency & base station, with the following capabilities:
 - a. Radio capable of analog or digital operation
 - b. Minimum of 16 channels per unit
 - c. Motorola digital mobile radios (DMR) capable
 - d. IP Site Connect capable
 - e. Digital Format Requirement – TDMA
 - f. 40 Watt Power Output
 - g. 5-line Alphanumeric color display
 - h. Bluetooth capable
 - i. GPS capable
- h. All buses will be equipped with video capabilities and the Contractor shall have, at a minimum, three cameras per bus with one camera view to be bus driver/loading door area, one camera to be positioned to view from front of bus towards rear, and another camera to be positioned to view the rear portion of the bus. Contractor will have a protocol for verifying the cameras are in good working order at all times.

Video/audio imagery shall be retained by the contractor for no less than 30 days, and will be released to the District upon request, immediately and without delay. Release to other interested parties shall be a cooperative effort between the Contractor and the District, in full compliance with the Washington Public Records Act RCW 42.56 (as applicable) and in no instance will copies of video be distributed without the knowledge of the District,

specifically the Transportation Supervisor, the Director of Business Service, or the Executive Director of Facilities and Operations. Viewing of video with District representation present is acceptable.

- i. All buses will be equipped with a GPS tracking system compatible with Versatrans school transportation software (Tyler Technologies) and video cameras shall link to the GPS system.
- j. All type C & D buses shall be equipped with automatic sanders and automatic chains.
- k. The Contractor shall provide two full-size buses that are equipped with wheel chair lifts, for use in route assignments and/or field trips. Each such bus must hold a minimum of 45 ambulatory students and have the ability to carry up to four wheelchairs.
- l. Required modification of equipment: Any installation or modification of equipment required by a change in law during the term of this Agreement shall be made by the Contractor without additional cost to the District.
- m. Spare Buses: The Contractor shall keep ample spare equipment to assure it can provide uninterrupted service for regular, special education, field trip and extracurricular trips. The Contractor shall have a minimum of one spare bus of each bus size for every ten (10) buses or fraction thereof for maintenance requirements; however, this requirement is not to be included in the spare factor necessary for field and extra-curricular trips that may conflict with regular route times.
- n. The District reserves the right to inspect any and all buses, vehicle maintenance records, the facilities for maintaining the buses and the operational procedures used by the Contractor.
- o. The District reserves the right to determine the quality, age and capacity of buses to be used under this Agreement.
- p. The District may, at its option, purchase new buses as required to satisfy expanded service needs, to ease its transition to operating portions or all of its own transportation fleet, or to replace Contractor buses which have exceeded a mutually-agreed economic life. The rate schedule (see Exhibit A hereto) for daily service will reflect a credit for depreciation and interest for any buses purchased by the District and subsequently leased by the Contractor for performance under this Agreement.

16. **PERSONNEL AND DRIVER REQUIREMENTS**

For the purpose of this Agreement and interpretation thereof, it must be recognized that the transportation of school children is a significantly specialized function. Students must be transported to and from school regularly, promptly, safely and without interruption or adverse incidents. The interests of students in such transportation shall take precedence over the interests of the Contractor and its drivers. It shall be the primary obligation of the Contractor to conduct its activities so that students will be assured of continuous and reliable service. It is required that for the protection of students, drivers and all other persons coming in contact with the students must be of stable personality and of sound moral character. Drivers and all other persons coming in contact with students must be

able to communicate effectively orally and in writing. The District places upon the Contractor full responsibility for assuring such qualities in personnel. The Contractor shall not allow any person to drive a school bus whose moral character is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever, nor shall the Contractor allow any person to drive a school bus who is not in condition of mental and emotional stability.

The Contractor shall be responsible for, and report to the District that:

- a. All drivers are duly licensed as required by the Motor Vehicle Code, State of Washington;
- b. All drivers satisfy the requirements for "School Bus Driver Certification" by the Office of the Superintendent of Public Instruction and all requirements of the State Board of Education;
- c. All drivers must meet the minimum qualifications under WAC Ch. 392-144;
- d. No driver has been convicted of any moving traffic violation during the three years preceding the start of school bus driving;
- e. Pursuant to 28A.400.330 Washington laws, the Contractor shall prohibit any employee from working at a public school or on a school bus who has contact with children at school or on the bus during the course of his or her employment and who has pled guilty to or been convicted of any felony crime involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury or death of a child under Chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual exploitation of a child under Chapter 9A.68 RCW, sexual offenses under Chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a minor under Chapter 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or violation of similar laws of another jurisdiction. Failure to comply with this section shall be grounds for the District to immediately terminate the Agreement. The District will, upon request, facilitate Contractor's access to the background check procedures of the Washington State Patrol. All drivers at the time of hire will be screened through a national FBI check. Fingerprinting will be used to ensure positive identification and is the responsibility of the Contractor. Contractor shall utilize any other background check or criminal history information authorized by existing law or any amendments thereto.

The Contractor shall conduct drug and alcohol testing at its sole expense and according to testing procedures meeting the District's satisfaction, on the following persons providing Pupil Transportation Service pursuant to this Agreement:

- a. All persons to be hired or assigned to provide Pupil Transportation Services;
- b. Any bus driver who is involved in a vehicle accident (except an accident in which the driver's vehicle is struck while legally parked);
- c. Any bus driver in an accident involving bodily injury to a passenger, pedestrian or other party, without the occurrence of a traffic collision;
- d. Any bus driver or maintenance employee involved in an on the job personal accident or industrial injury;

- e. Any person as to whom there is a reasonable suspicion of intoxication or drug abuse; and
- f. All persons at the time of their periodic physical examination as required by any governmental authority.

The Contractor shall promulgate a detailed written policy governing drug and alcohol testing, and shall provide a copy of the same, together with any amendments to the District.

Driver Responsibility: The driver will be responsible for the supervision of students while on the bus. Drivers must ensure that students adhere to District rules and regulations of conduct, and shall report cases of student misbehavior to the receiving school Principal or Assistant Principal. The Principal or Assistant Principal are the final authority in determining the suspension of a student's riding entitlement. Drivers may not eject a student from a school bus. Should unmanageable student behavior occur enroute, the driver shall pull off the road and try to control the situation. If necessary, the driver shall call the Contractor for assistance and/or authorization to proceed to the nearest school for assistance by the building administrator.

Driver Assignment: The Contractor shall assign a regular driver and vehicle to each route for each school year.

Drivers may be transferred between routes only with the approval of the District.

When a route becomes available and a driver already assigned to a home-to-school route is assigned to the vacant route, the vacancy left by the reassigned driver will be filled by an unassigned driver and no further rotation of drivers will occur.

Whenever a change of driver occurs on a route, for whatever reason, the new driver will conduct a dry run of that route prior to commencement at no cost to the District.

Hiring and Discharging: The responsibility for hiring and discharging drivers and other personnel shall rest entirely upon the Contractor. The Contractor agrees that it shall enter into no agreement or arrangement with any employee, person, group or organization that will in any way interfere with the Contractor's ability to comply with the provisions of this Agreement. The Contractor further agrees that the Superintendent of the District or his/her designated representative may request the dismissal of any driver who, in the opinion of the Superintendent or his/her designated representative, fails to provide or is unable to provide proper service; and the Contractor agrees to make its drivers aware of this provision entitling the District to request dismissal.

Notice to the District: The District will be fully informed of all assignments of drivers to routes.

One week prior to the opening of school a complete list of assignments of drivers to routes must be provided to the District. Any changes in assignments must be provided within three (3) days of said changes.

Substitutes: Persons who may be employed as substitute drivers shall fully comply with all requirements pertaining to regular drivers. Substitute drivers include "on-call", "standby" and those drivers not assigned regular routes but who drive as back-up when needed.

Assignment of Substitute Drivers: Whenever a regular driver is off on a planned absence or for sick leave of more than two (2) days, to the extent possible, the same substitute driver shall be used for the entire absence of the regular driver.

Cover Drivers: Persons who may be employed as cover drivers shall fully comply with all requirements pertaining to regular drivers. They must have a minimum of six (6) months school bus driving experience. In addition, these persons will have a working knowledge of the Everett School District and have driving experience in both regular and special education programs within the District. Cover drivers will be guaranteed a minimum of four (4) hours of pay per day.

Bus Assistants: In the event it is deemed advisable and mutually agreed between the Contractor and the District, driver assistants shall be placed on certain buses used in transporting handicapped children. Such assistants as are agreed to shall be consistent with the Contractor's standard practice ensuring the best interests of the District will be protected. The District shall reimburse the salary and benefits the Contractor will pay for the assistants as approved in advance by the District.

Driver Uniforms: The Contractor shall adopt a standard uniform satisfactory for the operation of a bus, and shall require its drivers to wear the same during the performance under this Agreement.

I. D. Badges: All drivers will be required to wear identification badges which include their picture and name. I.D. badges will be the responsibility of the Contractor.

Driver Compensation: The Contractor agrees that no driver employed by the Contractor shall operate a school bus for any purpose in the performance of this Agreement at an hourly rate comparable with and competitive to the hourly wage paid in surrounding South Snohomish County school districts, i.e. Edmonds, Arlington, Marysville, Mukilteo, Snohomish, Lake Stevens, and Northshore. In addition to this hourly pay rate, all drivers will be given a fringe benefit package amounting to a minimum of 14 percent (excluding all payroll taxes and workers' compensation insurance) of the employee's gross pay. At the Contractor's option, substitute drivers may be excluded from the preceding mandatory fringe benefit package if that does not adversely affect the number and quality of available substitutes. The Contractor further agrees to provide access to its payroll records so that the District may ensure compliance with this provision.

Terminal Manager: The Contractor shall, at all times, have assigned to its facilities a designated manager who shall have the authority to act on behalf of the Contractor.

Implementation: The Contractor shall have drivers and all other personnel hired and trained to implement transportation by August 20, 2012 and each subsequent third week of August.

Minimum Operational Personnel Requirements: Operational personnel are defined as those individuals directly involved in the control, supervision, and investigation of daily bus operations and procedures. The extent and regional coverage of the District's transportation needs requires certain personnel availability to assure the safety and success of these functions. In addition to the Terminal Manager, a minimum of the following personnel shall be maintained as indicated. Job descriptions of each position must be provided by the Contractor.

1 Operations Supervisor

1 Training Supervisor

<u>1</u>	Primary Dispatcher
<u>1</u>	Secondary Dispatcher on Staggered Shift
<u>1</u>	Field Supervisor
<u>1</u>	Dispatch Clerk
<u>1</u>	Field Trip Coordinator
<u>1 to 25 ratio</u>	Cover Drivers

17. **DISCIPLINE PROGRAM**

The Contractor shall direct its drivers to report all cases of student misbehavior on buses to the principal or assistant principal of the appropriate school. The Contractor and its drivers will handle all disciplinary matters in strict accordance with District policy and directives. In no case will a driver eject a student from a bus for misbehavior. If there is an extreme emergency endangering the safety of other students, the driver shall stop the vehicle and obtain assistance.

18. **SAFETY PROGRAM**

The Contractor shall administer a satisfactory safety program. Said program shall conform to the requirements of applicable laws, regulations and rules of State of Washington.

Driver Evaluation: A contractor driver-supervisor shall ride with every driver at least once each school semester for the purpose of observing his/her driving practices with respect to safety, mechanical operation and conformance with applicable laws, rules and regulations, including adherence to published time schedules. The Contractor shall provide the District with an evaluation checklist following the requirements of this section at the end of each semester of school. Copies of these evaluations will be provided at the request of the District.

Safety Training: As part of the Safety Program the Contractor shall provide driver safety training. The training shall consist of a minimum of three (3) hours per semester with a maximum number of thirty-five (35) drivers participating in each orientation. Drivers failing to attend are not eligible to drive District routes. A roster of participants will be submitted to the District within five (5) working days after each session to include a copy of the subject matter covered.

19. **FUEL**

The District anticipates procurement of Ultra Low Sulfur diesel for the tank at the Transportation Facility throughout the life of the contract; however, the District retains the right to negotiate how fuel is procured annually.

20. **RATE SCHEDULES**

Proposed Rate Schedule - The Contractor's Proposed Rate Schedule (together with any modifications resulting from negotiations with the District) is marked as Exhibit "A", attached hereto, and incorporated herein in full. It is agreed that all rates are for bus trips ordered by the District for which District funds are used. The District is not responsible

for student group bus requests where the charges due are to be paid by the participants or by associated student body groups. Student groups are responsible for ordering their own buses either from the Contractor or wherever available and are responsible for payment of charges for bus service received.

Computation of Payment for Scheduled Pupil Transportation Service - The exact amount of time required for the operation of each bus per day, excluding inspection, cleaning and check-out time, shall be determined mutually by the District's representative and the Contractor during the third full week of each school year. The rates in Exhibit "A" shall be applied to these times to establish the daily contract cost for scheduled Pupil Transportation Service during the current school year, except the charges shall be subject to adjustment in the event of any increase or decrease of increments of six (6) minutes per day in any bus route. Any monthly increase or decrease shall be the basis for adjustment of rates.

Minimum Call-out/Concurrent Runs - The District shall pay a minimum of 45-minutes for kindergarten, therapy, shuttle or late activity runs or any combination thereof. All layover time of 45-minutes or less between assigned concurrent runs shall be paid by the District. That portion of a route posted for seniority bid will not be considered to be concurrent.

Adjustment of Rates - The rates set forth in Exhibit A and referenced in paragraph 20(a) above, shall apply in the 2017-18 school year and thereafter, subject only to adjustment in years following the 2017-18 school year in accordance with changes in the actual cost of operation as negotiated between the Contractor and the District for the twelve-month period ended in July preceding each academic school year. It is agreed that in the event of any unusual circumstances such as changes in local, state or federal laws, regulations or taxes, or changes in the cost of buses, materials or labor which cause the Contractor's operating expenses hereunder to increase or decrease, then the parties may negotiate a reasonable and just amount to cover such changes, and this amount shall be reflected in the aforementioned compensation rates.

21. **SCHEDULED TRIPS**

The term "scheduled trip" as used herein means and refers to all types of Pupil Transportation Service scheduled by the District, including, without limitation, home-to-school and school-to-home, field trips, excursions, and athletic activities.

- a. Late Trips - In the event a scheduled trip is more than fifteen (15) minutes late without just cause approved by the District, the Contractor shall forfeit one-half (1/2) the daily minimum base rate of said bus for such occurrence on the next invoice payment.
- b. Uncompleted Trips - In the event the Contractor cannot make or complete a scheduled trip, the District shall not pay for the trip and, in addition, the Contractor shall be assessed a penalty of 1.5 times the scheduled rate for the trip.

22. **INVOICES AND PAYMENTS**

The Contractor shall submit monthly invoices in duplicate on a form acceptable to the District, to the District's representative in a timely manner for final approval on or before the tenth (10) of each month.

Subject to acceptance and approval of the invoices, the District shall make payments for services performed the preceding month. Payment by the District of any invoices shall constitute full and final payment for services rendered (and shall be diminished by deductions for the costs of making up by other means scheduled services not rendered) for the period covered by such invoice, unless the Contractor files a claim for error or omission within sixty (60) days of the date of such invoice. District payments shall also be diminished by the damages under paragraph 14(c) for lack of timely service and/or failure to provide immediate notice of service delays (including breakdowns).

23. **RECORDKEEPING**

Daily Bus Report - The Contractor shall submit to the District a "Daily Bus Report" in a format approved by the District for each bus operated under the Agreement. Such report shall include total miles traveled, time in route and number of students transported to and from high school, middle school, elementary school and mid-day routes as separate groups. Such report shall be assembled by date and in route sequence and be delivered to the District no later than three (3) days after transportation is provided. Such report shall also be provided for any extra or special trips ordered by the District.

Any injury accident involving the Contractor's equipment or personnel while operating for the District shall be reported to the District within twenty-four (24) hours.

State Reports - It shall be the responsibility of the Contractor, at the request of the District, to prepare for the District any and all reports requested by the State, having to do with Pupil Transportation Services.

Monthly Reports – The Contractor shall submit to the District a monthly report in a format approved by the District by the 10th of the following month. The report shall show on-time performance, breakdowns, accidents, and staffing levels.

24. **PUBLIC RELATIONS**

The Contractor shall cooperate with the District in maintaining a good public relations program with the community and news media so that any pertinent items affecting the Pupil Transportation Service program or the patrons of the District can be brought to the attention of the public.

25. **USE OF DISTRICT FACILITIES**

The District retains the right to the use of space as marked "unassigned" on the attached site map for its own use or for lease to another entity. The utilities will be pro-rated at a percentage to the District and a percentage to the Contractor as shall be negotiated and the District shall invoice the Contractor periodically for its share. The Contractor shall not be responsible for any other payments for use of such facilities, provided, however, that if any tax is assessed for the Contractor's use of said facilities, the Contractor shall satisfy such tax obligation in full. In the event the District should elect to dispose of or discontinue use of the facilities, the District and the Contractor shall negotiate reasonable adjustments to the terms of this Agreement.

26. **OPTION TO PURCHASE CONTRACTOR'S BUSES**

In the event of default by the Contractor or the cancellation or termination of the Agreement by the District for legal cause, or if the District elects to transition in-house some or all of its pupil transportation services, the District shall have the option to acquire the Contractor's buses currently then in use to provide the service hereunder on one of the following bases, and a price agreed to hereinafter:

- a. Outright purchase of the buses;
- b. Purchase of the buses on a conditional sales contract over a period of three (3) years; or
- c. Lease the buses over a period of up to five (5) years.

In the event the District exercises its option to acquire the Contractor's buses under the terms and conditions set forth above, the value of the buses shall be determined by averaging the appraisals of two (2) independent experts, one of which shall be selected and paid by the District and one selected and paid by the Contractor.

It is understood and agreed that the District shall have the option to acquire all of the Contractor's buses on any of the above bases or on a combination, as deemed to be to the best advantage to the District. It is further understood and agreed that interest rates payable by the District on options (a) and (b) above shall not exceed two (2) points over the existing prime rate (Bank of America) or the existing statutory limit, whichever is less.

27. **NONDISCRIMINATION**

Except to the extent permitted by a bona fide occupational qualification the Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment or against any employee because of age, sex, marital status, race, creed, color, national origin or sexual orientation. The Contractor will ensure that applicants are employed, without regard to their race, creed, color, national origin, sex, sexual orientation, or age or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. Terms or conditions of employment include but are not limited to the following: Employment, up- grading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training.
- b. In any solicitation or advertisement for employees, the Contractor will not discriminate on the basis of age, sex, sexual orientation, marital status for employees placed with any employment agency, union, or other firm or employment without regard to race, creed, color, national origin, or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
- c. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the Contractor's commitments under this section.

- d. The Contractor will include the provisions of the foregoing paragraphs (a), (b) and (c) in every sub-contract or purchase ordered for the goods or services which are the subject matter of this Agreement.
- e. The Contractor will comply with all of the nondiscrimination provisions of Chapter 49.60 RCW. In the event of noncompliance, the District shall have the right, at its option, to terminate the Agreement in whole or in part for default. If the Agreement is terminated after performance the District shall be obligated to pay the fair market value or the contract price whichever is lower, for goods or services which have been received and accepted.

28. SAVINGS CLAUSE

The Contractor and District agree that in the event any provisions specified herein are finally held or determined to be illegal or void as being in contravention of any applicable law the remainder of the Agreement shall remain in full force and effect.

29. APPLICABLE LAW

This Agreement shall be interpreted, and any disputes there under shall be resolved according to the laws of Washington.

30. RESOLUTION OF DISPUTES

The Contractor and the District agree that any dispute arising under this Agreement which cannot be resolved between the parties shall be resolved solely in the Superior Court of the State of Washington in and for Snohomish County, and in no other court. The Contractor and the District further agree that neither party shall be entitled to reimbursement of attorney fees, legal fees or court costs, except for those authorized under the indemnity provision herein.

IN WITNESS WHEREOF, the parties enter into this Agreement as signed below.

EVERETT SCHOOL DISTRICT NO. 2

CONTRACTOR



 Dr. Gary Cohn Signature



 Contractor Signature

Superintendent

 Title

CFD

 Title

8/23/16

 Date Signed by Superintendent

8/18/16

 Date Signed by Contractor

EVERETT SCHOOL DISTRICT NO. 2

REQUEST FOR PROPOSAL

PUPIL TRANSPORTATION SERVICES

PROPOSAL FORM – EXHIBIT A

The Contractor must fill in all of the blanks in parts A - F of this Proposal Form, below. The prices inserted by the Contractor will be for the 2017-18 school year. Please note that these prices will be adjusted for years following the 2017-18 school year according to the adjustment formula as set forth in paragraph 20(d) of the form of Agreement accompanying this Request for Proposal. Proposal pricing should assume the District is purchasing fuel to be delivered to the Transportation Facility.

A. HOME TO SCHOOL TRANSPORTATION

Proposal base prices must be submitted based upon a three-hour daily minimum per bus, on the form below. Separate proposal prices for hours in excess of that base must be submitted as well on the form below. The forms may not be altered. The District reserves the right to require that the Contractor add and delete buses and or days to or from service at the rates specified below. The number of buses required at the start of the Agreement term may be more or less than current service levels. The following presumes the District shall determine all routing.

Bus Size (Passengers)	Price Per Bus per Day (3 hr. minimum)	Approx. Number of Routes	Bus Days Per Year	Base Annual Cost, by Bus Size (1x2x3)
18-30	\$221.15	17	177	\$665,440.35
42-47 w/c	\$273.21	16	177	\$773,730.72
71-72	\$273.21	29	177	\$1,402,386.93
78-90	\$305.74	19	177	\$1,028,203.62

Total Annual Home-to-School Base Cost Per Year: \$3,869,761.62

You must fill in Column 1 with the base prices you propose per bus per day. Please extend that price out for the number of routes per day by bus size and for the number of days per year. The results in Column 4 should be summed to give the total annual home-to-school base cost.

EVERETT SCHOOL DISTRICT NO. 2

REQUEST FOR PROPOSAL

PUPIL TRANSPORTATION SERVICES

PROPOSAL FORM – EXHIBIT A

B. PRICE PER HOUR IN EXCESS OF BASE HOURS

Bus Size (Passengers)	Price Per Hour (Over 3 hours up to 8 hours)	Price Per Hour (Over 8 Hours)
18-30	\$33.38	\$44.13
42-47 w/c	\$33.38	\$44.13
71-72	\$33.38	\$44.13
78-90	\$35.98	\$46.71

EVERETT SCHOOL DISTRICT NO. 2

REQUEST FOR PROPOSAL

PUPIL TRANSPORTATION SERVICES

PROPOSAL FORM – EXHIBIT A

C. ATHLETIC/EXTRACURRICULAR TRANSPORTATION SERVICE

Under the provisions of the Agreement, the District expects that the Contractor will be responsible for approximately 850 athletic/extracurricular activity trips per year. The District’s best estimate of the average length of such trips is 45.5 miles and 4.5 hours. These projections shall not be construed so as to restrict the District from requesting more, fewer, longer, or shorter trips. The District expects that initially it will request approximately 3-15 trips per day that conflict with regular service. Please refer to the Transportation Data for more information. If the District requests additional conflicting trips on any day, the Contractor will provide that service. If the Contractor is not able to provide at least that number of trips on any day, the Contractor shall be responsible for bearing the difference in cost between the rates set out below and the District’s cost in obtaining comparable service. It is important to note that Other Transportation Service requires primarily **Type C or D buses**. Trips that conflict with regular service will require additional staff beyond the numbers needed to provide regular home-to-school service and will preclude the use of home-to-school vehicles. Conflicting hours are between 6:00 am and 9:30 am and between 1:45 pm and 4:00 pm.

Bus Size (Passengers)	Price Per Hour (0-8hrs)	Price Per Hour (Over 8 Hours)
18-30	\$52.21	\$63.52
42-47 w/c	\$57.42	\$68.75
71-72	\$62.64	\$73.97
78-90	\$66.14	\$77.41

Minimum call-out charge per bus for extracurricular service: 2 Hours

EVERETT SCHOOL DISTRICT NO. 2

REQUEST FOR PROPOSAL

PUPIL TRANSPORTATION SERVICES

PROPOSAL FORM – EXHIBIT A

- D. Under the provisions of the Agreement, the District wishes to have the Contractor maintain 29 vans and 13 District owned and operated buses (maximum capacity of 30.) The Contractor would be expected to provide maintenance on these vehicles based on the actual cost of parts to the Contractor plus an hourly service rate. Numbers of vehicles required may change during the life of the Agreement.

Hourly Service Rate: \$57.00

BATTLE GROUND SCHOOL DISTRICT #119
AND
HOCKINSON SCHOOL DISTRICT #98
PUPIL TRANSPORTATION SERVICES – CONTRACT #1216-33

The PARTIES, Battle Ground School District and Hockinson School District enter into this contract for Pupil Transportation Services with Santa Barbara Transportation Corp. dba Cascade Student Transportation, Vendor.

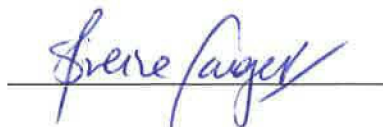
The PARTIES mutually agree that the terms and conditions of the contract are as contained in the following: the Request For Proposal presented by the Districts and the Proposal as presented by Santa Barbara Transportation Corp. dba Cascade Student Transportation on February 29, 2016, which documents are incorporated herein as though fully set forth in this document, subject to the revisions to the Proposal as negotiated between the parties. Said revisions are set forth in attached Exhibit 'A', a letter dated March 16, 2016 by Cascade Student Transportation and approved by Battle Ground School District #119 Board of Directors and Hockinson School District #98 Board of Directors on March 28, 2016.

Further, all parties agree that Battle Ground School District #119 and Hockinson School District #98 will have full access to view and print routing software information as it pertains to their district.

Battle Ground School District #119

Hockinson School District #98





MaryBeth Lynn

Sandra Yager

Assistant Superintendent of
Finance and School Operations

Superintendent

Date: 4/19/16

Date: 4.18.16

Cascade Student Transportation



By:

Donald D. Kissell

Printed Name:

SR VP of Operations

Title:

5/4/2016

Date:

Exhibit 'A'



March 16, 2016

Ms. MaryBeth Lynn / Ms. Michelle Scott
Battle Ground/Hockinson School Districts
400 N. Parkway Ave.
Battle Ground, WA 98604

Re: Pupil Transportation Services Pricing Proposal

Dear Ms. Lynn and Ms. Scott,

We propose adjusting our rate schedule in subsequent years to help meet your budget goal with a 7% increase for the 2016-17 school year. In order to accomplish this, we require a five year contract with fixed pricing per the attached schedule. We are unable to adjust rates over a three year term. We adopted the following changes and adjusted our pricing accordingly:

1. Eliminate the requirement for cyber liability insurance.
2. Reduce the percentage of bus inventory required for extracurricular trips from 15% to 10%. We will still be able to accommodate the current "prime time" trip level of (12) for Battle Ground and (2) for Hockinson.
3. Eliminate two office staff and one mechanic.
4. Eliminate SafeStop
5. CST will provide a \$30,000 annual trip donation to the Districts.

Please let me know if you have any questions concerning our proposal. I can be reached at (805) 681-8355.

Regards,

Michael Gately
Regional Director of Financial Operations

Exhibit 'A'

**Battle Ground / Hockinson School Districts
Modification to Bid Rates**

March 16, 2016

School Year	% Change	3 Hour Base			Excess Hrs Rate	Trips Per Hour
		42-84	Van	W/C		
July 1, 2016 - June 30, 2017	7.00%	\$229.39	\$238.83	\$242.71	\$35.43	\$43.08
July 1, 2017 - June 30, 2018	10.50%	\$253.47	\$263.91	\$268.19	\$39.15	\$47.60
July 1, 2018 - June 30, 2019	10.50%	\$280.08	\$291.62	\$296.35	\$43.26	\$52.60
July 1, 2019 - June 30, 2020	3.00%	\$288.48	\$300.37	\$305.24	\$44.56	\$54.18
July 1, 2020 - June 30, 2021	3.00%	\$297.13	\$309.38	\$314.40	\$45.90	\$55.81

Annual Trip Donation to Districts - \$30,000 per year

MEMORADUM OF UNDERSTANDING

BY AND BETWEEN

FIRST STUDENT, INC.

VASHON ISLAND, WASHINGTON

AND

VASHON ISLAND SCHOOL DISTRICT

This Memorandum of Understanding, hereinafter referred to as "Agreement" or "MOU," is entered into by and between First Student, Inc., Vashon Island, Washington (hereinafter referred to as "Company") and Vashon Island School District (hereinafter referred to as the "District").

WHEREAS, the District and Company are parties to a Pupil Transportation Services Contract effective from September 1, 2014 to June 30, 2019, hereinafter referred to as "The Contract";

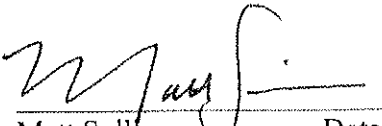
WHEREAS, the District and Company wish to add maintenance language into the contract for the 4 District owned buses.

NOW, THEREFORE, the District and the Company hereby enter into this MOA to memorialize their agreement as follows:


1. The Contractor will perform Preventative Maintenance service on the 4 District owned buses on the same schedule and in the same manner as Contractor owned equipment. All related labor, parts and supplies will be provided by the Contractor and no additional charge to the District. In exchange, the district will allow the Company the rights to use the District buses as needed to service the District.
2. The contractor will repair District owned pupil transportation equipment which is broken or needs to be repaired at the following costs to the district. All parts are to be sourced at FGA pricing with a 10% mark up and labor is to be billed with no mark up to the district. Labor will be billed based upon the hourly payroll rate for the facility making the repair plus the burdened benefits cost. Sample hourly labor rate would be \$50.00 per hour.

FOR THE DISTRICT

FOR THE COMPANY

 6.4.18

Matt Sullivan Date
Executive Director of Business & Operations

 6-4-18

Kim Worster Date
Senior Vice President, First Student, Inc.

PUPIL TRANSPORTATION SERVICES CONTRACT

BETWEEN

VASHON ISLAND SCHOOL DISTRICT NO. 402

AND

**FOR THE PERIOD FROM SEPTEMBER 2014 TO JUNE 2017
WITH TWO ONE-YEAR EXTENSION OPTIONS**

**VASHON ISLAND SCHOOL DISTRICT
Conference Room
9309 SW Cemetery Rd
VASHON, WA 98070**

Michael Soltman, Superintendent

VASHON ISLAND SCHOOL DISTRICT

PUPIL TRANSPORTATION SERVICES CONTRACT

THIS AGREEMENT, entered into this 24th day of June, 2014, by and between Vashon Island School District School District No. 402, hereinafter referred to as the "District", and First Student, hereinafter referred to as the "Contractor", for the consideration hereinafter named, mutually agree as follows:

1. SCOPE OF AGREEMENT

The Contractor shall, during the period of this agreement and for any extensions allowed by the District, operate transportation services and shall furnish labor, school buses and bus maintenance, and materials and supplies as required to provide the District with transportation service, as requested and authorized by the District, and pursuant to the Terms and Conditions of the Request For Proposal, and as further described herein.

Such transportation shall be provided for each and every day that school is convened in accordance with bus routes and schedules submitted by the Contractor to the District and approved by the District. The Contractor shall, during the period of the agreement and extension(s) thereto, provide safe and convenient transportation of any and all students and other authorized personnel, as may be requested by the District on field trips, excursions, athletic activities, or any other purpose designated by the District throughout the Contract Year. The District reserves the right to revise or change any and all routes and the number and type of buses required there under to best suit its needs at any time before or during the school year.

In furnishing the pupil transportation services under the contract, the Contractor agrees to comply with and observe all the provisions of the State of Washington Vehicle Code and all other applicable federal, state, and local laws, rules, and regulations prescribed by the Washington State Legislature, the State Board of Education, the Office of State Superintendent of Public Instruction, and any other state or federal agency and the Board of Directors of Vashon Island School District No. 402.

2. TERM OF AGREEMENT

This Agreement shall be effective beginning September 1, 2014, and ending June 30, 2017. For purposes of this agreement, except for the first ten month period, the term "Contract Year" shall mean each twelve month period commencing July 1 during the term of this Agreement.

The Contractor and District agree that this Contract may, at the sole discretion and option of the District, be extended under the same terms and conditions of this Contract for two additional one year periods. The District shall exercise said option(s) by advising the Contractor of its intent to extend on or before June 1, 2017 and, if applicable, June 1, 2018. If the first or second option is not exercised, this Contract shall terminate effective June 30 of said year.

In addition, this Agreement may be terminated:

- A. At the option of the District at any time the District has reason to believe the safety of students may be placed at risk under this Agreement;
- B. At the option of the District thirty calendar days after notice of loss of funding; or,
- C. At the option of the District or the Contractor without cause ninety school days after written notice to discontinue services for the ensuing school year. PROVIDED, that services are not terminated without cause during the course of a school year.

3. AGREEMENT DOCUMENTS

This Agreement consists of this document, the District's "Request for Proposal" document, including all terms and conditions contained therein, and Contractor's proposal responses, including price schedules and Contractor policies which have been approved and accepted by the District.

4. NONDISCRIMINATION

Except to the extent permitted by a bona fide occupational qualification, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, sexual orientation, or age. The Contractor will ensure that applicants are employed without regard to their race, creed, color, national origin, sex, or age. Such actions shall include, but not be limited to, the following: 1) employment, upgrading, demotion, or transfer; 2) recruitment or recruitment advertising; 3) rates of pay or other forms of compensation; and, 4) selection for training.
- B. The Contractor will in all solicitations for employees or job orders for employees placed with any employment agency, union, or other firm or agency, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex, sexual orientation, or age. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
- C. The Contractor will send to each labor union or representative of workers with which Contractor has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the Contractor's commitments under this section.

- D. The Contractor will include provision of the foregoing paragraphs A, B, and C in every subcontract or purchase order for the goods or services which are subject matter of this Contract.

In the event of noncompliance of the Contractor with any of the nondiscrimination provisions of this section or Chapter 49.60 RCW, the District shall have the right, at its option, to cancel the Contract in whole or in part. If the Contract is cancelled after performance, the District shall be obligated to pay the fair market value or the Contract price, whichever is lower, for goods or services which have been received and accepted.

5. ASSIGNMENT OF AGREEMENT

The Contractor may not assign rights, burdens, duties or obligations under this Agreement, nor may any portion of this Agreement be sublet to another party without written consent of the District.

6. PERMITS, LICENSES, LAWS, AND REGULATIONS

The Contractor shall secure and keep valid all permits, licenses and certifications required by law or related rule or regulation necessary for lawful performance of this Agreement, and shall ensure that Contractor's employees, and agents, secure and keep valid all required permits, licenses and certifications. The Contractor and all of Contractor's employees shall comply with and observe all provisions of the Washington Motor Vehicle Code and all codes, directives, and regulations of the Washington Superintendent of Public Instruction, any other governmental agency, and the District, relating to the transportation of pupils.

7. INSURANCE

The Contractor agrees to provide to the District:

- A. Continuing proof of comprehensive general liability insurance, obtained at Contractor's expense, which insures against loss due to personal injury or damage to property, and which protects the District and its employees, the District Board Of Directors and individual members thereof, the Contractor and its employees, and any other company or individual considered liable under this Agreement, minimum coverage amount to be \$20,000,000 single limit coverage for death, bodily injury or property damage;
- B. Continuing proof of performance bond naming the District as insured, in an amount equal to 180 days of operation cost for the first year of the contract, and 180 days of operation cost for each subsequent year, including option years, of the contract. Operating cost is defined by the District estimates that the cost of obtaining replacement transportation services to be \$350 per bus per day for the 2014/2015 school year, plus lease or prorated acquisition cost of school buses necessary to provide transportation services; and,
- C. Notice to the District at least thirty days prior to an effective date of any change in liability insurance or in performance bond coverage or policy or bond cancellation.

8. INDEPENDENT CONTRACTOR

The Contractor acknowledges its status as an independent contractor and that it is wholly responsible for the manner in which services are performed under this agreement, and further, agrees that nothing contained in this agreement shall be construed as creating any form of a relationship of employer and employee, or of principal and agent, between the District and the Contractor, or between the District and the Contractor's employees or agents. The Contractor also agrees to exclusive responsibility for all acts of its employees during the course and scope of providing services to the District.

9. CONTRACTOR MANAGEMENT AND OPERATIONS POLICIES.

The Contractor agrees to provide all services under this Agreement pursuant to the Contractor policies provided to and approved by the District, attached hereto and incorporated into this Agreement. Failure of the Contractor to implement policies incorporated into this Agreement may result in termination of this Agreement at the option of the District.

10. SERVICE REQUIREMENTS:

A. To And From School, Mid-Day Preschool/Kindergarten, and Late Take Home

The District reserves the right to approve each route and route stop, and to determine which students are to be transported and the manner of transportation. Except for the first year of the agreement, the District agrees to provide the Contractor with all student information necessary to determine routes thirty days prior to the start of services. The first year, necessary information will be provided as soon as the contract is approved by the District's Board of Directors. The Contractor agrees to provide the District, ten days prior to the beginning of school each school year, proposed routes, route stops, assigned bus capacities, operating times, base and excess hour billable times, unassigned base times, miles, and loads, for District approval. Due to time constraints, this requirement is waived the first year of the contract. However, the Contractor must provide this information prior to the start of service. The Contractor agrees to operate all routes only as approved by the District, and to notify the District of changes which occur that indicate need to expand, reduce or change approved routes.

B. Shuttle Service

The District reserves the right to approve each route and route stop, and to determine which students are to be transported and the manner of transportation. The District agrees to provide ten days notification prior to the start of service, and the Contractor agrees to provide to the District, five days prior to start of service, proposed routes, route stops, assigned bus capacities, operating times, base and excess hour billable times, unassigned base times, miles, and loads, for approval by the District. The District reserves the right to extend, reduce or discontinue shuttle service, and agrees to provide one week notice of change. The Contractor agrees to operate shuttle routes only as approved by the District. The Contractor also agrees to notify the District prior to implementation of all changes which occur that indicate need to expand, reduce or change approved routes.

C. Field Trips, Extracurricular Trips, and Other Extra Trips

The Contractor shall provide transportation on request for students and other persons authorized by the District for field trips, athletic trips, extracurricular trips, or other trips approved by the District. The District reserves the right to cancel any requested extra trip, and agrees to provide notification of trip cancellation two hours or more before the scheduled time to pick up students, in which event the Contractor agrees to no charge to the District. If two hour notification is not provided to the Contractor, the District agrees to pay the costs of the bus driver minimum call-out, if any, up to two hours per such cancellation. The District reserves the right to operate District owned buses with preapproved volunteer and/or district staff drivers.

D. Coordination of Services

The Contractor agrees to provide bus dispatch and coordinate with the District on all communications with schools, parents and news media.

E. Unscheduled School Closure

The District retains exclusive right to determine closure of school due to hazardous road conditions or for any other reason as determined by the District, which action automatically cancels transportation service. The District agrees to give the Contractor timely notification of school closure; the Contractor agrees to provide District timely recommendation on road condition or any other operating condition affecting safety and student well being.

F. School Bus Arrival and Departure Times

The Contractor agrees to schedule the arrival of buses at schools no earlier than 10 minutes or later than 5 minutes before start of school in the morning, and schedule the arrival of buses at schools prior to class dismissal time and departure from schools no later than 7 minutes after the end of the scheduled school day. The District may assess a penalty of \$100 for each scheduled transportation day where more than 5% of scheduled arrivals and departures do not meet the above time requirements, which penalty may be waived by the District when caused by weather, road repair or other condition beyond the control of the Contractor.

G. Limitation on Student In-Transit Time

The Contractor agrees that no student will be scheduled to be in transit more than 60 minutes home to school or school to home unless waived by the District.

11. FACILITIES AND EQUIPMENT

The District reserves the right to approve facilities and equipment not owned by the District which is used to provide service to the District, and approve Contractor's school bus safety inspection and preventive maintenance programs. The Contractor agrees:

- A. That bus parking and maintenance facilities that are not owned by the District will be situated to efficiently support routing needs and to minimize bus time and miles, as determined by the District;
- B. That school buses which are not owned by the District will meet minimum school bus specifications approved by the Washington Superintendent of Public Instruction, will use no individual bus older than scheduled lifetimes approved by the Washington Superintendent of Public Instruction for its purpose of funding school bus purchases, will operate at all times under this Agreement with authorized State Of Washington School Bus Operation permit, Washington vehicle registration and licensing which may be in the name of the District, and safety inspection decal affixed by the Washington State Patrol. Further, all Washington tax exempt license plates will be removed any time a Contractor owned school bus is used for any purpose other than service to the District and no District owned school bus will be used for any purpose other than to provide service to the District.

12. ON-SITE MANAGEMENT

The District reserves the right to inspect all transportation facilities and equipment used to provide service to the District whether owned by the District or the Contractor, and the Contractor agrees:

- A. To keep and make available to the District all bus maintenance records including driver pre-trip safety inspections, maintenance shop bus safety inspections, Washington State Patrol inspections, preventive maintenance performed and all repairs made, and the Contractor further agrees to implement timely correction of any deficiencies;
- B. To maintain and regularly deliver to the District daily bus time, miles, rider counts, route maps and such other operating data necessary to enable District to evaluate routes and to identify the basis for Contractor charges, and the Contractor agrees to make timely adjustment of changes;
- C. To compile and file all necessary state reports which include school bus operations data, such as, route maps, route descriptions, bus miles or other required data;
- D. To submit for District approval, Contractor's appointment of its on-site manager and to promptly replace the on-site manager upon notification of withdrawal of District approval.

13. HOLD HARMLESS REQUIREMENT

- A. The Contractor shall defend, indemnify, save , and hold harmless the District and its officers and employees from any and all claims, cost and liability for any damages, sickness, death, or injury to person(s) or property, from the negligent act or omission of the Contractor or its agents, servants, employees or subcontractors hereunder in the performance of this Agreement, except to the extent that such claim or demand arises from or is caused by the negligent acts or omission of the District, its agents or employees.

- B. Contractor will reimburse the District for any expenditures, including reasonable attorney's fees, the District may make by reason of the matters that are subject of this indemnification, and if requested by the District will defend any claims or litigation to which this indemnification provision applies at the sole cost and expense of the Contractor.

14. FORCE MAJEURE

The District:

- A. Agrees that the Contractor may be excused from performance under this Agreement during the time and to the extent that the Contractor is prevented from obtaining or performing service by Act of God; fire; flood; strike; commandeering of equipment, material, or transportation facilities by the government; or other occurrences or circumstances which are beyond the control of the Contractor, when sufficient evidence thereof is presented to the District, provided that it is satisfactorily established that non-performance is not due to the fault of the Contractor; and,
- B. Reserves the right but is not required to assume operation of such buses that the Contractor is prevented from running with such District employees or other persons as the District may deem appropriate until the Contractor can resume operations. In this event, the Contractor agrees to keep all buses serviced and fueled for the District's use at all times, and the District agrees to pay the Contractor the same payment rate for buses used as if the Contractor had operated the buses, less expenses and costs incurred by the District in securing and using the services of said operating personnel, provided that if the District does not operate buses, the District is not obligated to any payment. In the event that the District assumes operation of the buses under this section, District shall assume liability for the operation of the buses by its personnel, including requirements with respect to the proper licensing and training, and shall provide liability insurance to cover the acts of such personnel and potential property damage to cover Contractor's vehicles.

15. DISTRICT OPTION TO PURCHASE CONTRACTOR OWNED SCHOOL BUSES

The Contractor grants to the District an option to purchase any or all Contractor owned school buses used to provide services to the District under this Agreement, terms and conditions as follows:

- A. The District may exercise the option to purchase Contractor owned buses by providing 60 days notice to the Contractor of District intent to purchase Contractor buses; notice may be given at any time up to date of termination of the contract.
- B. The District and the Contractor agree to determine purchase prices by a panel of three qualified persons, one person selected by the District, one person selected by the Contractor, and the two panel members selecting the third panel member, with the District and Contractor sharing equally the costs of the third panel member. Purchase prices are to be determined by majority agreement of the panel members, with resulting values binding on the District and the Contractor.

- C. The District and Contractor agree to payment terms of 10% cash payment at time of purchase, the balance due in annual payments coinciding with the remaining life of each bus purchased as determined by the Washington Superintendent of Public Instruction for its purpose of funding school bus purchases. It is further understood and agreed that interest rates payable by the District shall be the existing prime rate or the existing statutory limit; whichever is less, with annual principal and interest payments due each anniversary date of the purchase.

16. USE OF DISTRICT FACILITIES AND EQUIPMENT: PART I

The District agrees to lease to the Contractor, and the Contractor agrees to lease from the District, transportation facilities and equipment as follows:

- A. Parking capacity for 16 school buses and 9 support vehicles;
- B. Parking capacity for 15 Contractor employees;
- C. Maintenance shop with 2 service bays and related work areas;
- D. Office facilities with related support areas;
- E. Lounge/meeting room area with capacity for 10 people;
- F. Other equipment, furniture, and fixtures.

17. USE OF DISTRICT FACILITIES AND EQUIPMENT: PART II

- A. The District agrees to lease to the Contractor, and the Contractor agrees to lease from the District, District owned facilities and equipment for \$100 per year, exclusive of District owned school buses, payable at the beginning of each contract year and included as a credit on the first Contractor invoice.
- B. The District will provide insurance for fire, theft, collision and other loss to District owned property, and insurance for risk of environmental impairment from or associated with underground fuel storage tanks owned by the District.
- C. The Contractor agrees to pay costs of all utilities and telephone required for transportation operations situated at transportation facilities.
- D. The Contractor will maintain District owned pupil transportation equipment on the same schedule and in the same manner as Contractor owned equipment. The Contractor will repair District owned pupil transportation equipment which is broken or damaged related to use by the Contractor, whether due to negligence or not, and repair parts and components due to normal wear and tear, except: the District may waive the Contractor obligation to repair equipment on showing by the Contractor that repair is imprudent considering the age and condition of the equipment.

- E. The District will repair district owned grounds and buildings when any required repair is unrelated to use by the Contractor, as determined by the District
- F. The Contractor will maintain District grounds and buildings in the same or better condition as existed at the inception of this Agreement, to include routine maintenance, painting, and repair of damage related in any way to use by the Contractor, whether due to negligence or not, excepting normal wear and tear as determined by the District.

18. USE OF DISTRICT FACILITIES AND EQUIPMENT: PART III

- A. The Contractor will maintain District owned buses at Contractor expense on the same schedule and in the same manner as contractor owned buses, repair District owned buses which sustain damage related to use by the Contractor, whether due to negligence or not, and repair parts and components due to normal wear and tear, except: the Contractor will not be obligated to repair any District owned bus which exceeds the scheduled life of the bus as established by the Superintendent of Public Instruction; and,
- B. The District agrees that District owned buses may be used by the Contractor for regular routes and field trip, extracurricular trips and other extra trips when a Contractor bus is out of service for repair/maintenance at a daily rate to be agreed upon by the District and the Contractor.

19. COMPENSATION FOR SERVICES AND ADJUSTMENTS

The District and the Contractor mutually agree:

- A. That the Contractor will submit to the District, no later than the fifth working day of each month, an invoice for services provided during the preceding month, in such form as required by the District;
- B. That the Contractor will measure billing time for all scheduled route services from no earlier than ten minutes before departure time from the bus parking site to no later than five minutes after return to the bus parking site, and exclude time in between when the bus driver is not operating the bus or not in standby approved by the District. The pre-trip and post-trip driver time is not to be included in the two hour base rate unless the maximum fifteen minutes can be accommodated within the total 120 minutes of the two hour base period.
- C. That the Contractor and the District will derive standardized times for each scheduled route based on route times measured for five days following the first ten days of school each year, and the Contractor will bill for scheduled route services rendered based on such established times. These standardized times will be reviewed daily and jointly by District and Contractor during this period;

- D. That the Contractor and the District will review established route times at the end of each month, and adjust established route times as both agree, to be effective the following month, except: the Contractor may request compensation for extraordinary route times caused by unusual conditions beyond its control;
- E. That the Contractor will bill for services using rates adopted by this Agreement, adjusted as follows:

Contractor will annually assess changes in its operating costs for the current year versus the previous year and will submit annually, no later than May 15 of each year, accounting evidence for any requested annual changes in billing rates showing actual percentage and annual dollar changes as due to actual annual expense changes incurred by the Contractor. It is agreed that such requested increases or decreases shall not exceed the annual change in the U.S. Department Of Labor Consumer Price Index, United States City average for all urban wage earners and clerical workers, published by the U.S. Department of Labor, based upon the C.P.I. of February 28, on a percentage basis to apply to the contract rates for the ensuing Contract Year;

At any time the Contractor and the District may mutually agree to adjust the rate schedule to recognize uncontrollable or unforeseen events that may occur which materially change the economic conditions existing at the date of this Agreement, or to recognize costs of government mandates enacted after the date of this Agreement.

- F. The attached rates (price schedules) adopted by this agreement are as indicated, for Contractor provided vehicles. Rates for vehicles leased from the District under Paragraph 18 shall be negotiated subject to the agreement on the lease payment due to the District.

20. FUEL

It is agreed that the District will provide fuel to the Contractor, at District expense, to be used by the Contractor for all District services as described in this document. Accordingly, the Contractor's price schedules included in this agreement do not include any charge for fuel. Said fuel will remain the property of the District. Contractor may use District fuel for non-District purposes; however, the Contractor agrees to keep an adequate record of odometer readings documenting non-District fuel usage and to reimburse the District monthly, based on a rate determined at the beginning of each Contract Year. This rate may be adjusted by the District during the Contract Year provided the Contractor is given a 30 day notice. Reimbursement shall consist of a credit to the current monthly invoice. The credit will be determined for each bus by dividing the cumulative odometer reading related to non-District use for the month by that specific bus's miles per gallon performance during the last month and multiplying the result by the agreed rate per gallon. Contractor further agrees that any Federal Excise Tax or penalties due on fuel used for non-District purposes will be the sole responsibility of the Contractor.

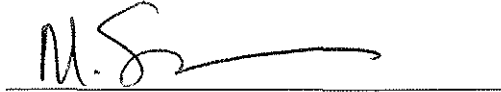
IN WITNESS WHEREOF, Vashon Island School District School District No. 402,

and First Student , enter into this agreement on this 24th day of June, 2014, at Vashon , WA.

Vashon Island School District

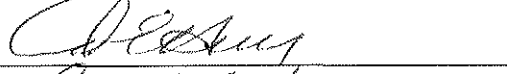


Dary Chasan
Chair, Board of Directors



Michael Soltman
Secretary, Board Of Directors
Superintendent

Contractor



Name: Charvia E. Howe
Title: Sr. Vice President

Name: _____

Title: _____

PUPIL TRANSPORTATION AGREEMENT

This Pupil Transportation Agreement (“Agreement”) is made and entered into this 1st day of July 2017 by and between Riverside School District No. 416 with principal offices at 34515 North Newport Highway, Chattaroy, Washington 99003 (“DISTRICT”) and First Student, Inc. whose principal place of business is 7739 1st Avenue South, Seattle, Washington 98108 (“CONTRACTOR”). In consideration of the following terms and conditions, the parties agree as follows:

1. **TERM.** The term of this Agreement shall be for a period commencing on July 1, 2017 and shall continue through June 30, 2022 except as noted below. For purposes of the Agreement the term “Contract Year” shall mean each one-year period commencing July 1 during the term of this Agreement.
2. **SCOPE.** The CONTRACTOR shall, during the period of the Agreement provide, and maintain the required number of school buses with drivers, mechanics and dispatchers to transport conveniently and safely all students designated by the DISTRICT to be served under the provisions of this Agreement. Such transportation shall be provided for each and every day that school is convened in accordance with to and from school, and kindergarten, pre-school and other midday, and shuttle schedules submitted by the CONTRACTOR to DISTRICT and approved by the DISTRICT. The CONTRACTOR shall, during the period of the Agreement, provide safe and convenient transportation of any and all students and other authorized personnel, as may be requested by the DISTRICT on field trips, excursions, shuttles and athletic and other extra-curricular activities, or any other purpose designated by the DISTRICT throughout the Contract Year. The DISTRICT reserves the right to revise, delete or change any and all routes and the number and type of buses required thereunder to best suit its needs at any time before or during the Contract Year. The CONTRACTOR will also conduct all activities and reporting in connection with the annual bus ridership survey or other successor reporting requirements, required driver information reports, bus, mileage, and other information required by the State of Washington Superintendent of Public Instruction (“SPI”), the State of Washington Board of Education (“BOE”) or other federal, state or local agency. The CONTRACTOR will also be responsible for employing qualified and competent personnel in all positions and ensure their training is in accordance with all applicable standards and regulations.

In furnishing the pupil transportation service under the Agreement, the CONTRACTOR agrees to comply with and observe all the provisions of the State of Washington Vehicle Code and all other applicable federal, state and local laws, rules, policies, procedures and regulations prescribed by the Washington State Legislature, BOE, SPI, and any other State or Federal agency and the Board of Directors of the DISTRICT, including, but not limited to, the privacy and non-disclosure provisions of the Family Educational Rights and Privacy Act, 20 U.S.C. Sec. 1232g. Without the prior written consent of the DISTRICT, the CONTRACTOR is prohibited from disclosing to anyone other than an official representative of the DISTRICT the identity of any student for whom services are provided

The service shall include the providing and maintaining of all transportation equipment, apparatus, facilities, personnel, and materials per the minimum specifications herein and any applicable laws, rules, policies, procedures and regulations of any agency having legal jurisdiction.

3. **PROFILE.** The CONTRACTOR will provide to the DISTRICT a carrier profile report as required by WAC 392-144-040(3) and meet all other requirements of WAC 392-144-040(3).
4. **ASSIGNMENT.** The CONTRACTOR may not assign rights, burdens, duties or obligations under this Agreement, nor may any portion of this Agreement be sublet to another party without prior written consent of the DISTRICT. The services contemplated under the Agreement are deemed to be in the nature of personal services. This Agreement shall not be assigned by CONTRACTOR without prior written consent of DISTRICT. The parties agree that assignment by the CONTRACTOR of any sums due and owing CONTRACTOR under the Agreement shall not constitute an assignment of the Agreement.
5. **NONDISCRIMINATION.** Except to the extent permitted by a bona fide occupational qualification, the CONTRACTOR agrees as follows:
 - A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age or other criteria barred by federal or state law. The CONTRACTOR will ensure that applicants are employed without regard to their race, creed, color, national origin, sex, or age or other criteria barred by federal or state law. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training.
 - B. The CONTRACTOR will in all solicitations for employees or job orders for employees placed with any employment agency, union, or other firm or agency, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex or age or other criteria barred by federal or state law. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
 - C. The CONTRACTOR will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the CONTRACTOR'S commitments under this section.
 - D. The CONTRACTOR will include the provisions of the foregoing paragraphs A, B, and C in every subcontract or purchase order for the goods or services that are the subject matter of this Agreement.

In the event of noncompliance of the CONTRACTOR with any of the nondiscrimination provisions of Chapter 49.60 RCW the DISTRICT shall have the right, at its option, to cancel the Agreement in whole or in part. If the Agreement is canceled after performance, the DISTRICT shall only be obligated to pay for goods or services that have been received and accepted by the DISTRICT.

6. **SERVICES.** During the Agreement period, the DISTRICT requirements for pupil transportation service shall be as follows:

- A. School Calendar Year. (August-June) The total number of buses below is estimated to be required on each school day for approximately 174 days of school. The DISTRICT reserves the right to alter the number of required buses or types of buses or number of days of required service at any time before commencement of this Agreement or during the Agreement with no financial penalty imposed by the CONTRACTOR. Summer school pupil transportation service shall be arranged by the parties separately as needed.
- B. Estimated Buses Required. CONTRACTOR will provide buses in accordance with the following as well as comply with Sections 6C and 7 below.

a)	<u>Bus Use</u>	<u>Qty</u>	<u>Passenger Capacity & Options</u>
	<u>65 to 84 Passenger, Type C or D</u>		
	Regular Route	(26)	65 to 84 passenger, Type C or D
	<u>Mid Size with Lift</u>		
	Special Needs	(1)	4-w/c stations + 12-seated with belts
	Special Needs Spare	(1)	4-w/c stations + 12-seated with belts
	<u>18 to 22 Passenger, Type A</u>		
	Special Needs	(4)	18 to 22 passenger, Type A
	Special Needs Spare	(1)	18 to 22 passenger, Type A
	<u>65 to 84 Passenger, Type C or D</u>		
	Spare Buses	(4)	65 to 84 passenger, Type C or D Other spare buses as may be needed
		<u>37</u>	Total Minimum School Buses

School buses shall be equipped with a minimum of the following options:

<u>Type of Special Equipment Option</u>	<u>Number of School Buses</u>
Automatic Tire Chains (Insta-Chains)	(37) All Buses above
One set/pair steel or tungsten tire chains	(37) all buses above
Luggage Bays or Storage Compartments (double or triple luggage)	(8) Regular Route Buses
Pass through (underbelly) storage bay	(1) Spare bus

- b) DISTRICT reserves the right to require the CONTRACTOR, at DISTRICT expense, to increase or decrease the number of seats or wheelchair slots on all lift buses required in special needs buses or spares at any time during the Agreement period.
 - c) DISTRICT may elect to use any combination of the buses for regular routes and preschool noon routes listed above for special education and preschool needs depending on wheelchair needs.
 - d) All buses will meet the age and maintenance specifications listed in Condition and Age portion of Section 7 of this Agreement. The DISTRICT reserves the right to increase or decrease the number of buses needed at any time during the Agreement period.
- C. Buses. The buses used for pupil transportation services provided under the Agreement will be in compliance with the Rules and Regulations (Title 392 WAC), as now stated and hereafter amended, of SPI entitling the DISTRICT to state transportation funds. All buses operated under the Agreement shall be subject to Chapter 392-142 WAC, Depreciation Schedule-School Buses. CONTRACTOR will ensure all buses operated under this Agreement conform to Chapter 392-143 WAC, Specifications for School Buses.
- D. Other Vehicles. CONTRACTOR will provide such other vehicles as needed for its operations. This will include, as a minimum, a four wheel vehicle or vehicles to plow snow to accommodate bus access to public roads, access stranded buses while on route and evaluate road conditions as stated in Section 6G.
- E. Personnel. The CONTRACTOR, at its expense, will provide all required drivers, maintenance, clerical and management personnel. The CONTRACTOR, at its expense, will be responsible for training and conduct of all of its employees. These employees shall be hired and employed under the provisions outlined in Section 5 of this Agreement. The DISTRICT reserves the right, but not the obligation, to audit CONTRACTOR employee records to ensure that they meet the provisions of this Agreement and that the employee meets all mandated training, medical and other requirements.
- F. “Other” Days. “Other” days are those days when school is not in session. On such “other” days, the number of buses and type of service shall be on an as-requested basis. Transportation provided during “other” days will be billed at the Activities Rate.
- G. Routing and Scheduling of Buses. CONTRACTOR shall be primarily responsible for planning, routing and scheduling all buses as required for DISTRICT operations. CONTRACTOR shall schedule all routes, keeping safety of school children as the prime consideration. The CONTRACTOR shall furnish the DISTRICT Representative, on or before August 1 of each year, the routes to be followed including designated stops both in written and map form. All routes, schedules and stops shall be subject to the approval of the DISTRICT Representative. Subsequently, changes in routes, schedules and stops shall not be made without the approval of the DISTRICT Representative. The CONTRACTOR will provide the DISTRICT Representative a copy of all route sheets, list of stops, route maps and other route data published.

Updates or changes to these documents will be provided to the DISTRICT within five (5) business days.

DISTRICT reserves the right to establish routes and schedules to be followed and to establish criteria for times buses must arrive at school for drop off or pick up of students. DISTRICT also reserves the right to restrict eligibility of riders and modify service levels at any time during this Agreement, including the number and location of routes, number and location of stops, bus boundaries, walking distances and other transportation standards. DISTRICT shall notify CONTRACTOR whenever changes are necessary in routes or time schedules and CONTRACTOR shall make a reasonable effort to adjust its operations to incorporate such changes within three (3) business days after notice is received from the DISTRICT.

The CONTRACTOR shall cooperate with the DISTRICT in maintaining a good public relations program with the community and news media so that any pertinent items affecting the transportation program or the patrons of the DISTRICT can be brought to the attention of the public.

CONTRACTOR will coordinate and cooperate with DISTRICT personnel in the evaluation of inclimate conditions and decisions as to the practicality of conducting pupil transportation operations under conditions which may be deemed unsafe. This will include CONTRACTOR physical evaluation of road and other conditions with regard to the safety of students riding the bus in a timely manner as directed by the Superintendent or designee.

7. EQUIPMENT.

- A. Condition of Buses. All school buses utilized in performance of the Agreement shall meet or exceed the standards established by the laws and regulations of all federal, state or local agencies. CONTRACTOR shall maintain the school buses used to provide transportation services under the Agreement in accordance with the law and accepted industry maintenance standards at its sole expense. Said buses shall also be kept in a clean and sanitary condition and open to examination by the DISTRICT or its representative at all times.

The CONTRACTOR will make available to the DISTRICT or its representative upon request all bus maintenance records, including driver pre-trip safety inspections, maintenance shop bus safety inspections, Washington State Patrol inspections, preventative maintenance performed, and all repairs made and the CONTRACTOR further agrees to implement timely correction of any deficiencies found by the CONTRACTOR's personnel or reported by the DISTRICT.

- B. Code of Regulations Requirements. All buses, regular and substitute, to be used in service hereunder shall be approved prior to commencement of service by the DISTRICT Representative and authorized representatives of the Washington State Patrol, and shall, at all times during the Contract Year, comply in all respects with the pertinent provisions of the Washington State Motor Vehicle Code, regulations of Spokane and Pend Oreille Counties, SPI and BOE.
- C. Age of Buses. All buses used in performance with this Agreement will fall within the Washington State School Bus Depreciation Schedule (Chapter 392-142 WAC). No

Class A or B bus shall be older than eight (8) years old throughout the life of the Agreement. No Class C or Class D bus used will be older than thirteen (13) years old at any time during the life of the Agreement. Age shall be determined by the date the bus was originally placed in service. In no event may any bus be used at any time or for any purpose that does not qualify for the State Depreciation Schedule as defined in Chapter 392-142 WAC. For purposes of this Agreement Class definitions in use as of the signing of the Agreement shall remain in force for the remainder of the Agreement.

- D. Number of Buses. CONTRACTOR shall provide buses in sufficient number to efficiently transport all pupils for whom DISTRICT orders services, including an adequate number of spare buses to ensure continuous service for regular routes, shuttles, activity and field trips and excursions without interruption as specified in Section 6A of this Agreement. Buses shall be of sufficient capacity to permit every pupil transported to be seated. CONTRACTOR shall ensure that the number of buses needed to provide daily pupil transportation services and the normal amount of shuttles, additional activity, field trips and excursions, including spares are assigned to and housed at the DISTRICT. CONTRACTOR may appropriate buses or qualified drivers from other operations during days of unusual demand only.

CONTRACTOR shall not allow the number of buses, the type or size of buses, in general, to vary from those submitted on the Contractor Proposed Bus Fleet during the life of the Agreement without the written permission of the DISTRICT.

- E. Required Modification of Equipment. Any installation or modification of equipment required by a change in the law or regulation or directed by the DISTRICT shall be made by the CONTRACTOR solely at CONTRACTOR'S expense. Equipment modifications required by law will be made as expeditiously as possible. All buses, at the beginning of this Agreement will meet all requirements and regulations of all federal, state and local agencies as in effect at that time.
- F. Two-Way Radio. All buses used in accordance with the Agreement and any four wheel drive support vehicles will be equipped with a working, reliable two-way communications system which is capable of operating effectively through the entire DISTRICT. CONTRACTOR will also maintain in proper working order a base station in the transportation office. CONTRACTOR will provide its own two-way communications system at its sole expense. All two-way radio equipment used by the CONTRACTOR will be installed, maintained, adjusted and repaired solely at the expense of the CONTRACTOR. CONTRACTOR will provide, at its own expense, any additional communications equipment needed at any time during the course of this Agreement. The CONTRACTOR will provide training to its employees in proper use of two-way communications equipment. The CONTRACTOR'S employees are to use said communications equipment for such purposes related to the scope of this Agreement as the DISTRICT may direct and under rules and regulations promulgated by the DISTRICT and any other agency having jurisdiction. All radio operations will be in accordance with Federal Communications Commission ("FCC") or other applicable agency guidelines and regulations. CONTRACTOR will comply with any changes in communications practices, procedures or equipment requirements made by the FCC or any other federal, state or local jurisdiction at its sole expense during the life of this Agreement.

In the event of any emergency declared by the Superintendent or his or her designated representative, all CONTRACTOR buses equipped with two-way communications equipment that are not in student service are to be dispatched to locations as directed by the Superintendent or designee.

- G. P.A. Systems. An operational P.A. system with at least two (2) speakers systems will be in all buses.
 - H. Surveillance System. All buses subject to the Agreement shall be equipped with a bus surveillance system. The system will consist of a two-camera digital system placed as specified by the DISTRICT with the capability of recording all bus activity for at least seventy-five (75) hours. The cameras will be wired to enable recording when the ignition is off as well as when the engine is running. Other monitoring equipment that serves the same function may be substituted for this equipment with written approval of the DISTRICT. This equipment will only be used within the provisions of policies, rules, and procedures established by the DISTRICT.
 - I. Traction Devices. All buses supplied by the CONTRACTOR will be equipped with traction devices approved by the DISTRICT. Buses will be equipped at all times with proper tires for road conditions. CONTRACTOR will maintain equipment and establish procedures for chaining of tires when required by road conditions without significant impact on route schedules and times. Each proposal will contain a listing of the type or types of traction devices to be used on buses that will fulfill this Agreement.
 - J. Other Vehicles. CONTRACTOR will maintain sufficient vehicles required for the evaluating of road conditions and shuttling of maintenance personnel to stranded buses during all weather conditions.
 - K. Strobes. All buses will be equipped with strobe lights on the roof.
 - L. Other Equipment. CONTRACTOR shall provide and properly maintain at least twelve (12) Star System seats or equivalent with upper torso constraints for use for special needs and preschool students. These seats must be of proper sizing to fit the needs of DISTRICT students and be able to be moved from bus to bus as needed. DISTRICT reserves the right to reject any restraint system that it deems unacceptable. CONTRACTOR shall maintain sufficient maintenance tools and equipment to repair vehicles as needed.
8. PERSONNEL. For the purposes of the Agreement and interpretation thereof it is agreed that the transportation of school children is a specialized function. It is the essence of the Agreement that the students are transported to and from school regularly, promptly, safely, and without interruption or incident and that the interests of children in such transportation shall take precedence over the interests of the CONTRACTOR and its drivers or the DISTRICT. It shall be a primary obligation of the CONTRACTOR to conduct its affairs so 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 in a condition of mental, physical and emotional stability 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. The CONTRACTOR agrees that it will not allow any person to drive a school bus whose moral character is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever, nor shall the CONTRACTOR allow any person to drive a school bus who is not, at the time, in condition of mental, physical or emotional stability. CONTRACTOR will be responsible for ensuring all employed personnel meet the requirements of Chapter 392-144 WAC.

CONTRACTOR will allow DISTRICT personnel or other representative designated by the Superintendent to review all records of individual or group training, employee qualifications for meeting bus-driving standards or any other requirement of this section at any time during the course of this Agreement. Significant deviations from requirements of this Agreement, federal, state, or local laws or DISTRICT policy will be grounds for termination of this Agreement. All training, first aid courses and the costs of satisfying other requirements for CONTRACTOR'S employees whether required by local, state or federal agencies and regulations shall be solely at CONTRACTOR'S expense.

The responsibility for hiring and discharging personnel in respect to all of the foregoing shall rest entirely upon the CONTRACTOR, and the CONTRACTOR agrees that it shall enter into no agreement or arrangement with any employee, person, group or organization which will, in any way interfere with the CONTRACTOR'S ability to comply with this requirement. The CONTRACTOR further agrees that the Superintendent or his/her designated representative shall have the right to require dismissal from DISTRICT service any CONTRACTOR person who, in the opinion of the Superintendent or his/her designated representative, is not qualified to operate or aid in the driving of a school bus as set forth in this Agreement or who does not meet the responsibilities and requirements of this Agreement.

DISTRICT and CONTRACTOR shall develop a program that allows for employees of the CONTRACTOR to notify the DISTRICT of CONTRACTOR breaches of the Agreement or report other potential safety and operational hazards associated with CONTRACTOR operations. A program ensuring an avenue for communication between DISTRICT, CONTRACTOR and CONTRACTOR'S employees shall be developed.

Pursuant to RCW 28A.400.303, any applicant or employee of CONTRACTOR who will have regularly scheduled unsupervised access to children pursuant to this Agreement, shall be required to complete a record check through the Washington State Patrol Criminal Identification System, under RCW 43.43.830-.834, RCW 10.97.30 & .50, and through the Federal Bureau of Investigation before hiring and prior to unsupervised access to children. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. Record checks required above shall be at the sole cost and expense of the CONTRACTOR.

- A. Bus Drivers. CONTRACTOR shall employ a sufficient number of drivers, including substitutes, to ensure DISTRICT of continuous and reliable service. Drivers employed by the CONTRACTOR shall be subject at all times to the approval of the DISTRICT and they shall satisfy the requirements for "School Bus Certification" requirements as directed by SPI and any government agency having jurisdiction over the training and competency of drivers within the DISTRICT. CONTRACTOR shall maintain a driver-training program in accordance with all applicable laws and regulations and approved by the DISTRICT Superintendent or designee.

CONTRACTOR will give first hiring preference to current drivers. CONTRACTOR will notify the DISTRICT of any current route drivers that elect not to continue employment and the reason for their election. CONTRACTOR will pay all non-supervisory personnel a starting salary rate of at least \$13.50 per hour for driving duties during the first year of the Agreement. CONTRACTOR must pay at least the minimum legal wage rate for standby time on activity runs or field trips. On regular routes, drivers will be paid regular salary pay for route gaps between transporting children. The current weighted average hourly rate for route drivers according to the present contractor is \$14.24. CONTRACTOR will ensure that the average weighted rate of scheduled route drivers is at least \$14.24 based on driving staff currently employed during the first year of the Agreement and that CONTRACTOR will ensure a stable driver work force is employed during the entire life of this Agreement. If average rate is lower than the above specified scheduled route driver average due to change in staffing CONTRACTOR will inform the DISTRICT of new rate and provide calculations which caused the change.

DISTRICT may specify that salaries of bus drivers and/or other CONTRACTOR employees be increased at any time during the Agreement at its sole discretion. If the DISTRICT specifies an increase, it will negotiate compensating rate increases with the CONTRACTOR in a manner which ensures such increase is profit-neutral for the CONTRACTOR.

CONTRACTOR shall provide qualified drivers, trained, licensed and certified in accordance with the laws of the State of Washington and the rules and regulations of the DISTRICT. The CONTRACTOR will follow all procedures and make reports in accordance with Chapter 392-144 WAC.

In addition, CONTRACTOR agrees that each driver shall:

- (a) Possess a valid license and any required permit or certification issued by this state authorizing such person to operate a school bus.
- (b) Be certified by a duly licensed medical practitioner, practicing in Spokane or Pend Oreille County, as medically qualified and free of medical or physical conditions which, absent reasonable accommodation, would limit safe operation of a school bus. The physical examination shall be conducted prior to employment and periodically (at least every 2 years) thereafter.
- (c) Successfully complete a course of training, including classroom instruction in school bus safety, pupil discipline, human relations, defensive driving, first aid, use of fire extinguisher, traffic laws, DISTRICT'S policies and regulations and behind the wheel school bus driving instruction. Driver will pass a driving examination demonstrating competency in driving a school bus in actual traffic conditions. Driver will satisfactorily complete the annual school bus driver in-service training course.
- (d) Hold a current and valid first-aid card that certifies that the applicant has completed a course in first aid.

- (e) Submit annually to the DISTRICT and CONTRACTOR a disclosure of all crimes against children or other persons and all civil adjudications in a dependency action or in a domestic relation action and all disciplinary board final decisions of sexual abuse or exploitation or physical abuse as required by RCW 43.43.834(2) and disclosure of all convictions which may be grounds for denial, suspension, or revocation of authorization under WAC 392-144-103.
- (f) Possess a satisfactory driving record and criminal history record which shall be obtained by CONTRACTOR in accordance with requirements of the State of Washington. Periodic rechecks will be made as required by state law at the expense of the CONTRACTOR.
- (g) Prior to employment and from time to time thereafter, to the extent permitted by law, drivers will undergo such tests as may reveal, within a reasonable degree of medical or scientific certainty, the presence or absence of drugs or controlled substances in the body and such tests as may clinically reveal alcoholism or alcohol abuse. Negative findings for such tests shall be a condition of employment. CONTRACTOR shall ensure the frequency, conduct and reporting of these tests conforms to state law.
- (g) Satisfy all requirements of the U.S. Department of Transportation, Federal Highway Administration, Department of Transportation (“DOT”) in rendering transportation services regulated by that agency.
- (h) Meet any other criteria required by law or by DISTRICT policies, rules or regulations.
- (i) Drivers assigned to routes that primarily serve special needs children will additionally receive training in special techniques used in handling such children.
- (j) Drivers will meet the qualifications and training requirements of WAC 392-144-101 and continuing requirements of WAC 392-144-102.

CONTRACTOR will ensure each school bus driver meets the following physical requirements:

- (a) Is physically able to maneuver and control a school bus under all driving conditions.
- (b) Is physically able to perform daily routing school bus vehicle safety inspections.
- (c) Has sufficient strength and agility to move about in a school bus as required to provide assistance to students in evacuating the bus. The driver must be able to move from a seated position in a sixty-five (65) passenger school bus, or the largest school bus the driver will be operating, to the emergency door, open the emergency door and exit the bus through the emergency door, all within twenty-five (25) seconds.
- (d) Provide verification of holding a current and valid medical examiner’s certificate.

- (e) School bus operators shall observe all state statutes and administrative rules governing traffic safety and school bus operation. The CONTRACTOR shall, at the beginning of each school year, verify that each school bus driver has been provided a copy of the School Bus Driver Handbook (SPI), any additional laws and/or rules that apply to school bus drivers, and the DISTRICT'S written rules for student conduct on buses.
- (f) Prior to transporting students, each school bus driver must have a school bus driver's authorization issued by SPI; a commercial drivers license appropriate for the size vehicle they will drive, including a passenger endorsement; and a school bus endorsement (with the air brake restriction removed if they drive a bus with air brakes). A school bus driver is required to maintain and carry a valid DOT medical examiners certificate and to demonstrate annually their continued ability to pass SPI school bus driver physical certification requirement. The DISTRICT retains the right to request more frequent medical examinations or demonstration of the physical ability requirements of WAC 392-144-102 (5).
- (g) Prior to employment and at least once each school year, school bus drivers must submit to his or her supervisor a photocopy of the following: a valid commercial driver's license indicating the appropriate endorsements, a DOT medical examiners certificate, and a current first aid card. On an annual basis, each school bus driver shall provide verification that he or she continues to meet the requirements of WAC 392-144-102 and verification that his or her driving or criminal record does not indicate any disqualifying conditions as listed on WAC 392-144-103 including: not having had a driving license privilege disqualified, suspended or revoked in the preceding three years, that he or she has not had three or more speeding tickets ten miles per hour or more over the speed limit in the preceding five (5) years, and that he or she has not been convicted or undergone a deferred prosecution for any misdemeanor, gross misdemeanor or felony.
- (h) CONTRACTOR is required to conduct a pre-employment drug-screening test pursuant to CFR 49.382. The CONTRACTOR shall verify a negative result of such test prior to allowing the driver to operate a school bus on public roads, regardless of whether there are students on the bus. The CONTRACTOR shall comply with the other drug testing requirements under Federal law, which includes random, reasonable suspicion, and post-accident testing.

All training, certifications, licensing or other requirements listed above shall be at the CONTRACTOR'S expense and evidence of such training, certifications, licensing or other requirements above shall be available to DISTRICT personnel or representative upon request. The CONTRACTOR shall maintain and produce records and paperwork with respect to drivers and driver training as required by any state or other agency.

In addition, the CONTRACTOR shall be responsible for and shall hold each driver responsible for:

- (a) Supervising the 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 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 time piece while on duty so that the driver can maintain established schedule times.
- (f) Operating the bus within the provisions outlined in Chapter 392-145 WAC, Transportation, Operation Rules.

Pursuant to RCW 28A.400.330, CONTRACTOR shall prohibit any employee of the CONTRACTOR from performing any work under this Agreement if such individual has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322. CONTRACTOR shall engage in due diligence to learn whether any of its employees have pled guilty or been convicted of any such crime and shall require their employees to self report to the CONTRACTOR any such plea or conviction. Any failure to comply with this section shall be grounds for immediate termination of this Agreement by the DISTRICT, notwithstanding any other provision in this Agreement.

B. Management and Dispatcher Personnel. At least one (1) competently trained individual must be appointed as manager of local operations. That individual must have the competency to manage the DISTRICT transportation operations, CONTRACTOR employees and coordinate transportation operations with DISTRICT administrative personnel. CONTRACTOR must ensure that personnel receive training and are competent within the conditions set forth by this Agreement. At least one (1) competent employee must be appointed dispatcher and that individual will be on hand in the transportation office to ensure route requirements are met and to coordinate operations and handle two way communications with bus fleet during the period from the beginning of the first regularly scheduled route each school day and the end of the last daily route. The designated manager will also schedule buses and drivers for activity runs, field trips, shuttles and excursions as required by the DISTRICT and to appoint substitute drivers for routes as needed. The manager of local operations will be available to make a recommendation as to feasibility of transporting children at least three (3) hours prior to scheduled routes during inclement days and to implement the chaining of buses. The DISTRICT reserves the right to require the CONTRACTOR to terminate employment of manager of local operations and/or dispatcher who is found to not be competent in the areas listed above.

C. Maintenance Personnel. CONTRACTOR shall employ enough bus maintenance staff to ensure that vehicles are in proper state of repair at all times and that all buses pass the annual Washington State School Bus Inspection (WAC 392-143-035) or any other bus inspections designated by authorities. CONTRACTOR will have maintenance personnel available to immediately repair buses that have broken down on route.

9. SAFETY. The CONTRACTOR shall administer a satisfactory safety program that shall conform to the requirements of the Washington State Safety Act. The CONTRACTOR'S

school bus driver safety and training program shall be presented to the DISTRICT. A driver supervisor shall ride with every driver at least once each semester for the purpose of observing their driving practices with respect to safety, and regulations, including adherence to published time schedules. Results of this observation will be recorded for DISTRICT review. The manager of local operations listed in Section 8B may fill this requirement if qualified.

10. **DISCIPLINE.** The CONTRACTOR shall employ and designate a Safety and Discipline Officer who shall work with students, drivers, school personnel, and parents. It shall be the responsibility of the officer to implement the policies, rules and regulations of the DISTRICT as directed by the DISTRICT. The manager of local operations listed in Section 8B may fill this requirement if qualified.

11. **ADMINISTRATION.**

- A. **Compensation Rates 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 Exhibit A and amended from year to year due to the escalation portion of this Agreement. CONTRACTOR will bill the DISTRICT by the 10th calendar day of each month, on a form acceptable by the DISTRICT, for actual services performed in the previous calendar month. Payment will be made at the end of the month of billing. Billing will be split between regularly scheduled routes, mid-day and noon routes, activity trips by sport, field trips by school, shuttles and excursions.

The exact amount of time required for the operation of each bus per day on to-and from routes, excluding inspection, cleaning, and check-out time, for the third full week of the school year shall be determined mutually by the DISTRICT representative and the CONTRACTOR and will become the basis of each route's regular to and from billing. The rates herein shall be applied to these items to establish the daily contract cost for home-to and from-school service during the current school year. Subsequent to the first month CONTRACTOR and DISTRICT will review established route times at the end of each month and adjust established route times as both agree, to be effective the following month. Charges shall be subject to adjustment in the event of an increase or decrease of increments of six (6) minutes per day in any bus route.

The DISTRICT will pay for each scheduled morning and afternoon route the three-hour base rate plus the additional excess hour rate times any hours over the three-hour minimum. Billing time will be to the nearest tenth of an hour for each route. In no instance will the DISTRICT pay for less than the base rate as delineated above for any regularly scheduled morning, afternoon or early release to-and-from route for days school is in session. Regular routes will be billed from the time the bus leaves the bus lot until bus return to the lot both AM and PM and include any waiting time that is part of the route except any times a driver is not on pay status such as buses parked at the driver's home. Driver will be paid the regular salary for said waiting time billed as regular route time. Billing for noon routes and other shuttles that are an extension of the regular route shall be at the excess hour rate. Field trips, activity trips, isolated shuttles (shuttles not an extension of the regular route) and excursions will be billed exclusively at the activities rate with a 1-hour minimum charge. All trip charges for transportation services will be computed to the nearest 1/10th hour in increments of six

(6) minutes. Each non-overnight activity trip, shuttle, or noon route will be billed for a minimum of one hour or actual time from leaving the bus lot or route until return to the bus lot, whichever is higher.

On overnight trips, the hourly rate shall be for that time the bus is moving or waiting. Hours when the bus is not required, i.e., when released at the end or during the day by the student supervisor until the bus is again required the next day, are not to be charged to the DISTRICT except that for each full day between the first and last day of the trip a minimum of eight (8) driving and waiting hours will be paid by the DISTRICT. The billing rate for such trips shall be at the activities rate. In addition the DISTRICT will reimburse the CONTRACTOR a reasonable per diem rate for the driver meals and lodging which shall be billed as a separate item or provide driver lodging at its expense.

Payment by the DISTRICT of any invoices shall constitute full and final payment for services rendered for the period covered by such invoice, unless the CONTRACTOR files a claim for error or omission within sixty (60) calendar days of the date of such invoice.

- B. Uncompleted Trips/Liquidated Damages. In the event the CONTRACTOR cannot make or complete a scheduled trip, the DISTRICT shall not pay for the trip and, in addition, the CONTRACTOR shall be assessed a penalty of 1.5 times the scheduled rate for the trip.

Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to the student, their families and school staff. From the nature of services to be rendered, it would be impractical and extremely difficult to fix the actual damage under the Agreement caused by defects in service. Within forty-five (45) days of the event, there shall be assessed as liquidated damages, but not as a penalty, the amount(s) set out below for defects in service. (If an entire assignment is missed, the liquidated damage assessment per route per day will be \$100.00.)

1) \$25.00 shall be assessed for each incident of the following:

- a) Morning trip delay (penalty assessed for each 12 minute increment of delay).
- b) Noon trip delay (penalty assessed for each 12 minute increment of delay).
- c) Afternoon trip delay (penalty assessed for each 12 minute increment of delay).

2) \$50.00 charges shall be assessed for each incident of the following:

- a) Driver misses stop or fails to pick up or drop off student(s).
- b) Failure of a driver to keep up-to-date route cards or route description.
- c) Failure to clean a dirty bus (interior and exterior) within twenty-four hours of notice.

d) Failure to display route numbers.

3. Damages for trip delays, which are the sole judgment of the DISTRICT clearly and unquestionably caused by factors totally beyond the control of the CONTRACTOR, will be waived by the DISTRICT.

4. If the DISTRICT becomes aware that a late or missed field trip occurred, but was not reported by the CONTRACTOR to the DISTRICT, the CONTRACTOR may be charged \$75.00 for each trip which is not reported to the DISTRICT. A late trip is defined as a trip operated more than 12 minutes late.

- C. Unscheduled Closing of School. The DISTRICT will retain exclusive determination of closure of school due to hazardous weather, or for any other reason determined by the DISTRICT, but the CONTRACTOR will be charged with the responsibility to make the recommendation not to operate buses at any time the CONTRACTOR judges it unsafe to do so. The recommendation for "late arrival" or "closure" needs to be given to the DISTRICT designee by 5:20 A.M., unless unforeseen circumstances result in a later notification. The DISTRICT shall not be obligated to accept or pay for services herein agreed to be furnished by the CONTRACTOR on those days when, by direction of the Superintendent or designated representative, any DISTRICT'S school or schools are closed to insure the health or safety of the pupils or for any other lawful reason, and such closures reduces in part or whole the normal transportation service. The DISTRICT agrees to notify the CONTRACTOR in a reasonable manner on such days of school closure.

The DISTRICT further agrees to notify the CONTRACTOR of canceled special bus trips no less than two (2) hours prior to the first scheduled pick up per trip. If the DISTRICT fails to give the CONTRACTOR two (2) hours notification of school closure and/or canceled special bus trips, the DISTRICT shall pay the CONTRACTOR the driver(s) actual time or minimum call out time whichever is greater.

- D. Escalation Clause. It is recognized by the parties hereto (1) that certain of the CONTRACTOR'S operational expenses such as the cost of buses, materials and labor may change materially, up or down, during the Agreement period; (2) that such changes in cost cannot be determined in advance; (3) that without a realistic clause in the Agreement, the parties must of necessity agree on a rate high enough to compensate for possible, yet unknown added cost to cover the entire term of the Agreement; (4) that if an escalation clause is included in this Agreement, which is fair and just to both CONTRACTOR and the DISTRICT, cost projections and bids can be more accurate and the corresponding rate the DISTRICT would pay will be lower than it otherwise would be.

In order to adjust annual billing rates CONTRACTOR will submit annually, no later than May 1 of each year, a request for increase of rates for the ensuing school year. It is agreed that such requested increases shall be the greater of 2% or the CPI (as defined below), and shall not exceed the annual change in the February to February Seattle-Tacoma-Bremerton Consumer Price Index ("CPI"), for All Items, Urban Wage Earners and Clerical Workers, published by the U.S. Department of Labor. If the change of the above referenced CPI exceeds an annual percentage increase of 5.0 per cent the maximum rate increase that may be asked for is 5.0 per cent plus ½ of any CPI

increase over 5.0%. Under any circumstance, the maximum increase that may be requested by the CONTRACTOR from year to year is 12%. Under these provisions the CONTRACTOR must justify the requested increase with actual cost increases incurred or to be incurred in the next contract year. CONTRACTOR request for increase will be for the smaller of actual CONTRACTOR cost increases or change in CPI, or adjusted CPI (with a minimum of 2%) if the increase is over 5.0%, as described above. Under no circumstances shall any cost increases be applied retroactively.

- E. Daily Bus Report and Daily Ridership Summary. Pursuant to State of Washington requirements, CONTRACTOR shall submit to the DISTRICT representative a "Daily Bus Report" for each bus operated under the Agreement. This report shall include the following: (1) Driver's complete pre-trip safety check in accordance with State Pupil Transportation Manual; (2) Total miles traveled, time in route, and number of students transported daily to and from high school, middle school, and elementary school as separate groups; (3) Total miles, time and student count for extra or special trips ordered by the DISTRICT; (4) such other related student information that may be required from time to time by the State of Washington or DISTRICT. The CONTRACTOR shall also provide the DISTRICT with a Weekly Ridership Summary spreadsheet identifying number of AM and PM riders per day by school for each route.
- F. State Reports. It shall be the responsibility of the CONTRACTOR, at its expense, to prepare for the DISTRICT any and all pupil transportation related reports requested or required by the State. This includes all paperwork required for the annual school ridership survey or any successor required information used to apportion funds to districts for pupil transportation, required driver information reports, bus, mileage, and other information required by SPI, BOE or other federal, state or local agency. The CONTRACTOR must be proficient in the Online STARS Program. CONTRACTOR is responsible to the DISTRICT for the accuracy of such reports.
12. **FORCE MAJEURE.** It is agreed by the parties that in the event the CONTRACTOR is unable to provide transportation services as herein specified because of acts of God, fire, riot, war, civil commotion, picketing, strikes, or labor disputes the DISTRICT shall excuse the CONTRACTOR from performance hereunder. Under these circumstances, the DISTRICT shall have the right, but not be required, to assume the transportation operations with such CONTRACTOR equipment, school employees or other persons as the DISTRICT may deem appropriate until the CONTRACTOR is able to resume operation. If the DISTRICT does not operate the buses, it is not obligated to any payments. The DISTRICT shall pay to the CONTRACTOR for such buses used, the same amount specified in the heretofore-mentioned rate schedule, less all expenses and costs incurred by the DISTRICT in securing the services of operating and management personnel and other additional costs that are incurred. The CONTRACTOR shall provide supervisory personnel to assist the DISTRICT.

The CONTRACTOR shall not be released from contractual obligation because of the above-mentioned conditions until it is satisfactorily established that the non-performance is not due to the fault or neglect of the CONTRACTOR.

13. **PERMIT, LICENSES, AND LAWS.** The CONTRACTOR and all its employees or agents shall secure and maintain in force such licenses and permits as required by law for furnishing the services herein specified, and comply with and observe all provisions of the

Washington Motor Vehicle Code, SPI codes, directive and regulations, and those of any other governmental agency and the DISTRICT relating to the transportation of pupils. Subject to the prior approval of the State of Washington Department of Motor Vehicles and in accordance with the laws of the State of Washington, school buses operated by the CONTRACTOR may be licensed and titled showing the DISTRICT as the registered owner/lessee and the CONTRACTOR as the legal owner/lessor. In such event, the licenses shall be obtained by the DISTRICT at the CONTRACTOR'S expense. If buses are licensed with tax-exempt licenses, the CONTRACTOR shall use such buses only for those purposes permitted under the exempt license. Further, CONTRACTOR agrees that if vehicles are to be utilized in other types of services, that they will, at the CONTRACTOR'S expense, purchase the necessary licenses and permits in compliance with state, county and city laws and that the county exempt plates will be removed from the bus and forwarded to the DISTRICT Transportation office for retention. Upon termination of the Agreement, CONTRACTOR agrees to forward all tax-exempt plates to the DISTRICT Transportation office.

- 14. INDEMNIFICATION/HOLD HARMLESS/DUTY TO DEFEND.** CONTRACTOR shall defend, indemnify, hold and save harmless the DISTRICT, its agents, representatives, directors, and employees ("Indemnitees") from all loss, damage, liability, claims, allegations, demands, suits, causes of action, settlements, judgments, or expenses (including attorney fees and all expenses of litigation), (each and all, hereinafter, "Claim"), resulting from any actual or alleged injury or death of any person, or from any actual or alleged loss of or damage to any real or personal property, caused by or resulting from any act or omission by CONTRACTOR or its employees, agents, or contractors relating to, arising from, or connected with CONTRACTOR'S performance of this Agreement. This agreement to defend, indemnify and hold harmless shall be triggered upon the assertion of any Claim against any Indemnitee within the scope of CONTRACTOR'S said defense, indemnification and hold harmless obligations. Attorney fees and litigation expenses incurred by any Indemnitee in successfully enforcing the obligations of this section shall be paid by CONTRACTOR.

CONTRACTOR further agrees that its, defense, indemnity and hold harmless obligations shall apply to Claims made by its own employees against an Indemnitee, but in that instance only to the extent of CONTRACTOR'S own negligence or fault in whole or partly causing the claimant's damages. To that extent, CONTRACTOR therefore knowingly and expressly waives any immunity that it otherwise might have been entitled to invoke under Title 51 RCW in opposition to a claim for defense, indemnity, or hold harmless hereunder. CONTRACTOR agrees that this waiver of immunity under Title 51 RCW has been expressly and specifically negotiated by them.

To the extent legally permitted the District agrees to indemnify, hold harmless and defend Contractor, its directors, officers, employees and agents from and against every claim or demand which may be made by any person, firm, or corporation, or any other entity arising from or caused by any act of neglect, default or omission of District in the performance of the Agreement, 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.

This indemnification does not apply to any claim or demand arising from or is caused by the negligence or willful misconduct of District, its agents or employees; student upon student

violence; routing; or the Contractor's good faith adherence to District's policies, procedures, directives.

15. **INSURANCE.** CONTRACTOR agrees, at its sole expense, to procure and keep in force during the entire period of the Agreement public liability and property damage liability insurance, protecting the DISTRICT and its officers, representatives, and employees and agents, its Board of Directors and the individual members thereof, the CONTRACTOR, drivers, and other related personnel in the following minimum sum:

- A. A standard General Commercial Liability insurance policy providing, without limitation, \$15,000,000 combined single limit coverage for bodily injury and property damage liability and contractual liability insurance coverage for the defense, indemnification and hold harmless promises made by CONTRACTOR elsewhere in this Agreement.
- B. A standard motor vehicle fleet and automobile liability insurance policy providing, without limitation, the following: (i) a combined single limit of not less than \$15,000,000 for bodily injury liability, property damage liability, and uninsured/under-insured motorist benefits; (ii) no-fault medical expense and Personal Injury Protection coverage for vehicle occupants and pedestrians and bicyclists, with limits of not less than \$50,000 per person per incident; (iii) and contractual liability insurance coverage for the defense, indemnification, and hold harmless promises made by CONTRACTOR elsewhere in this Agreement. Such policy shall also afford coverage for owned, hired, and non-owned vehicles.
- C. With respect to the insurance policies required in the immediately preceding subparagraphs A. and B., CONTRACTOR shall: (i) cause the insurer(s) from whom CONTRACTOR procures such insurance policies to issue endorsements attached to and made a part of such policies, naming and protecting the DISTRICT and its employees, agents, Board of Directors and individual members thereof, and representatives as additional insured under such policies, for all purposes and claims made against the DISTRICT related to or arising in any way from the subject matter or performance of this Agreement; (ii) CONTRACTOR shall assure that such policies of insurance provide that they shall serve as primary-level insurance coverage with respect to any such claim made against the DISTRICT, such that any liability insurance separately procured and maintained by the DISTRICT shall be considered excess-level insurance coverage with respect to such claim; and (iii) CONTRACTOR will ensure that insurance company issuing such coverage is rated as an "A" rating or higher as defined by AM Best.

A facsimile copy of the policy shall be furnished as proof to the DISTRICT fifteen (15) calendar days prior to the start of the school year. Such insurance shall include a thirty (30) day cancellation clause guaranteeing the DISTRICT will be notified of a cancellation of, reduction of limits, non-renewal or change in the policy. An insurance company licensed to do business within the State of Washington shall provide such insurance.

16. **INDEPENDENT CONTRACTOR.** In the interpretation of the Agreement and the relations between CONTRACTOR and DISTRICT, CONTRACTOR shall be construed as being an independent CONTRACTOR employed to provide transportation services only.

No agent, employee, or servant of the CONTRACTOR shall be or shall be deemed to be the employee, agent, or servant of the DISTRICT. None of the benefits provided by the DISTRICT to its employees are available from the DISTRICT to the employees, agents or servants of the CONTRACTOR. CONTRACTOR will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants and sub-contractors during the performance of this Agreement. Should the DISTRICT be required by reason of this Agreement to make any payments of benefits referred to herein, the CONTRACTOR shall reimburse the DISTRICT for such payment or benefits. CONTRACTOR shall be responsible for, indemnify and hold DISTRICT harmless from any claims or liability for unemployment taxes or contributions, workers' compensation premiums or claims, payroll taxes or other federal or state employment taxes.

17. **FUEL.** It is agreed that all fuels required in the performance of this Agreement shall be provided by the CONTRACTOR including any winter blending additives required. It shall be the CONTRACTOR'S responsibility to keep accurate records as to use of fuel in each bus and to furnish the DISTRICT monthly reports in a format approved by the DISTRICT as to the exact amount of fuel used, and all costs associated therewith, to assure that the DISTRICT has all of the required data to file Federal Excise Tax or other Special Tax Exemption certificates. Whenever any bus used by the CONTRACTOR in fulfillment of this Agreement is also used for other purposes, records shall be maintained by the CONTRACTOR for such buses showing fuel used in the DISTRICT'S service, and fuel used in non-DISTRICT service. The DISTRICT shall have the right to inspect any relevant records of the CONTRACTOR to verify fuel usage at any time. The parties agree that fuel prices may escalate or de-escalate only in exact proportion to an established price base. That price base shall be as published by "Oil Price Information Service" ("OPIS"), for Spokane Contract Average rack prices, Spokane, WA. All rates include the cost of fuel as of February 7, 2017, determined to be \$1.9275 per gallon at that time, which is the base period for subsequent adjustments. Using the base period, reimbursements to either the DISTRICT or the CONTRACTOR for changes in price only, will be based on, and equal to, the aforementioned Contract Average price as published in the OPIS. Reconciliation and reimbursement shall be accomplished monthly.
18. **FACILITIES.** The DISTRICT shall lease to the CONTRACTOR during the term of the Agreement its facilities located at 3800 E. Deer Park-Milan Rd., Chattaroy, WA 99003 ("premises"). CONTRACTOR shall procure and maintain in force, without cost or expense to DISTRICT, on or before the commencement date of the Agreement and throughout the Agreement term or as long as CONTRACTOR remains in possession of the premises, a broad form comprehensive general liability policy of insurance covering bodily injury and property damage, with respect to the use and occupancy of the premises with liability limits of not less than \$1,000,000, per occurrence and \$2,000,000 aggregate. DISTRICT shall be named as additional insured on all such policies, which policies shall in addition provide that they may not be canceled or modified for any reason without fifteen (15) days prior written notice to DISTRICT. CONTRACTOR shall provide DISTRICT with a certificate or certificates of such insurance within ten (10) days of the execution of the Agreement.

Necessary repairs, as determined by the DISTRICT in its sole discretion, to the premises shall be at the DISTRICT'S expense unless it is deemed by the DISTRICT, in its sole discretion, that damage requiring repairs were caused by the CONTRACTOR, or CONTRACTOR'S employees or agents. In this case, CONTRACTOR shall then be responsible for the cost of all such damage requiring repairs. DISTRICT will pay for the

following utilities: water and sewer at the premises. CONTRACTOR shall pay for all other utilities at the premises. CONTRACTOR agrees to operate the premises in a method which consumes as few utilities as is practical. CONTRACTOR at its own expense, shall keep the premises neat, clean and in sanitary condition, and use the premises in accordance with any and all applicable laws ordinances, rules, regulations and requirements of governmental authorities. Any alterations to the premises shall be made at CONTRACTOR'S expense and only upon receiving written permission for such alterations by the DISTRICT. All equipment shall be stored in a neat and orderly manner. The CONTRACTOR shall be responsible for the general appearance and upkeep of the premises, including grounds to include the removal of debris and the restriction of weed growth on both sides of the fence surrounding the fenced area. CONTRACTOR will be responsible for any required plowing of snow within the fenced area of the premises and to secure a path to the street.

The premises are to be used solely for the purposes of this Agreement. Maintenance operations for buses, while performed on the premises, shall be made in a manner to reduce fumes as much as possible within the building. CONTRACTOR shall provide all tools and apparatus needed for maintaining and repairing buses at its sole expense during this time.

Real property taxes shall be the responsibility of the DISTRICT. CONTRACTOR shall pay all personal, excise, sales, use and any and all other taxes or assessments with respect to CONTRACTOR'S personal property and business operations on the premises prior to same becoming delinquent. CONTRACTOR shall pay all leasehold excise tax charged against the lease and improvements on the premises.

DISTRICT may recapture the premises if it is needed for DISTRICT purposes in the future by providing thirty (30) days written notice to the CONTRACTOR. In such event, the parties shall renegotiate the rates of compensation under this Agreement to offset the loss of use of the premises.

CONTRACTOR hereby waives and relinquishes any indemnification by or from the DISTRICT, express or implied, for any costs or liabilities arising out of or related to the discharge, release or presence of any hazardous or toxic waste, substance, or constituent or other substances on, in or from the premises, which discharge, release or presence first occurs on or after July 1, 2017 and before the end of CONTRACTOR'S possession of the premises. CONTRACTOR shall indemnify, hold harmless and defend DISTRICT against and in respect of any and all liability, claim, loss, cost, damage, expense (including attorneys' fees and remedial costs), fine, penalty, suit, demand or other action, including but not limited to those matters related to the death, dismemberment or other injury to any person, asserted against DISTRICT resulting from, arising out of, related to or in connection with the (1) release by CONTRACTOR, its agents, contractors or employees, from or upon the premises of any hazardous or toxic substance, waste, constituent or other substance into the environment; (2) any arrangement by CONTRACTOR, its affiliates, or agents for the treatment, recycling, storage or disposal at any facility owned or operated by any person or entity of a hazardous or toxic substance, waste, constituent or other substance which has been or may be deposited at, disposed on, or released onto the premises; and (3) cleanup or other remedial measures with regard to environmental pollution caused by CONTRACTOR, its affiliates or agents, which may be required by any governmental agency pursuant to federal, state, or local statutes or regulations, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 et seq.

CONTRACTOR, in conducting or authorizing any activities on the premises, shall ensure compliance with all federal, state and local laws, ordinances and regulations regarding the use and disposal of contaminants and toxic and hazardous waste, substances or constituents. Upon vacating the premises, CONTRACTOR shall insure that any such contaminants or hazardous or toxic wastes that are used or stored on the premises are properly removed.

19. **CANCELLATION.** Transportation services may be terminated at DISTRICT discretion immediately, without notice, at any time the DISTRICT has reason to believe the safety of students may be put at risk related to CONTRACTOR'S services under this Agreement. In the event local funding is not appropriated, or state transportation allocations are curtailed or reduced any or all transportation service may be discontinued or reduced at the option of the DISTRICT after thirty (30) calendar days written notice.

Should the CONTRACTOR fail to comply with any of the terms or conditions set forth in the Agreement, or should the DISTRICT determine that the CONTRACTOR is in any other way unfit, unqualified, or unable to perform the transportation needs of the DISTRICT under the Agreement, then, and in that event, with a minimum thirty (30) days written notice to the CONTRACTOR this Agreement may be terminated.

Either party may terminate this agreement for convenience upon not less than 90 days prior written notice to the non-terminating party.

20. **CERTIFICATION.** CONTRACTOR certifies that neither it nor its principals are presently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency.
21. **SAVINGS CLAUSE.** The CONTRACTOR and DISTRICT hereto agree that, in the event any provisions specified herein are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the Agreement shall remain in full force and effect.
22. **ENTIRE AGREEMENT.** This Agreement sets forth the entire agreement between the DISTRICT and CONTRACTOR concerning the subject matter hereof. There are no representations, either oral or written, between the DISTRICT and CONTRACTOR other than those contained in this Agreement.
23. **DISPUTE RESOLUTION.** In the event that a dispute shall arise regarding the terms, conditions, or breach of the Agreement between the parties, the parties shall, as a condition precedent to taking any action and as a condition precedent to seeking arbitration, mediate the dispute using the services of a mutually agreed upon independent mediator. Each party shall split the expenses of the mediator and the facility for the mediation. Each party shall otherwise pay its own expenses. The site of the mediation shall be in Chattaroy, Washington.

Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by final and binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The costs of the arbitration fees, the arbitrator and the facility for the arbitration shall be borne equally by

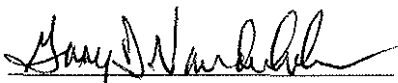
each party. Each party shall otherwise pay its own expenses. The site of the arbitration shall be in Spokane County, Washington.

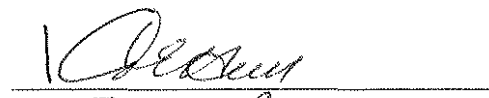
24. **GOVERING LAW/VENUE.** The terms of this Agreement shall be governed by the laws of the State of Washington. In the event that legal action is commenced to resolve a dispute arising out of this Agreement, the venue of such action shall be in Spokane County, Washington.
25. **ATTORNEYS' FEES/COSTS.** In the event legal action becomes necessary to enforce any term or condition of this Agreement the prevailing party in any legal action shall be entitled to recover reasonable attorneys' fees and costs incurred in such action, as determined by the court. In the event of any appeals from such actions, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in such appeals, and determined by the court(s). The term "costs" shall include, in addition to statutory costs and disbursements, all costs associated with discovery depositions, expert witness fees, and out-of-pocket costs incurred by the prevailing party in the prosecution or defense of the action. For the purpose of this paragraph, the term "action" shall be deemed to include any proceeding commenced in the bankruptcy courts of the United States.
26. **PERFORMANCE BOND.** The CONTRACTOR shall provide a one hundred percent (100%) performance bond for the entire term of the Agreement. Performance in succeeding school years shall be assured by successive bonds provided for one-year periods if requested by the DISTRICT. The DISTRICT has the right to waive or require these bonding requirements for any school year subsequent to 2017-2018. In the event waivers are granted, the CONTRACTOR shall, within thirty (30) days after the waiver, reimburse the DISTRICT the total expense that would have been incurred by the CONTRACTOR had the waiver not been granted. The CONTRACTOR has identified in Exhibit A the amount of annual reimbursement to the DISTRICT in the event bonding requirements are waived.

IN WITNESS WHEREOF, the parties enter into this Agreement on the date first written above.

RIVERSIDE SCHOOL DISTRICT NO. 416

FIRST STUDENT, INC.


Chair, Board of Directors
Date 5/31/2017


Title SR. VICE PRESIDENT
Date 6/12/17

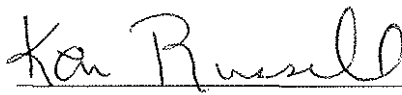

Superintendent
Date 5-31-17

EXHIBIT A

2017-18 RATE SCHEDULE
July 1, 2017 – June 30, 2018

<u>TO AND FROM SCHOOL RATE</u>	<u>SIZE OF VEHICLE</u>		
	<u>65-84 Passenger</u>	<u>Mid Size w/Lift</u>	<u>Type A, 18-22</u>
Rate for first 3 Hours (Minimum paid per route)	\$ <u>270.23</u>	\$ <u>261.58</u>	\$ <u>261.58</u>
Hourly rate over 3 Hours (Excess Hour Rate)	\$ <u>35.72</u>	\$ <u>35.72</u>	\$ <u>35.72</u>

The above Excess Hour Rate also applies to shuttle runs.

ACTIVITES RATE (FOR EXTRA-CURRICULAR, FIELD TRIP, EXCURSIONS)

Hourly rate (one hour minimum)	
65-84 Passenger Transit Hourly Rate	\$ <u>32.92</u>
All Other Vehicle Rate	\$ <u>32.92</u>

In the event Performance Bonding Requirements for school years subsequent to 2017-2018 are waived as provided for in the Agreement, the Contractor shall reimburse the District \$ 5,500. annually.

FUEL BASE

Fuel Base Price (per gallon)	\$ <u>1.9275</u>
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**AGREEMENT FOR FURNISHING PUPIL TRANSPORTATION SERVICES
TO ROCHESTER SCHOOL DISTRICT #401**

THIS AGREEMENT, is made this 31st day of July 2017, by and between ROCHESTER SCHOOL DISTRICT #401 located at 104140 Highway 12 SW hereinafter called the District, and FIRST STUDENT, INC. hereinafter called "Contractor" (collectively District and Contractor shall hereinafter be called "Parties"), with its national headquarters at 600 Vine Street, Suite 1400, Cincinnati, Ohio 45202-5755 and local business offices for purposes of this Agreement located at 201 NE Park Plaza Dr. Suite 240 Vancouver, WA 98684.

WITNESSETH that the District and the Contractor for the considerations stated herein agree as follows:

WHEREAS, the District issued a Request for Proposal for Pupil Transportation Services on May 30th, 2017 ("Original RFP");

WHEREAS, the Contractor submitted a Response to the Revised RFP on July 20, 2017 ("Contractor's Proposal");

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

WHEREAS, Contractor desires to provide such transportation services,

WHEREAS, the Parties now desire to amend certain provisions of the Revised RFP.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

SECTION 1: TERM

- 1.1 The term of this Agreement shall commence August 1, 2017 and shall continue through July 31, 2022, a period of five (5) years. This Agreement may be extended by mutual written agreement for five (5) additional years, the negotiation process for each extension including the negotiation of new economic terms, to occur on or before February 1st of the preceding school year.

SECTION 2: SCOPE OF SERVICES REQUIRED

- 2.1 Contractor shall, during the term of this Agreement, supply and maintain such school buses (in quantity and capacity) and personnel as are required to fulfill District's needs for transportation services as described in the Bid Specifications and Contractor's Proposal. In the event of a conflict between these documents and the provisions of this Agreement, the Agreement will control. Otherwise, the terms of the Bid Specifications and Contractor's Proposal shall govern the parties' relationship, in the following order of precedence: Contractor's Proposal and the Bid Specifications.
- 2.2 District and Contractor will consult on a regular basis concerning the Transportation requirements of District. In the event of increases or decreases in the number of students requiring Transportation, or in routes or schedules, the number of buses and the number of spare buses will be adjusted accordingly. District may increase or decrease services to be provided by Contractor under this Bid Specifications. However, where such increases or decreases materially impact the service levels or equipment levels required of Contractor under the assumed routes, schedules, and vehicle requirements contained in this RFP, Contractor shall be permitted to adjust rates at which services are provided to cover increase or decreases in cost structure associated with such changes by District.

SECTION 3: COMPENSATION AND BILLING

- 3.1 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 Exhibit A, as may be adjusted from time to time as provided herein. Not later than the 10th of each month during the term of this Agreement, Contractor will submit to District a statement of its services rendered during the prior month. After verification of the statement, District shall pay the amount due to Contractor on or before the 10th business day following the date on which the statement has been submitted.

SECTION 4: ESCALATION

- 4.1 District and Contractor recognize that certain of Contractor's costs are subject to change during the term of this Agreement. As such, District and Contractor have negotiated escalation amounts as follows: compensation for the services provided under this Agreement shall be adjusted for the second, third, fourth and fifth years up to coincide with the average annual change in the Consumer Price Index as referenced in the Bid Specifications.

SECTION 5: RECORDS AND REPORTS

- 5.1 Contractor shall provide within 30 business days of any request, those reports and records which may be reasonably requested by District pertaining to students, routes, stops, mileage audits and other information having to do with daily operations. In reviewing Contractor's records, District shall protect the confidentiality of Contractor's proprietary or confidential information included in the data provided.

- 5.2 Contractor shall maintain such records and submit such reports, as are deemed necessary by the District and as negotiated between Contractor and District from time to time. All reports required by District shall be submitted on forms mutually agreed upon by both parties. Contractor will not be responsible for filing on behalf of District any state or regulatory reports concerning ridership or reimbursement.
- 5.3 Contractor shall immediately notify the Superintendent of Schools, or his or her designated representative, by telephone and confirmed as soon as practicable in writing, of the occurrence of any incident involving student riders, or a traffic violation or accident reportable by law that involves a vehicle with passengers that is being used to provide transportation services pursuant to this Agreement. Written notification shall contain a full and complete statement of all relative facts including police case number when available.

SECTION 6: INDEMNIFICATION

- 6.1 Contractor agrees to indemnify, hold harmless and defend District, its governing board, officers, employees and agents from and against any and all claims, suits, judgments, and demands whatsoever, including without limitation costs, litigation expenses, counsel fees and liabilities with respect to injury to, or death of, any person or persons whatsoever, or damage to property of any kind by whosoever owned, arising out of or caused in whole or in part by the acts or omissions of the Contractor, any subcontractor, or any other person employed by them or any of them, while engaged in the performance of the work or any activity associated therewith or related thereto, except to the extent that such claim or demand arises from or is caused by the negligence or willful misconduct of District, its governing board, officers agents or employees, or Contractor's good faith adherence to District's directives, policies or procedures.
- 6.2 District agrees to indemnify, hold harmless and defend Contractor, its directors, officers, employees and agents from and against every claim or demand which may be made by any person, firm, or corporation, or any other entity arising from or caused by any act of neglect, default or omission of District 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 Contractor, its agents or employees.

SECTION 7: INSURANCE

- 7.1 Contractor shall, at its expense, procure and keep in force during the entire term of this Agreement for claims arising under this Agreement, General Liability and Automobile Liability Insurance as set forth in the Bid Specifications.
- 7.2 District will, at its own expense, procure and keep in force general liability insurance as is customary in the business and at limits of not less than \$1,000,000.00.

SECTION 8: FORCE MAJEURE

- 8.1 In the event Contractor is unable to provide the transportation services as specified in this Agreement because of any act of God, civil disturbance, fire, riot, war, terrorism, picketing, strike, labor dispute, labor shortages, governmental action or any other condition or cause beyond Contractor's control or any other force majeure clause as defined by state law, District shall excuse Contractor from performance under this Agreement.
- 8.2 District reserves the right, but is not required, to assume operation of such buses that the Contractor is prevented from running with such school district employees or other qualified persons as the District may deem appropriate. In this event, the Contractor agrees to keep all buses services and fueled from the District's use at all times, and the District agrees to pay the Contractor the same payment rate for buses used as if the Contractor had operated the buses, less expenses and costs incurred by the District in securing and using the services of said operating personnel, provided that if the District does not operate buses the District is not obligated to payment. If DISTRICT so elects to take over operations, DISTRICT shall be solely responsible and liable for ensuring drivers meet or exceed all standards required by laws and this Agreement, whichever is more stringent, and shall purchase and provide insurance at the same levels required of CONTRACTOR to cover the entire time period and scope of DISTRICT'S operations. Furthermore, DISTRICT shall cease such operations upon notice from the CONTRACTOR that it can assume operations or the end of the current school year, whichever is sooner. DISTRICT agrees to indemnify, hold harmless and defend CONTRACTOR in all ways with regard to such operation.

SECTION 9: OPERATIONS PERSONNEL/DRIVERS

- 9.1 Contractor shall employ a sufficient number of qualified drivers and support personnel to assure District of continuous, reliable, safe, and on time service.
- 9.2 Contractor shall take reasonable steps to prevent its employees from exposing any pupil to impropriety of word or conduct. Contractor shall not knowingly permit its Drivers to smoke on the bus, to drink any intoxicating beverage, or to be under the

influence of drugs or alcohol while operating any bus.

- 9.3 Contractor shall be responsible for hiring and discharging personnel employed by Contractor to perform its obligations hereunder. However, District shall have the right to request Contractor to remove from service to the District any employee who, in District's sole discretion, is deemed unsuitable for the performance of transportation services for District; provided that District shall make such request in writing, state the reasons therefore and include any supporting documentation, and provided further that such request does not violate applicable local, state or federal laws, rules or regulations.

SECTION 10: EQUIPMENT

- 10.1 All school buses supplied by Contractor in performance of this Agreement shall meet or exceed the standards established by the applicable laws and regulations. Contractor shall maintain the school buses used to provide transportation services under this Agreement in accordance with law and accepted industry maintenance standards.
- 10.2 All school buses leased to Contractor shall meet or exceed the standards established by the applicable laws and regulations prior to the start of the Agreement. If any of such vehicles do not meet those standards, the Parties shall negotiate in good faith arranging for upgrades of those vehicles as District's expense.
- 10.2 No school bus supplied by or to Contractor will exceed the scheduled lifetimes approved by the Washington Superintendent of Public Instruction for its purpose of funding school bus purchases, unless approved in writing by District. Contractor agrees that if District has just cause and requests removal of a bus from its fleet, said bus will be removed. District shall make all such requests in writing to Contractor, and Contractor shall have a reasonable opportunity to review and respond to concerns advanced by District.
- 10.3 The prices included with this Agreement do not include modifications to vehicles or routes required if seat belts were included in the equipment provided for students under this Agreement. Any installation or modification of equipment required by a change in law or regulation or as directed by the District shall be made by the Contractor upon written notice and prior approval as to cost by the District. Such required installations or modifications shall be made by the Contractor, with reimbursement to be by the District at the previously approved cost.
- 10.4 Contractor agrees that all vehicles shall be equipped with two-way radios. Contractor agrees to perform an inspection of all radios prior to the start of the school year to ensure proper performance.
- 10.5 All buses operated under this Agreement will be equipped with fully functional digital video cameras. District shall be responsible for, and hold the Contractor harmless from any liability arising from or in connection with audio recording on buses. Any vehicle that records audio on a bus under this agreement shall post a notice indicating that the bus is recording audio. Within 30 days of this Agreement,

the District and Contractor will also establish reasonable procedures for the review and maintenance of recordings.

10.6 Contractor grants to District the option to purchase all Contractor owned school buses used to provide services to the District under this Agreement, terms and conditions as follows:

10.6.1 The District may exercise the option to purchase by providing ninety (90) days' notice to the Contractor of District's intent to purchase the Contractor's fleet.

10.6.2 The District is required to purchase all or none of the fleet.

10.6.3 The Parties agree to determine the purchase price, which shall be the Fair Market Value, of such fleet by a panel of three (3) qualified persons, one (1) person selected by the District, one (1) person selected by the Contractor, and the two (2) panel members selecting the third panel member, with the District and Contractor sharing equally the costs, if any, of the third panel member. Purchase prices are to be determined by the majority agreement of the panel members, with the resulting values binding on the Parties.

SECTION 11 VANDALISM

11.2 Vandalism, damage to Contractor's equipment or facilities shall be the responsibility of Contractor. District shall give Contractor reasonable assistance in obtaining restitution for damaged equipment or facilities where damage is determined to be caused by District students or personnel. Contractor may, with the written concurrence by District, refuse to provide a pupil with transportation services until vandalism damages caused by such pupil are paid.

SECTION 12: TERMINATION

12.1 If either party violates any of the covenants or duties imposed upon it by this Agreement, such violation shall entitle the other party to terminate this Agreement in accordance with the following procedure: The non-defaulting party shall give the offending party thirty (30) days' written notice of default and the opportunity to remedy the violation. If at the end of such 30-day default notice period, the party notified has not remedied the purported violation, the non-defaulting party may terminate this Agreement as follows: on the first business day following the last day of the 30-day default notice period, the non-defaulting party shall give the defaulting party 15 days' notice of termination. If the non-defaulting party does not provide the 15-day notice of termination, the default notice shall be deemed rescinded.

12.2 District reserves the absolute right without cause to cancel this Agreement effective at the end of any Contract Year on the failure of the state legislature to provide adequate funding to allow District to provide transportation services to students within District. In the event District shall elect to terminate this Agreement due to state legislative funding deficiencies, District shall give written notice to Contractor on or before May 1 prior to the end of any Contract Year for services to be rendered in the following Contract Year, or at least ninety (90) calendar days after the loss of a special levy. In the event state funding is restored following a termination of this Agreement under this Section, Contractor shall be entitled to a right of first refusal to provide continuing service to District under this Agreement.

SECTION 13: PENALTIES

13.1 District may assess a penalty of \$100.00 for each scheduled transportation day where more than 10% of scheduled arrivals and departures do not meet the time requirements set forth in the Bid Specifications regarding arrival and departure times. However, District shall notify Contractor its intent to assess a penalty within forty-eight (48) hours of any event giving rise to such penalty in order to give Contractor a reasonable opportunity to investigation, remediate and/or explain the such event, and shall bill such penalty within thirty (30) days of such event. Failure to so notify or bill shall relieve Contractor from paying penalty for such event. Penalty shall not be assessed when the event was caused by circumstances outside of Contractor's control.

SECTION 14: SURVIVAL

14.1 The mutual obligations described in Compensation and Billing, and Indemnification hereof shall survive the termination or expiration of the Agreement.

SECTION 15: STATUS OF CONTRACTOR

15.1 In the interpretation of this Agreement and the relations between Contractor and District, Contractor shall be construed as being an independent contractor employed to provide transportation services only. Neither Contractor nor any of its employees shall be held or deemed in any way to be an agent, employee or official of 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.

SECTION 16: SEVERABILITY

16.1 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.

SECTION 17: EXTENSION AND MODIFICATION

17.1 Contractor and District may extend or otherwise 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.

SECTION 18: NOTICE TO PARTIES

- 18.1 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:

Rochester School District
10140 Highway 12 SW
Rochester, WA 98579

Notices to Contractor shall be addressed to:

With a copy to:

FirstGroup America
600 Vine Street, Suite 1400
Cincinnati, OH 45202
Attention: General Counsel

- 18.2 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.

SECTION 19: ENTIRE AGREEMENT

- 19.1 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.

SECTION 20: COMPLIANCE WITH THE LAW

20.1 Notwithstanding any contrary provision in this Agreement, Contractor shall comply with federal, state and local laws, rules and regulations in providing transportation services described herein.


SECTION 21: PLACE OF CONTRACT/CONTROLLING LAW

21.1 This Agreement shall be governed by the laws of the State of Washington. All references in this contract to the "state" shall mean the State of Washington. All regulations, laws and requirements of the state shall mean the regulations, laws or requirements of the State of Washington.

SECTION 22: AUTHORITY

22.1 Both parties warrant that they are properly authorized to enter into this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first hereinabove written.



First Student, Inc

Sr Vice President

Title

Attest:

By: *Judy Talanca*

Title: *Executive Assistant*



Rochester School District #401

Superintendent

Title

Attest:

By: *Julie Pratt*

Title: *Business Manager*

COLVILLE SCHOOL DISTRICT NO. 115
COLVILLE, WASHINGTON 99114

PUPIL TRANSPORTATION AGREEMENT

Terms and Conditions

For the purposes of these specifications the terms “Contract” and “Agreement” refers to the written contract which will be signed by the successful bidder and the Colville School District for pupil transportation services for the term of the contract. CONTRACTOR as referred to in these specifications means any company or entity that submits a bid or proposal to provide pupil transportation services to the Colville School District. DISTRICT refers to the Colville School District.

1. **TERM OF THE CONTRACT.** The term of the Contract shall be for a period commencing on August 1, 2017 and shall continue through July 31, 2022 except as noted below. For purposes of the Agreement, the term “Contract Year” shall mean each one-year period commencing August 1, during the term of this Agreement.
2. **SCOPE OF CONTRACT.** The CONTRACTOR shall, during the period of the Agreement, provide and maintain the required number of school buses with drivers, mechanics and dispatchers to transport conveniently and safely all students designated by the DISTRICT to be served under the provisions of the Contract. Such transportation shall be provided for each day that school is convened in accordance with to and from school, and kindergarten, pre-school and other midday, and shuttle schedules submitted by the CONTRACTOR to DISTRICT and approved by the DISTRICT. The CONTRACTOR shall, during the period of the Agreement, provide safe and convenient transportation of all students and other authorized personnel, as may be requested by the DISTRICT on field trips, excursions, shuttles and athletic and other extra-curricular activities, or any other purpose designated by the DISTRICT throughout the Contract Year. The DISTRICT reserves the right to revise, delete or change all routes and the number and type of buses required thereunder to best suit its needs at any time before or during the Contract Year. The CONTRACTOR will also conduct all activities and reporting in connection with the annual bus ridership survey or other successor reporting requirements, required driver information reports, bus, mileage, and other information required by the State of Washington Superintendent of Public Instruction, the State of Washington Board of Education or other federal, state or local agency. The CONTRACTOR will also be responsible for employing qualified and competent personnel in all positions and ensure their training is in accordance with all applicable standards and regulations.

In furnishing the pupil transportation service under the Contract, the CONTRACTOR agrees to comply with and observe all the provisions of the State of Washington Vehicle Code and all other applicable federal, state and local laws, rules, policies, procedures and regulations prescribed by the Washington State Legislature, the State of Washington Board of Education, the State of Washington Office of the State Superintendent of Public Instruction, and any other State or Federal agency and the Board of Directors of the DISTRICT.

The service shall include the providing and maintaining of all transportation equipment, apparatus, facilities, personnel, and materials per the minimum specifications herein and any applicable laws, rules, policies, procedures and regulations of any agency having legal jurisdiction.

3. **EXPERIENCE/FINANCIAL STABILITY.** To be considered, the CONTRACTOR shall have at least five (5) years of experience in providing pupil transportation services to a school district at least the size of the DISTRICT. The CONTRACTOR will provide to the DISTRICT a carrier profile report as required by WAC 392-144-040(3) and meet all other requirements of WAC 392-144-040(3). The CONTRACTOR may be required to show evidence of financial stability. The DISTRICT reserves the right to remove a potential CONTRACTOR from consideration if evidence of financial stability is not presented upon request or if the DISTRICT, solely in its determination, deems the potential CONTRACTOR to be financially unstable.
4. **ASSIGNMENT OF AGREEMENT.** The CONTRACTOR may not assign rights, burdens, duties or obligations under this Contract, nor may any portion of this Contract be sublet to another party without prior written consent of the DISTRICT.
5. **NONDISCRIMINATION.** Except to the extent permitted by a bona fide occupational qualification, the CONTRACTOR agrees as follows:
 - A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age or other criteria barred by federal or state law. The CONTRACTOR will ensure that applicants are employed without regard to their race, creed, color, national origin, sex, or age or other criteria barred by federal or state law. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training.
 - B. The CONTRACTOR will in all solicitations for employees or job orders for employees placed with any employment agency, union, or other firm or agency, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, national origin, sex or age or other criteria barred by federal or state law. The words "equal opportunity employer" in advertisements shall constitute compliance with this section.
 - C. The CONTRACTOR will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or worker's representative of the CONTRACTOR'S commitments under this section.
 - D. The CONTRACTOR will include the provisions of the foregoing paragraphs A, B, and C in every subcontract or purchase order for the goods or services that are the subject matter of this Contract.

In the event of noncompliance of the CONTRACTOR with any of the nondiscrimination provisions of Chapter 49.60 RCW, the DISTRICT shall have the right, at its option, to cancel the Contract in whole or in part.

If the Contract is canceled after performance, the DISTRICT shall only be obligated to pay for goods or services that have been received and accepted by the DISTRICT.

6. **DISTRICT SERVICES REQUIREMENTS:** During the Contract period, the DISTRICT requirements for pupil transportation service shall be as follows:

- A. School Calendar Year. (August-June) The total number of buses below is estimated to be required on each school day for approximately 180 days of school. The DISTRICT reserves the right to alter the number of required buses or types of buses or number of days of required service at any time before commencement of this Contract or during the Contract with no financial penalty imposed by the CONTRACTOR. The parties separately as needed shall arrange summer school pupil transportation service.
- B. Estimated Buses Required. Rate proposals will be made and CONTRACTOR will provide buses in accordance with the following as well as comply with Sections 6C and 7 below.

a) Bus Use/Type Qty Passenger Capacity & Options

65 to 84 Passenger, Type C or D

Regular Route (19) 65 to 84 passenger, Type C or D

18 to 30 Passenger, Type A

Special Needs (5) 4-w/c stations + 12-seated with belts

Special Needs w/lift (2) 8 to 20 pass, Type A, (1 or 2w/c positions)

Special Need Spare (2) 8 to 30 pass, Type A, (1with lift)

65 to 84 Passenger, Type C or D

Spare Buses (4) 65 to 84 passenger, Type C or D
Minimum 2 1ith 100 gal tank, max luggage

(2) 84 passenger, Type D
With 100 gal tank, maximum luggage

(34) Total Minimum School Buses

The intent of the spare bus requirement is to be at a ratio of at least 20% by vehicle type (rounded up to nearest whole numbers) to cover for routine maintenance, breakdowns, accidents, out of town activity trips, etc.

School buses shall be equipped with a minimum of the following options:

<u>Type of Special Equipment Option</u>	<u>Number of School Buses</u>
Automatic Tire Chains (Insta-Chains)	(34) All buses above
One set/pair steel or tungsten tire chains	All buses above
Luggage Bays or Storage Compartments (double or triple luggage)	Regular Route Buses
Pass through (underbelly) storage bay	(1) Spare bus

- b) DISTRICT reserves the right to require the CONTRACTOR, at DISTRICT expense, to increase or decrease the number of seats or wheelchair slots on all lift buses required in special needs buses or spares at any time during the Contract period.
- c) DISTRICT may elect to use any combination of the buses for regular routes and preschool noon routes listed above for special education and preschool needs depending on wheelchair needs.
- d) All buses will meet the age and maintenance specifications listed in Condition and Age portion of Section 7 of this Agreement. The DISTRICT reserves the right to increase or decrease the number of buses needed at any time during the Contract period.

C. Buses. The buses used for pupil transportation services provided under the Contract will comply with the Rules and Regulations (Title 392 WAC), as now stated and hereafter amended, of the State of Washington Superintendent of Public Instruction entitling the DISTRICT to state transportation funds. All buses operated under the Contract shall be subject to Chapter 392-142 WAC, Depreciation Schedule-School Buses. CONTRACTOR will ensure all buses operated under this Contract conform to Chapter 392-143 WAC, Specifications for School Buses.

D. Other Vehicles. CONTRACTOR will provide such other vehicles as needed for its operations. This will include, as a minimum, a four-wheel vehicle or vehicles to plow snow to accommodate bus access to public roads, access stranded buses while on route and evaluate road conditions as stated in Section 6G.

E. Personnel. The CONTRACTOR, at its expense, will provide all required drivers, maintenance, clerical and management personnel. The CONTRACTOR, at its expense, will be responsible for training, supervision and conduct of all its employees. These employees shall be hired and employed under the provisions outlined in Section 5 (NONDISCRIMINATION) of this Agreement.

The DISTRICT reserves the right, but not the obligation, to audit CONTRACTOR employee records to ensure that they meet the provisions of this Agreement and that the employee meets all mandated training, medical and other requirements. Notwithstanding the DISTRICT'S ability to audit or any actual audit, the CONTRACTOR remains liable for compliance with all personnel obligations contained in this Agreement.

- F. “Other” Days. “Other” days are those days when school is not in session. On such “other” days, the number of buses and type of service shall be on an as-requested basis. Transportation provided during “other” days will be billed at the Activities Rate.

- G. Routing and Scheduling of Buses. CONTRACTOR shall be primarily responsible for planning, routing and scheduling all buses as required for DISTRICT operations. CONTRACTOR shall schedule all routes, keeping safety of schoolchildren as the prime consideration, along with consideration of ridership and efficiency needs. The CONTRACTOR shall furnish the DISTRICT Representative, on or before August 1 of each year, the routes to be followed including designated stops in both written and map form. All routes, schedules and stops shall be subject to the approval of the DISTRICT Representative. Subsequently, changes in routes, schedules and stops shall not be made without the approval of the DISTRICT Representative. The CONTRACTOR will provide the DISTRICT Representative a copy of all route sheets, list of stops, route maps and other route data published. Updates or changes to these documents will be provided to the DISTRICT within five (5) business days.

Notwithstanding CONTRACTOR'S primary responsibility for initial route development, DISTRICT reserves the right to establish routes and schedules to be followed and to establish criteria for times buses must arrive at school for drop off or pick up of students. DISTRICT also reserves the right to restrict eligibility of riders and modify service levels at any time during this Agreement, including the number and location of routes, number and location of stops, bus boundaries, walking distances and other transportation standards. DISTRICT shall notify CONTRACTOR whenever changes are necessary in routes or time schedules and CONTRACTOR shall make a reasonable effort to adjust its operations to incorporate such changes within three (3) business days after notice is received from the DISTRICT.

The CONTRACTOR shall cooperate with the DISTRICT in maintaining a good public relations program with the community and news media so that any pertinent items affecting the transportation program or the patrons of the DISTRICT can be brought to the attention of the public.

CONTRACTOR will coordinate and cooperate with DISTRICT personnel in the evaluation of incimate conditions and decisions as to the practicality of conducting pupil transportation operations under weather or road conditions which may be deemed unsafe. This will include CONTRACTOR physical evaluation of road and other conditions regarding the safety of students riding the bus in a timely manner, as directed by the Superintendent or designee.

7. **EQUIPMENT REQUIREMENTS.**

- A. **Condition of Buses.** All school buses utilized in performance of the Agreement shall meet or exceed the standards established by the laws and regulations of all federal, state or local agencies. CONTRACTOR shall, at its sole expense, maintain the school buses used to provide transportation services under the Agreement in accordance with the law and accepted industry maintenance standards. The CONTRACTOR shall also keep said buses in a clean and sanitary condition and open to examination by representatives of either party at all times.

The CONTRACTOR will make available to the DISTRICT or its representative upon request all bus maintenance records, including driver pre-trip safety inspections, maintenance shop bus safety inspections, Washington State Patrol inspections, preventative maintenance performed, and all repairs made and the CONTRACTOR further agrees to implement timely correction of any deficiencies found by any inspectors, the CONTRACTOR'S personnel or reported by the DISTRICT.

- B. **Code of Regulations Requirements.** All buses, regular and substitute, to be used in service hereunder shall be approved prior to commencement of service by the DISTRICT Representative and authorized representatives of the Washington State Patrol, and shall, at all times during the Contract Year, comply in all respects with the pertinent provisions of the Washington State Motor Vehicle Code, regulations of Stevens County, State of Washington Office of Superintendent of Public Instruction and the State of Washington Board of Education.
- C. **Age of Buses.** All buses used in performance with this Contract will fall within the Washington State School Bus Depreciation Schedule (Chapter 392-142 WAC). No Class A bus shall be older than eight (8) years old throughout the life of the Contract. No Class C or Class D bus used will be older than thirteen (13) years old at any time during the life of the Contract. Age shall be determined by the date the bus was originally placed in service. CONTRACTOR shall never allow any bus to be used at any time or for any purpose if that bus does not qualify for the State Depreciation Schedule as defined in Chapter 392-142 WAC. For purposes of this Agreement Class, definitions in use as of the signing of the Contract shall remain in force for the remainder of the Contract.
- D. **Number of Buses.** CONTRACTOR shall provide buses in sufficient number to efficiently transport all pupils for whom DISTRICT has ordered services, including an adequate number of spare buses to ensure continuous service for regular routes, shuttles, activity and field trips and excursions without interruption as specified in Section 6A of this document. Buses shall be of sufficient capacity to permit every pupil transported to be seated. CONTRACTOR shall ensure that the number of buses needed to provide daily pupil transportation services, normal shuttles, additional activity, field trips, and excursions, including spares are assigned to and housed at the DISTRICT. CONTRACTOR may only appropriate buses or qualified drivers from its other operations on days of unusually high demand.

CONTRACTOR shall not allow the number of buses or the type or size of buses, in general, to vary from those submitted on the Contractor Proposed Bus Fleet during the life of the Contract without the advanced written permission of the DISTRICT.

- E. Required Modification of Equipment. The CONTRACTOR shall, at its sole expense, make any installation or modification of equipment required by a change in the law or regulation. Equipment modifications required by law will be made as expeditiously as possible, but always in advance of any legally required implementation schedule. All buses, at the beginning of this Contract, will meet all requirements and regulations of all federal, state and local agencies as in effect at that time.

- F. Two-Way Radio. All buses used in accordance with the Contract and any four-wheel drive support vehicles will be equipped with a working, reliable two-way communications system which is capable of operating effectively throughout the entire DISTRICT. CONTRACTOR will also maintain in proper working order a base station in the transportation office. CONTRACTOR will provide its own two-way communications system at its sole expense. All two-way radio equipment used by the CONTRACTOR will be installed, maintained, adjusted and repaired solely at the expense of the CONTRACTOR. CONTRACTOR will provide, at its own expense, any additional communications equipment needed at any time during this Contract, in order to ensure appropriate and safe communications are maintained. The CONTRACTOR will provide training to its employees in proper use of two-way communications equipment. The CONTRACTOR'S employees are to use said communications equipment for such purposes related to the scope of this Agreement as the DISTRICT may direct and under rules and regulations promulgated by the DISTRICT and any other agency having jurisdiction. All radio operations will be in accordance with Federal Communications Commission (FCC) or other applicable agency guidelines and regulations. CONTRACTOR will comply with any changes in communications practices, procedures or equipment requirements made by the FCC or any other federal, state or local jurisdiction at its sole expense during the life of this Contract.

In the event of any emergency declared by the Superintendent or his or her designated representative, all CONTRACTOR buses equipped with two-way communications equipment that are not in student service at that time will be dispatched to locations as directed by the Superintendent or designee.

- G. P.A. Systems. An operational P.A. system with at least two (2) speakers will be in all buses used for DISTRICT services, unless this requirement is waived in writing by DISTRICT. Proposers should submit a cost with the P.A. system and an alternate cost without the P.A. system.

- H. Surveillance System. All buses shall be equipped with a bus surveillance system. The system will consist of a two-camera digital system placed as specified by the DISTRICT with the capability of recording all bus activity for at least seventy-five (75) hours without overlap. The cameras will be wired to enable recording when the ignition is off as well as when the engine is running. Other monitoring equipment that serves the same function may be substituted for this equipment with written approval of the DISTRICT. This equipment will only be used within the provisions of policies, rules, and procedures established by the DISTRICT.

- I. Traction Devices. All buses supplied by the CONTRACTOR will be equipped with traction devices approved by the DISTRICT. Buses will be equipped with proper tires for reasonably anticipated road conditions. CONTRACTOR will maintain equipment and establish procedures for chaining of tires when required by road conditions without significant impact on route schedules and times. Each proposal will contain a listing of the type or types of traction devices to be used on buses that will fulfill this Contract.
 - J. Other Vehicles. CONTRACTOR will maintain sufficient vehicles required for the evaluating of road conditions and shuttling of maintenance personnel to stranded buses during all weather conditions.
 - K. Strobes. All buses may be required to be equipped with strobe lights on the roof. Proposers should submit a cost with the strobes and an alternate cost without the strobes.
 - L. Other Equipment. CONTRACTOR shall provide and properly maintain at least twelve (12) Star System seats or equivalent with upper torso constraints for use for special needs and preschool students. These seats must be of proper sizing to fit the needs of DISTRICT students and be relocatable from bus to bus as needed. DISTRICT reserves the right to reject any restraint system that it deems unacceptable or unsafe for students.
 - M. CONTRACTOR shall maintain sufficient maintenance tools and equipment to repair vehicles in a timely manner.
8. **PERSONNEL.** For the purposes of the Contract and interpretation thereof, it is agreed that the transportation of schoolchildren is a specialized function. It is the essence of the Contract that the students are transported to and from school regularly, promptly, safely, and without interruption or incident and that the interests of children in such transportation shall take precedence over the interests of the CONTRACTOR and its drivers or the DISTRICT. It shall be a primary obligation of the CONTRACTOR to conduct its affairs to ensure continuous and reliable service. It is recognized that, for the protection of the children, drivers and all other persons driving or interacting with the children must be in a condition of mental, physical and emotional stability 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 its personnel. The CONTRACTOR agrees that it will not allow any person to drive a school bus whose moral character is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever, nor shall the CONTRACTOR allow any person to drive a school bus who is not, at the time, in condition of mental, physical or emotional stability. CONTRACTOR will be responsible for ensuring all employed personnel meet the requirements of Chapter 392-144 WAC. CONTRACTOR will allow DISTRICT personnel or other representative designated by the Superintendent to review all records of individual or group training, employee qualifications for meeting bus-driving standards or any other requirement of this section at any time. Deviations from requirements of this Contract, federal, state, or local laws or DISTRICT policy will be grounds for termination of this Contract. All training, first aid courses and the costs of satisfying other requirements for CONTRACTOR'S employees whether required by local, state or federal agencies and regulations, shall be at CONTRACTOR'S expense.

The responsibility for hiring and discharging personnel in respect to all the foregoing shall rest entirely upon the CONTRACTOR, and the CONTRACTOR agrees that it shall enter into no agreement or arrangement with any employee, person, group or organization which will in any way interfere with the CONTRACTOR'S ability to comply with this requirement. The CONTRACTOR further agrees that the Superintendent or his/her designated representative shall have the right to require dismissal from DISTRICT service any CONTRACTOR personnel who, in the opinion of the Superintendent or his/her designated representative, is not qualified to operate or aid in the driving of a school bus as set forth in this Contract or who does not meet the responsibilities and requirements of this Contract.

DISTRICT and CONTRACTOR shall develop a program that allows for employees of the CONTRACTOR to notify the DISTRICT of CONTRACTOR breaches of the Contract or report other potential safety and operational hazards associated with CONTRACTOR operations. Notwithstanding any notification to the DISTRICT of CONTRACTOR'S breaches, the CONTRACTOR remains solely liable for any safety and operational hazards associated with its operations. A program ensuring an avenue for communication between DISTRICT, CONTRACTOR and CONTRACTOR'S employees shall be developed.

Pursuant to RCW 28A.400.303, any applicant or employee of CONTRACTOR who will have regularly scheduled unsupervised access to children pursuant to this Agreement shall be required to complete a record check through the Washington State Patrol Criminal Identification System, under RCW 43.43.830-.834, RCW 10.97.30 & .50, and through the Federal Bureau of Investigation before hiring and prior to unsupervised access to children. The record check shall include a fingerprint check using a complete Washington state criminal identification fingerprint card. Record checks required above shall be at the sole cost and expense of the CONTRACTOR.

A. Bus Drivers. CONTRACTOR shall employ enough drivers, including substitutes, to ensure DISTRICT of continuous and reliable service. Drivers employed by the CONTRACTOR shall be subject to the approval of the DISTRICT and drivers shall satisfy the requirements for "School Bus Certification" requirements as directed by the State of Washington Superintendent of Public Instruction and any government agency having jurisdiction over the training and competency of drivers within the DISTRICT. CONTRACTOR shall maintain a driver-training program in accordance with all applicable laws and regulations and approved by the DISTRICT Superintendent or designee.

CONTRACTOR will give first hiring preference to drivers currently working on DISTRICT routes. CONTRACTOR will notify the DISTRICT of any current route drivers that elect not to continue employment and the reason for their election. CONTRACTOR must pay at least the minimum legal wage rate for standby time on activity runs or field trips. On regular routes, drivers will be paid regular salary pay for route gaps between transporting children. CONTRACTOR will ensure a stable driver work force is employed during the entire life of this Contract. If CONTRACTOR'S average hourly rate for route drivers is insufficient to sustain a stable work force, Contractor shall be required to consult with DISTRICT and immediately implement an appropriate upward adjustment in wages for all drivers to allow for recruitment and retention of qualified drivers, at CONTRACTOR'S sole expense.

In addition to the stable work force requirement above, DISTRICT may specify that salaries of bus drivers and/or other CONTRACTOR employees be increased at any time during the Contract at its sole discretion. If the DISTRICT specifies a discretionary increase, it will negotiate compensating rate increases with the CONTRACTOR in a manner, which ensures such discretionary increase is profit-neutral for the CONTRACTOR.

CONTRACTOR shall provide qualified drivers, trained, licensed and certified in accordance with the laws of the State of Washington and the rules and regulations of the DISTRICT. The CONTRACTOR will follow all procedures and make reports in accordance with Chapter 392-144 WAC.

In addition, CONTRACTOR agrees that each driver shall:

- (a) Possess a valid license and any required permit or certification issued by this 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. The physical examination shall be conducted prior to employment and periodically (at least every 2 years) thereafter.
- (c) Successfully complete a course of training, including classroom instruction in school bus safety, pupil discipline, human relations, defensive driving, first aid, and use of fire extinguisher, traffic laws, DISTRICT'S policies and regulations and behind the wheel school bus driving instruction. Driver will pass a driving examination demonstrating competency in driving a school bus in actual traffic conditions. Driver will satisfactorily complete the annual school bus driver in-service training course.
- (d) Hold a current and valid first-aid card that certifies that the applicant has completed a course in first aid.
- (e) Submit annually to the DISTRICT and CONTRACTOR a disclosure of all crimes against children or other persons and all civil adjudications in a dependency action or in a domestic relation action and all disciplinary board final decisions of sexual abuse or exploitation or physical abuse as required by RCW 43.43.834(2) and disclosure of all convictions which may be grounds for denial, suspension, or revocation of authorization under WAC 392-144-103.
- (f) Possess a satisfactory driving record and criminal history record, which shall be obtained by CONTRACTOR in accordance with requirements of the State of Washington. Periodic rechecks will be made as required by state law at the expense of the CONTRACTOR.
- (g) Prior to employment and from time to time thereafter, to the extent permitted by law, drivers will undergo such tests as may reveal, within a reasonable degree of medical or scientific certainty, the presence or absence of drugs or controlled substances in the body and such tests as may clinically reveal alcoholism or alcohol abuse. Negative findings for such tests shall be a condition of employment.

CONTRACTOR shall ensure the frequency, conduct and reporting of these tests conform to state and federal law.

- (h) Satisfy all requirements of the U.S. Department of Transportation, Federal Highway Administration, and Department of Transportation (DOT) in rendering transportation services regulated by that agency.
- (i) Meet any other criteria required by law or by DISTRICT policies, rules or regulations relevant to CONTRACTOR operations and DISTRICT facilities and property.
- (j) Drivers assigned to routes that primarily serve special needs children will additionally receive training in special techniques used in supervision and handling children with special needs.
- (k) Drivers will meet the qualifications and training requirements of WAC 392-144-101 and continuing requirements of WAC 392-144-102.
- (l) Employees of the CONTRACTOR are expected to be well-groomed, have good hygiene and be appropriately dressed for the work and the weather.

B. CONTRACTOR will ensure each school bus driver meets the following physical requirements:

- (a) Is physically able to maneuver and control a school bus under all driving conditions.
- (b) Is physically able to perform daily routine school bus vehicle safety inspections.
- (c) Has sufficient strength and agility to move about in a school bus as required to assist students in evacuating the bus. The driver must be able to move from a seated position in a sixty-five (65) passenger school bus, or the largest school bus the driver will be operating, to the emergency door, open the emergency door and exit the bus through the emergency door, all within twenty- five (25) seconds.
- (d) School bus operators shall observe all state statutes and administrative rules governing traffic safety and school bus operation. The CONTRACTOR shall, at the beginning of each school year, verify that each school bus driver has been provided a copy of the School Bus Driver Handbook (SBI), any additional laws and/or rules that apply to school bus drivers, and the DISTRICT'S written rules for student conduct on buses.
- (e) Prior to transporting students, each school bus driver must have a school bus driver's authorization issued by the Superintendent of Public Instruction; a commercial driver's license appropriate for the size vehicle they will drive, including a passenger endorsement; and a school bus endorsement (with the air brake restriction removed if they drive a bus with air brakes).

A school bus driver is required to maintain and carry a valid DOT medical examiners certificate and to demonstrate annually their continued ability to pass the Superintendent of Public Instruction school bus driver physical certification requirement. The DISTRICT retains the right to request more frequent medical examinations or demonstration of the physical ability requirements of WAC 392-144-102 (5).

- (f) Prior to employment and at least once each school year, school bus drivers must submit to his or her supervisor a photocopy of the following: a valid commercial driver's license indicating the appropriate endorsements, a DOT medical examiners certificate, and a current first aid card. On an annual basis, each school bus driver shall provide verification that he or she continues to meet the requirements of WAC 392-144-102 and verification that his or her driving or criminal record does not indicate any disqualifying conditions as listed on WAC 392-144-103 including: not having had a driving license privilege disqualified, suspended or revoked in the preceding three years, that he or she has not had three or more speeding tickets ten miles per hour or more over the speed limit in the preceding five (5) years, and that he or she has not been convicted or undergone a deferred prosecution for any misdemeanor, gross misdemeanor or felony.
- (g) CONTRACTOR is required to conduct a pre-employment drug-screening test pursuant to CFR 49.382. The CONTRACTOR shall verify a negative result of such test prior to allowing the driver to operate a school bus on public roads, regardless of whether there are students on the bus, or any other safety sensitive function. The CONTRACTOR shall comply with the other drug testing requirements under Federal law, which includes random, reasonable suspicion, and post-accident testing.

All training, certifications, licensing or other requirements listed above shall be at the CONTRACTOR'S expense and evidence of such training, certifications, licensing or other requirements above shall be available to DISTRICT personnel or representative upon request. The CONTRACTOR shall maintain and produce records and paperwork with respect to drivers and driver training as required by any state or other agency.

C. In addition, the CONTRACTOR shall be responsible for and shall hold each driver responsible for:

- (a) Supervising the 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 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 while on duty.
- (e) Carrying a time piece while on duty so that the driver can maintain established schedule times.

- (f) Operating the bus within the provisions outlined in Chapter 392-145 WAC, Transportation, Operation Rules.
- (g) Maintain a weekly updated rider manifest with contact numbers.

Pursuant to RCW 28A.400.330, CONTRACTOR shall prohibit any employee of the CONTRACTOR from performing any work under this Agreement if such individual has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322. CONTRACTOR shall engage in due diligence to learn whether any of its employees have pled guilty or been convicted of any such crime and shall require their employees to self-report to the CONTRACTOR any such plea or conviction. Any failure to comply with this section shall be grounds for immediate termination of this Agreement by the DISTRICT, notwithstanding any other provision in this Agreement.

9. **MANAGEMENT AND DISPATCHER PERSONNEL.** At least one (1) competently trained individual must be appointed as manager of local operations. That individual must have the competency to manage the DISTRICT transportation operations, CONTRACTOR employees and coordinate transportation operations with DISTRICT administrative personnel. CONTRACTOR must ensure that personnel receive training and are competent within the conditions set forth by this Agreement. At least one (1) competent employee must be appointed dispatcher and that individual will be on hand in the transportation office to ensure route requirements are met and to coordinate operations and handle two way communications with bus fleet during the period from the beginning of the first regularly scheduled route each school day and the end of the last daily route. The designated manager will also schedule buses and drivers for activity runs, field trips, shuttles and excursions as required by the DISTRICT and to appoint substitute drivers for routes as needed. The manager of local operations will be available to make a recommendation as to feasibility of transporting children at least three (3) hours prior to scheduled routes during inclement days and to implement the chaining of buses. The DISTRICT reserves the right to require the CONTRACTOR to remove from DISTRICT service the manager of local operations and/or dispatcher, if DISTRICT believes the individual is not providing adequate services or meeting DISTRICT expectations for effectiveness and communications, or for violation of this Agreement, laws, regulations or DISTRICT rules. CONTRACTOR shall also provide at least one (1 FTE) clerical/dispatch person must be appointed to perform all clerical/dispatch and related duties as assigned. The designated manager will be responsible for supervising any CONTRACTOR personnel access to DISTRICT computer services and records (Skyward, etc., use apps School Messenger, etc.) necessary under the Agreement or as directed by DISTRICT to ensure student records are maintained as confidential.
10. **MAINTENANCE PERSONNEL.** CONTRACTOR shall employ enough bus maintenance staff to ensure that vehicles are in proper state of repair and that all buses pass the annual Washington State School Bus Inspection (WAC 392-143-035) or any other bus inspections designated by authorities. CONTRACTOR will have maintenance personnel available to immediately repair buses that have broken down on route.
11. **DRIVER TRAINERS.** CONTRACTOR shall employ at a minimum one (1.0) training staff. This requirement may be met by the CONTRACTOR by one (1.0) full time staff position or a combination of State certified management and bus drivers at the discretion of the CONTRACTOR. This person and combination thereof must be current in required certification and maintain all Company and District training topics.

This person must also be competent to perform driver and dispatch evaluations, and give recommendations to management and DISTRICT on transportation operations.

12. **SAFETY PROGRAM.** The CONTRACTOR shall administer a satisfactory safety program that shall conform to the requirements of the Washington State Safety Act. The CONTRACTOR'S school bus driver safety and training program shall be presented to the DISTRICT with the bid. A driver supervisor shall ride with every driver at least once each semester to observe their driving practices with respect to safety, and regulations, including adherence to published time schedules. Results of this observation will be recorded for DISTRICT review. The manager of local operations listed in Section 8B may perform this requirement if qualified.
13. **DISCIPLINE PROGRAM.** The CONTRACTOR shall employ and designate a Safety and Discipline Officer who shall work with students, drivers, school personnel, and parents. It shall be the responsibility of the officer to implement the policies, rules and regulations of the DISTRICT and State law, as directed by the DISTRICT. The manager of local operations listed in Section 8B may fill this requirement if qualified.
14. **ADMINISTRATION.**
 - A. **Compensation Rates and Billing.** In consideration for services rendered hereunder, DISTRICT shall pay to CONTRACTOR all sums due and owing, calculated in accordance with the rates set forth in Exhibit A (Bid Sheet), and amended from year to year due to the escalation portion of this Agreement. CONTRACTOR will bill the DISTRICT by the 10th calendar day of each month, on a form acceptable by the DISTRICT, for actual services performed in the previous calendar month. Payment will be made at the end of the month of billing. Billing will be split between regularly scheduled routes, mid-day and noon routes, and activity trips by sport, field trips by school, shuttles and excursions.

The exact amount of time required will be based on the operation of each bus per day on to-and from routes, excluding inspection, cleaning, and check-out time, for the third full week of the school year and shall be determined mutually by the DISTRICT representative and the CONTRACTOR and will become the basis of each route's regular to and from billing. The rates herein shall be applied to these items to establish the daily contract cost for home-to and from-school service during the current school year. After the first month of each Contract Year, CONTRACTOR and DISTRICT will review established route times at the end of each month and adjust established route times as both agree, to be effective the following month. Charges shall be subject to adjustment in the event of an increase or decrease of increments of six (6) minutes per day in any bus route.

The DISTRICT will pay for each scheduled morning and afternoon route the three-hour base rate plus the additional excess hour rate times any hours over the three-hour minimum. Billing time will be to the nearest tenth of an hour for each route. In no instance, will the DISTRICT pay for less than the base rate as delineated above for any regularly scheduled morning, afternoon or early release to-and-from route for those days school is in session.

Regular routes will be billed from the time the bus leaves the bus lot until bus return to the lot both AM and PM and include any waiting time that is part of the route, except any times a driver is not on pay status such as buses parked at the driver's home. Driver will be paid the regular salary for said waiting time billed as regular route time. Billing for noon routes and other shuttles that are an extension of the regular route shall be at the excess hour rate. Field trips, activity trips, isolated shuttles (shuttles not an extension of the regular route) and excursions will be billed exclusively at the activities rate with a 1-hour minimum charge. All trip charges for transportation services will be computed to the nearest 1/10th hour in increments of six (6) minutes. Each non-overnight activity trip, shuttle, or noon route will be billed for a minimum of one hour or actual time from leaving the bus lot or route until return to the bus lot, whichever is higher.

On overnight trips, the hourly rate shall be for that time the bus is moving or waiting. Hours when the bus is not required, i.e., when released at the end or during the day by the student supervisor until the bus is again required the next day, are not to be charged to the DISTRICT except that for each full day between the first and last day of the trip a minimum of eight (8) driving and waiting hours will be paid by the DISTRICT. The billing rate for such trips shall be at the activities rate. In addition, the DISTRICT will reimburse the CONTRACTOR a reasonable per diem rate, consistent with that provided for DISTRICT employees, for the driver meals and lodging which shall be billed as a separate item or DISTRICT will provide driver lodging at its own direct expense.

DISTRICT required stand-by positions would be compensated to the CONTRACTOR at a rate of \$20.00 per hour up to a maximum of four (4) hours per day per person. These stand-by positions will not be charged as stand-by hours to the DISTRICT when filling bus-driving requirements.

Payment by the DISTRICT of any invoices shall constitute full and final payment for services rendered for the period covered by such invoice, unless the DISTRICT or CONTRACTOR files a claim for error or omission within sixty (60) calendar days of the date of such invoice.

- B. Uncompleted Trips/Liquidated Damages. In the event the CONTRACTOR cannot make or complete a scheduled trip, the DISTRICT shall not pay for the trip and, in addition, the CONTRACTOR shall be assessed liquidated damages as described below.

Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to the student, their families and school staff. From the nature of services to be rendered, it would be impractical and extremely difficult to fix the actual damage under the Agreement caused by defects in service. Within forty-five (45) days of the event, there shall be assessed as liquidated damages, but not as a penalty, the amount(s) set out below for defects in service. (If an entire assignment is missed, the liquidated damage assessment per route per day will be \$100.00 or 1.5 times the fee for the trip, whichever is greater.)

- 1) \$25.00 shall be assessed for each incident of the following:
 - a) Morning trip delay (penalty assessed for each 12-minute increment of delay).
 - b) Noon trip delay (penalty assessed for each 12-minute increment of delay).
 - c) Afternoon trip delay (penalty assessed for each 12-minute increment of delay).
 - 2) \$50.00 charges shall be assessed for each incident of the following:
 - a) Driver misses stop or fails to pick up or drop off student(s) (additional review and legal liabilities may be implicated for failure to properly drop off or pick up students depending upon the circumstances and unrelated to the fee associated herein).
 - b) Failure of a driver to keep up-to-date route cards or route description.
 - c) Failure to clean a dirty bus (interior and exterior) within twenty-four hours of notice.
 - d) Failure to display route numbers.
 3. The DISTRICT will waive damages for trip delays, which are the sole judgment of the DISTRICT clearly and unquestionably caused by factors totally beyond the control of the CONTRACTOR.
 4. If the DISTRICT becomes aware that a late or missed field trip occurred, but was not reported by the CONTRACTOR to the DISTRICT, the CONTRACTOR may be charged an additional \$75.00 for each late or missed trip, which was not reported to the DISTRICT. A late trip is defined as a trip operated more than 12 minutes late.
 5. Other operational issues are critical to the performance of the school bus routes, their times and service to the students. Damages charged to the CONTRACTOR for the following items will be assessed at the rate of \$100.00 per day during the non-compliance period of each violation.
 - a) Failure to maintain contracted fleet age assessed from the beginning of each school fiscal year.
 - b) Failure to maintain contracted staffing levels as deemed appropriate and outlined in section 8A, B, C & D.
- C. Unscheduled Closing of School. The DISTRICT will retain exclusive determination of closure of school due to hazardous weather, or for any other reason determined by the DISTRICT, but the CONTRACTOR will be charged with the responsibility to make the recommendation not to operate buses at any time the CONTRACTOR judges it unsafe to do so. The recommendation for "late arrival" or "closure" needs to be given to the DISTRICT designee by 5:20 A.M., unless unforeseen circumstances result in a later notification.

The DISTRICT shall not be obligated to accept or pay for services herein agreed to be furnished by the CONTRACTOR on those days when, by direction of the Superintendent or designated representative, any DISTRICT'S school or schools are closed to insure the health or safety of the pupils or for any other lawful reason, and such closures reduces in part or whole the normal transportation service. The DISTRICT agrees to notify the CONTRACTOR in a reasonable manner on such days of school closure.

The DISTRICT further agrees to notify the CONTRACTOR of canceled special bus trips no less than two (2) hours prior to the first scheduled pick up per trip. If the DISTRICT fails to give the CONTRACTOR two (2) hours notification of school closure and/or canceled special bus trips, the DISTRICT shall pay the CONTRACTOR the driver(s) actual time or minimum call out time whichever is greater.

- D. Escalation Clause. It is recognized by the parties hereto (1) that certain of the CONTRACTOR'S operational expenses such as the cost of buses, materials and labor may change materially, up or down, during the Contract period; (2) that such changes in cost cannot be determined in advance; (3) that without a realistic clause in the Contract, the parties must of necessity agree on a rate high enough to compensate for possible, yet unknown added cost to cover the entire term of the Contract; (4) that if an escalation clause is included in a Contract, which is fair and just to both CONTRACTOR and the DISTRICT, cost projections and bids can be more accurate and the corresponding rate the DISTRICT would pay will be lower than it otherwise would be.

In order to adjust annual billing rates CONTRACTOR will annually assess changes in its operating costs for the current year versus the previous year and will submit annually, no later than May 1 of each year, request for increase or decrease of rates for the ensuing school year. Any requested increase will require evidence that the CONTRACTOR cost has already or will increase by the requested amount. It is agreed that such requested increases or decreases shall not exceed the annual change in the Consumer Price Index (C.P.I), United States City average for all items for All Urban Wage Earners and Clerical Workers, published by the U. S. Department of Labor, based upon the CPI of February 28, on a percentage basis to apply to the Contract rates for the ensuing school year. If the change of the above referenced Consumer Price Index (CPI) exceeds an annual percentage increase of 5.0 per cent, the maximum rate increase that may be asked for is 5.0 percent plus ½ of any C.P.I. increase over 5.0%. Under any circumstance, the maximum increase that may be requested by the CONTRACTOR from year to year is 12%. CONTRACTOR request for increase will be for the smaller of actual CONTRACTOR cost increases or change in C.P.I, or adjusted C.P.I. if the increase is over 5.0%, as described above. CONTRACTOR will provide, as part of any request, specific, detailed evidence to the individual expenditure level that costs have changed in accordance with any requested increase in rates under this section. Failure of the CONTRACTOR to provide evidence of cost increase will result in the DISTRICT revising or denying such adjustment request. Alleged cost increases for cost of CONTRACTOR operations at a level higher than the local level must provide evidence of proration of these costs with other operations the CONTRACTOR is engaged in. DISTRICT or its representative has the right to review CONTRACTOR records or request further evidence to verify requested cost adjustments are valid. The DISTRICT may reject requests for rate increases under this section if not received prior to May 1 of each year. In any event, the DISTRICT will make the final determination as to whether to grant the increase as requested or adjust the requested increase.

The decision of the Board of Directors of the DISTRICT is final as to implementation of any rate increase. Under no circumstances shall any cost increases be applied retroactively.

If the above-mentioned CPI decreases, the DISTRICT may request a corresponding decrease in rates. The CONTRACTOR will have the opportunity to provide specific, detailed evidence regarding whether their costs have decreased, prior to any final decision of the School Board to decrease rates.

- E. Daily Bus Report and Daily Ridership Summary. Pursuant to State of Washington requirements, CONTRACTOR shall submit to the DISTRICT representative a “Daily Bus Report” for each bus operated under the Contract. This report shall include the following: (1) Driver’s complete pre-trip safety check in accordance with State Pupil Transportation Manual; (2) Total miles traveled, time in route, and number of students transported daily to and from high school, middle school, and elementary school as separate groups; (3) Total miles, time and student count for extra or special trips ordered by the DISTRICT; (4) such other related student information that may be required from time to time by the State of Washington or DISTRICT. The CONTRACTOR shall also provide the DISTRICT with a Weekly Ridership Summary spreadsheet identifying number of AM and PM riders per day by school for each route.

- F. State Reports. It shall be the responsibility of the CONTRACTOR, at its expense, to prepare for the DISTRICT all pupil transportation related reports requested or required by the State. This includes all paperwork required for the annual school ridership survey or any successor required information used to apportion funds to districts for pupil transportation, required driver information reports, bus, mileage, and other information required by Superintendent of Public Instruction, State Department of Education or other federal, state or local agency. The CONTRACTOR must be proficient in the Online STARS Program. CONTRACTOR is responsible to the DISTRICT for the accuracy of such reports.

- 15. FORCE MAJEURE. It is agreed by the parties that in the event the CONTRACTOR is unable to provide transportation services as herein specified because of acts of God, fire, riot, war, civil commotion (excluding picketing, strikes, or labor disputes unless CONTRACTOR can demonstrate to DISTRICT that such disputes are not within the control of CONTRACTOR) the DISTRICT shall excuse the CONTRACTOR from performance hereunder. Under these circumstances, the DISTRICT shall have the right, but not be required, to assume the transportation operations with such CONTRACTOR equipment, school employees or other persons as the DISTRICT may deem appropriate until the CONTRACTOR can resume operation. If the DISTRICT does not operate the buses, it is not obligated to any payments. The DISTRICT shall pay to the CONTRACTOR for such buses used, the same amount specified in the heretofore-mentioned rate schedule, less all expenses and costs incurred by the DISTRICT in securing the services of operating and management personnel and other additional costs that are incurred. The CONTRACTOR shall provide supervisory personnel to assist the DISTRICT.

The CONTRACTOR shall not be released from contractual obligation because of the above- mentioned conditions until it is satisfactorily established that the non-performance is not due to the fault or neglect of the CONTRACTOR.

16. **PERMIT, LICENSES, LAWS AND REGULATIONS.** The CONTRACTOR and all its employees or agents shall secure and maintain in force such licenses and permits as required by law for furnishing the services herein specified, and comply with and observe all provisions of the Washington Motor Vehicle Code, Superintendent of Public Instruction codes, directive and regulations, and those of any other governmental agency and the DISTRICT relating to the transportation of pupils. Subject to the prior approval of the State of Washington Department of Motor Vehicles and in accordance with the laws of the State of Washington, school buses operated by the CONTRACTOR may be licensed and titled showing the DISTRICT as the registered owner/lessee and the CONTRACTOR as the legal owner/lessor. In such event, the licenses shall be obtained by the DISTRICT at the CONTRACTOR'S expense. If buses are licensed with tax-exempt licenses, the CONTRACTOR shall use such buses only for those purposes permitted under the exempt license. Further, CONTRACTOR agrees that if vehicles are to be utilized in other types of services, that they will, at the CONTRACTOR'S expense, purchase the necessary licenses and permits in compliance with state, county and city laws and that the county exempt plates will be removed from the bus and forwarded to the DISTRICT Transportation office for retention. Upon termination of the Contract, CONTRACTOR agrees to forward all tax-exempt plates to the DISTRICT Transportation office.

17. **INDEMNIFICATION/HOLD HARMLESS/DUTY TO DEFEND.** CONTRACTOR shall defend, indemnify, hold and save harmless the DISTRICT, its agents, representatives, directors, and employees ("Indemnitees") from all loss, damage, liability, claims, allegations, demands, suits, causes of action, settlements, judgments, or expenses (including attorney fees and all expenses of litigation), (each and all, hereinafter, "Claim"), resulting from any actual or alleged injury or death of any person, or from any actual or alleged loss of or damage to any real or personal property, caused by or resulting from any act or omission by CONTRACTOR or its employees, agents, or contractors relating to, arising from, or connected with CONTRACTOR'S performance of this Agreement. This agreement to defend, indemnify and hold harmless shall be triggered upon the assertion of any Claim against any Indemnitee within the scope of CONTRACTOR'S said defense, indemnification and hold harmless obligations. CONTRACTOR shall pay attorney fees and litigation expenses incurred by any Indemnitee in successfully enforcing the obligations of this section.

CONTRACTOR further agrees that its defense, indemnity and hold harmless obligations shall apply to Claims made by its own employees against an Indemnitee, but in that instance only to the extent of CONTRACTOR'S own negligence or fault in whole or partly causing the claimant's damages. To that extent, CONTRACTOR therefore knowingly and expressly waives any immunity that it otherwise might have been entitled to invoke under Title 51 RCW in opposition to a claim for defense, indemnity, or hold harmless hereunder. CONTRACTOR agrees that they have expressly and specifically negotiated this waiver of immunity under Title 51 RCW.

18. **INSURANCE.** CONTRACTOR agrees, at its sole expense, to procure and keep in force during the entire period of the Agreement public liability and property damage liability insurance, protecting the DISTRICT and its officers, representatives, and employees and agents, its Board of Directors and the individual members thereof, the CONTRACTOR, drivers, and other related personnel in the following minimum sum:

- A. A standard General Commercial Liability insurance policy providing, without limitation, \$15,000,000 combined single limit coverage for bodily injury and property damage liability and contractual liability insurance coverage for the defense, indemnification and hold harmless promises made by CONTRACTOR elsewhere in this Agreement.
- B. A standard motor vehicle fleet and automobile liability insurance policy providing, without limitation, the following: (i) a combined single limit of not less than \$15,000,000 for bodily injury liability, property damage liability, and uninsured/underinsured motorist benefits; (ii) no-fault medical expense and Personal Injury Protection coverage for vehicle occupants and pedestrians and bicyclists, with limits of not less than \$50,000 per person per incident; (iii) and contractual liability insurance coverage for the defense, indemnification, and hold harmless promises made by CONTRACTOR elsewhere in this Agreement. Such policy shall also afford coverage for owned, hired, and non-owned vehicles.
- C. With respect to the insurance policies required in the immediately preceding subparagraphs a). and b)., CONTRACTOR shall: (i) cause the insurer(s) from whom CONTRACTOR procures such insurance policies to issue endorsements attached to and made a part of such policies, naming and protecting the DISTRICT and its employees, agents, Board of Directors and individual members thereof, and representatives as additional insured under such policies, for all purposes and claims made against the DISTRICT related to or arising in any way from the subject matter or performance of this Agreement; (ii) CONTRACTOR shall assure that such policies of insurance provide that they shall serve as primary-level insurance coverage with respect to any such claim made against the DISTRICT, such that any liability insurance separately procured and maintained by the DISTRICT shall be considered excess-level insurance coverage with respect to such claim; and (iii) CONTRACTOR will ensure that insurance company issuing such coverage is rated as an “A” rating or higher as defined by AM Best.
- D. A facsimile copy of the policy shall be furnished as proof to the DISTRICT fifteen (15) calendar days prior to the start of the school year. Such insurance shall include a thirty (30) day cancellation clause guaranteeing the DISTRICT will be notified of a cancellation of, reduction of limits, non-renewal or change in the policy. An insurance company licensed to do business within the State of Washington shall provide such insurance.

19. **INDEPENDENT CONTRACTOR STATUS.** In the interpretation of the Agreement and the relations between CONTRACTOR and DISTRICT, CONTRACTOR shall be construed as being an independent CONTRACTOR employed to provide transportation services only. No agent, employee, or servant of the CONTRACTOR shall be or shall be deemed to be the employee, agent, or servant of the DISTRICT. None of the benefits provided by the DISTRICT to its employees are available from the DISTRICT to the employees, agents or servants of the CONTRACTOR. CONTRACTOR will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants and sub-contractors during the performance of this Contract.

Should the DISTRICT be required by reason of this Contract to make any payments of benefits referred to herein, the CONTRACTOR shall reimburse the DISTRICT for such payment or benefits. CONTRACTOR shall be responsible for, indemnify and hold DISTRICT harmless from any claims or liability for unemployment taxes or contributions, workers' compensation premiums or claims, payroll taxes or other federal or state employment taxes.

20. **FUEL.** The CONTRACTOR will be responsible for the purchase of all fuel for buses used in providing pupil transportation services for the DISTRICT. It shall be the CONTRACTOR'S responsibility to keep accurate records as to use of fuel in each bus and to furnish the DISTRICT monthly reports in a format approved by the DISTRICT as to the exact amount of fuel used, and all costs associated therewith. Such fuel will be subject to a fuel cap as outlined herein:

Diesel: \$2.79 per gallon (Including State and Federal taxes).

Gasoline: \$2.59 per gallon (Including State and Federal taxes).

In order to encourage utilization of lower cost fuels available on the marketplace, if the purchase price of any fuel exceeds the price identified as its cap, the DISTRICT shall, on a dollar-for-dollar basis, reimburse the CONTRACTOR seventy-five percent (75%) of the actual amount in excess of the cap. If the purchase price of any fuel used falls below the price identified as its cap, the CONTRACTOR shall reimburse the DISTRICT on a dollar-for-dollar basis seventy-five percent (75%) of the actual amount under the cap. This calculation will be made at the end of each month for the previous month's usage, based on average price per gallon for fuel purchased that month. Reconciliation and reimbursement shall be accomplished monthly (documentation of average price to be provided with monthly invoice). Said fuel cap shall be subject to an annual increase or decrease based on a review of average area fuel costs and Consumer Price Index information, on the same basis used to calculate the initial cap in this Agreement, as submitted by the CONTRACTOR to DISTRICT for its consideration.

Whenever any bus used by the CONTRACTOR in fulfillment of this Contract is also used for other purposes, records shall be maintained by the CONTRACTOR for such buses showing fuel used in the DISTRICT'S service, and fuel used in non-DISTRICT service. The DISTRICT shall have the right to inspect any relevant records of the CONTRACTOR to verify fuel usage at any time. Proposers should submit a cost with the monthly reimbursement rate at 75% adjustment described above and as an alternate a cost with the adjustment at 100% of the fuel cost, for consideration by DISTRICT as optional language to the 75% adjustment described above. **FACILITIES/EQUIPMENT.** The DISTRICT reserves the rights to approve transportation facilities and equipment used to provide services to the DISTRICT and the CONTRACTOR'S school bus safety inspection and preventative maintenance programs. The DISTRICT requires and the CONTRACTOR agrees to the following:

- a. That school bus parking and maintenance facilities which are not owned by the DISTRICT will be situated to efficiently support routing needs and minimize necessary time and miles, as determined by the DISTRICT.
- b. Any installation or modification of equipment required by a change in law or regulation shall be made by the CONTRACTOR without cost to the DISTRICT.

Any installation or modification of equipment directed by DISTRICT, but not due to a legal requirement, shall be made by CONTRACTOR following written notice and prior approval as to cost by the DISTRICT.

- c. The DISTRICT requires the CONTRACTOR to provide two way radios on all buses and may require the CONTRACTOR to provide other reasonable bus accessories, such as cellular phones on certain buses/routes/transportation trips, at no additional cost.

CONTRACTOR, in conducting or authorizing any activities on the premises, shall ensure compliance with all federal, state and local laws, ordinances and regulations regarding the use and disposal of contaminants and toxic and hazardous waste, substances or constituents. Upon vacating the premises, CONTRACTOR shall insure that any such contaminants or hazardous or toxic wastes that are used or stored on the premises are properly removed and the premises restored to a safe and hazard free condition.

21. **CANCELLATION.** Transportation services may be terminated at DISTRICT discretion immediately, without notice, at any time the DISTRICT has reason to believe the safety of students may be put at risk related to CONTRACTOR'S services under this Agreement. If local funding is not appropriated or state transportation allocations are curtailed or reduced, any or all transportation service may be discontinued or reduced at the option of the DISTRICT after thirty (30)-calendar days written notice.

Should the CONTRACTOR fail to comply with any of the terms or conditions set forth in the Agreement, or should the DISTRICT determine that the CONTRACTOR is in any other way unfit, unqualified, or unable to perform the transportation needs of the DISTRICT under the Contract, then, and in that event, with a minimum thirty (30) days written notice to the CONTRACTOR this Agreement may be terminated.

22. **ADHERENCE TO SPECIFICATIONS.** Of necessity and natural attrition, it is agreed by the DISTRICT and potential CONTRACTOR that the numbers of passengers and route lists are estimates and are accurate as can be ascertained at the commencement of this Agreement. Therefore, CONTRACTORS are reminded to adhere to specifications as set forth herein, for their proposal.
23. **CERTIFICATION REGARDING FEDERAL DEBARMENT, SUSPENSION AND INELIGIBILITY.** By submitting a proposal, CONTRACTOR certifies that neither it nor its principals are presently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency. A declaration to this effect will be part of the final contract signed by CONTRACTOR.
24. **BID DISCLOSURE CLAUSE.** By submission of this proposal, each CONTRACTOR and each person signing on behalf of any CONTRACTOR certifies under penalty of perjury, that to the best of his knowledge and belief, the prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement with any other bidder or competitor, and further, that the prices which have been quoted in the bid have not and will not be knowingly disclosed by the CONTRACTOR prior to opening, directly or indirectly, to any other CONTRACTOR or competitor.

25. **SAVINGS CLAUSE.** The CONTRACTOR and DISTRICT hereto agree that, in the event any provisions specified herein are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the Agreement shall remain in full force and effect.
26. **ASSIGNMENT.** The services contemplated under the Agreement are deemed to be in the nature of personal services. This Agreement shall not be assigned by CONTRACTOR without prior written consent of DISTRICT. The parties agree that assignment by the CONTRACTOR of any sums due and owing CONTRACTOR under the Agreement shall not constitute an assignment of the Agreement.
27. **ENTIRE AGREEMENT.** This Agreement, including addendums hereto regarding rates, set forth the entire agreement between the DISTRICT and CONTRACTOR concerning the subject matter hereof. There are no representations, either oral or written, between the DISTRICT and CONTRACTOR other than those contained in this Agreement.
28. **DISPUTE RESOLUTION.** In the event that a dispute shall arise regarding the terms, conditions, or breach of the Contract between the parties, the parties shall, as a condition precedent to taking any action and as a condition precedent to seeking arbitration, mediate the dispute using the services of a mutually agreed upon independent mediator. Each party shall split the expenses of the mediator and the facility for the mediation. Each party shall otherwise pay its own expenses. The site of the mediation shall be in Colville, Washington.

Any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by final and binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by

the arbitrator(s) may be entered in any court having jurisdiction thereof. The costs of the arbitration fees, the arbitrator and the facility for the arbitration shall be borne equally by each party. Each party shall otherwise pay its own expenses. The site of the arbitration shall be in Stevens County, Washington, unless mutually agreed otherwise at the time of scheduling the arbitration.

29. **GOVERNING LAW/VENUE.** The terms of this Agreement shall be governed by the laws of the State of Washington. In the event that legal action is commenced to resolve a dispute arising out of this Agreement, the venue of such action shall be in Stevens County, Washington.
30. **ATTORNEYS' FEES/COSTS.** In the event legal action becomes necessary to enforce any term or condition of this Agreement the prevailing party in any legal action shall be entitled to recover reasonable attorneys' fees and costs incurred in such action, as determined by the court. In the event of any appeals from such actions, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in such appeals and determined by the court(s). The term "costs" shall include, in addition to statutory costs and disbursements, all costs associated with discovery depositions, expert witness fees, and out-of-pocket costs incurred by the prevailing party in the prosecution or defense of the action. For the purpose of this paragraph, the term "action" shall be deemed to include any proceeding commenced in the bankruptcy courts of the United States.
31. **PERFORMANCE BOND.** The CONTRACTOR shall provide a one hundred percent (100%) performance bond for the entire term of the Contract. Performance in succeeding school years shall be assured by successive bonds provided for one-year periods if requested by the DISTRICT. The DISTRICT has the right to waive or require these bonding requirements for any school year subsequent to 2017-2018. In the event waivers are granted, the CONTRACTOR shall, within thirty (30) days after the waiver, reimburse the DISTRICT the total expense that would have been incurred by the CONTRACTOR had the waiver not been granted. The CONTRACTOR shall identify in the space provided in the Bid Sheet for Pupil Transportation that amount of annual reimbursement to the DISTRICT in the event bonding requirements are waived.
32. **Authority:** Both parties warrant that they are properly authorized to enter into this Agreement. In Consideration of the performance on the part of the CONTRACTOR of this term of this AGREEMENT, the DISTRICT agrees to pay the CONTRACTOR according to the rates shown on attached SCHEDULE A. CONTRACTOR will present to the DISTRICT a revised Schedule A incorporating the afore outlined CPI adjustments not later than May 15th of each year.

IN WITNESS WHEREOF, Colville School District ##115 and First Student, Inc. enter into this AGREEMENT on this 25 day of May, 2017.

COLVILLE SCHOOL DISTRICT

By: [Signature]

Title: SUPERINTENDENT

FIRST STUDENT, INC.

By: [Signature]

By: KIM WORSTER

COLVILLE SCHOOL DISTRICT NO. 115
PUPIL TRANSPORTATION CONTRACT
2017-18 SCHOOLYEAR

OPTIONAL ITEMS

Additional RFP Pricing items:

PA System, per bus per day	\$	<u>0.71</u>
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Strobe Lights, per bus per day	\$	<u>0.27</u>
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Automatic Tire Chains (Insta-Chains)

65-84 Passenger, per bus per day	\$	<u>3.68</u>
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Midsized & Type A, per bus per day	\$	<u>4.43</u>
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SECTION II
AGREEMENT

THIS AGREEMENT, entered into this 1st _ day of September , 20 17,
by and between ADNA SCHOOL DISTRICT NO. 226, hereinafter referred to as
"DISTRICT," and _____, hereinafter referred to
as "CONTRACTOR," for the consideration hereinafter named, mutually agree as follows:

1. Scope of Agreement. The CONTRACTOR shall operate transportation services and shall furnish labor, school buses and bus maintenance, and materials and supplies as required to provide the DISTRICT with transportation service, as requested and authorized by the DISTRICT, and pursuant to Terms and Conditions of the Request For Proposal, and as further described herein.
2. Term Of Agrcement. This Agreement shall be effective beginning September 1, 2017 and ending August 31, 2022, a period of five years, EXCEPT: this Agreement may be terminated at the option of the DISTRICT or the CONTRACTOR, provided that 90 calendar days notice of intent to terminate has been **GIVEN IN WRITING** by one party to the other, and further, the DISTRICT may terminate this agreement without notice if: 1) funding appropriations for pupil transportation funding are not available to the DISTRICT through no fault of the DISTRICT, or 2) the DISTRICT has reason to believe that safety of students may be placed at risk under this Agreement.
3. Agreement Documents. This Agreement consists of this document, the District Request For Proposal document, including all terms and conditions contained therein, and CONTRACTOR'S proposal responses, including price schedules and CONTRACTOR policies which have been approved and accepted by the DISTRICT.
4. Assignment of Agreement. The CONTRACTOR may not assign rights, burdens, duties or obligations under this Agreement, nor may any portion of this Agreement be sublet to another party without written consent of the DISTRICT. This consent shall not be unreasonably withheld by the District.
5. Nondiscrimination. Except to the extent permitted by bona fide occupational qualification, it is agreed that:
 - a. The CONTRACTOR will not discriminate against any employee or applicant for employment and will comply with all federal and state rules and regulations and will not discriminate on the basis of race, color, national origin, sexual orientation/gender identity or disability. The CONTRACTOR will ensure that applicants are considered and employed without regard to their race, color, national origin, sexual orientation/gender identity or disability. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.
 - b. The CONTRACTOR will, in all solicitations for employees or job

announcements/orders placed with any employment agency, union, or other firm

or agency, state that all qualified applicants will receive consideration for employment without regard to race, color, national origin, sexual orientation/gender identity or disability. The words "Equal Opportunity Employer" in advertisements shall constitute compliance with this section.

- c. The CONTRACTOR will include the provisions of this paragraph and its subparagraphs in every subcontract or purchase order for the goods or services which are the subject matter of this Contract.
6. Permits and Licenses. The CONTRACTOR shall secure and keep valid all permits, licenses and certifications required by law or related rule or regulation necessary for lawful performance of this Agreement, and shall ensure that CONTRACTOR'S employees, and agents, secure and keep valid all required permits, licenses and certification.
7. Insurance. The CONTRACTOR agrees to provide to the DISTRICT:
- a. continuing proof of comprehensive general auto and liability insurance, obtained at CONTRACTOR expense, which insures against loss due to personal injury or damage to property, and which protects the DISTRICT and its employees, the DISTRICT Board of Directors and individual members thereof, the CONTRACTOR and its employees, and any other company or individual considered liable under this Agreement, coverage amount to be at a minimum \$15,000,000 single limit coverage for death, bodily injury or property damage;
 - b. continuing proof of performance bond coverage, naming the DISTRICT as insured, in an amount equal to one hundred eighty (180) days of operation cost for the first year of the contract and ninety (90) days of operation cost for each subsequent year of the contract. Performance in succeeding school years shall be assured by successive bonds, provided for one-year periods, if requested by the DISTRICT. The DISTRICT has the right to waive or request the bonding requirements for any school year. In the event waivers are granted, the CONTRACTOR shall, within 30 days after the waiver, reimburse the DISTRICT the total expense that would have been incurred by the CONTRACTOR had the waiver not been granted. The bidder shall identify in the space provided in **Schedule G** that amount of annual reimbursement to the DISTRICT in the event bonding requirements are waived; and
 - c. notice to the DISTRICT at least thirty days prior to effective date of any change in auto and general liability insurance or performance bond coverage or policy or bond cancellation.
 - d. should the CONTRACTOR fail to make insurance and/or bondage premium payments for more than sixty (60) days the DISTRICT is authorized to make payments to the carriers and deduct the same from the ensuing invoice from the CONTRACTOR.
8. Independent Contractor. The CONTRACTOR agrees to be deemed an independent contractor at all times and to be wholly responsible for the manner in which services

are performed under this Agreement, and further, agrees that nothing contained in this Agreement shall be construed as creating any form of a relationship of employer and employee, or of principal and agent, between the DISTRICT and the CONTRACTOR, or between the DISTRICT and the CONTRACTOR'S employees or agents. The CONTRACTOR also agrees to exclusive responsibility for all acts of its employees during the course and scope of all employment which relate to service to be provided to the DISTRICT. The CONTRACTOR will be required to assume exclusive responsibility for all acts of its employees during the course and scope of employment which relates to services to be provided to the DISTRICT. The CONTRACTOR, its agents and employees, shall not be entitled to rights or privileges of DISTRICT employment and under no circumstances be referenced as employees of the DISTRICT.

9. Service Requirements:

- a. To and From School; Mid-Day Kindergarten; Late Take Home. The DISTRICT reserves the right to approve each route and route stop, and to determine which students are to be transported and the manner of transportation. The CONTRACTOR agrees to provide to the DISTRICT, ten days prior to the beginning of each school year, proposed routes, route stops, assigned bus capacities, operating times, estimated base and excess hour billable times, unassigned base times, miles, and loads, for approval by the DISTRICT. The CONTRACTOR agrees to operate routes only as approved by the DISTRICT, and to notify the DISTRICT of all changes which occur that indicate need to expand or reduce approved routes.
- b. Charter Bus Option. The DISTRICT may request, on occasion, that the CONTRACTOR provide a charter bus, rather than traditional bus for some events. The CONTRACTOR will provide competitive pricing for said charter bus. If the CONTRACTOR cannot or will not provide a charter bus at a competitive price, the DISTRICT may choose to lease a bus from an outside company for these events.
- c. Shuttle Service. The DISTRICT reserves the right to approve each route and route stop, and to determine which students are to be transported and the manner of transportation. The DISTRICT agrees to provide ten days notification prior to the start of service, and the CONTRACTOR agrees to provide to the DISTRICT, five days prior to start of service, proposed routes, route stops, assigned bus capacities, operating times, estimated base and excess hour billable times, for approval by the DISTRICT. The DISTRICT reserves the right to extend, reduce or discontinue shuttle route service, with notice by 1:00 P.M. effective the next school day. The CONTRACTOR agrees to operate shuttle routes only as approved by the DISTRICT, and to notify the DISTRICT of all changes which occur that indicate need to expand or reduce approved routes.
- d. Field Trips; Extracurricular Trips and Other Extra Trips. The DISTRICT shall be provided transportation on request for students and other persons authorized by the DISTRICT for curricular field trips, athletic, extracurricular, or other extra trips approved by the DISTRICT. The DISTRICT shall pay for driver's stand-by

time, meals and overnight accommodations necessitated by such approved trips. The DISTRICT reserves the right to cancel any requested extra trip, and agrees to provide notification of trip cancellation one hour(s) or more before the scheduled time to pick up students, in which event the CONTRACTOR agrees to no charge to the DISTRICT. If one hour(s) notification is not provided to the CONTRACTOR, the DISTRICT agrees to pay the costs of bus driver minimum call-out, if any, up to \$25.00 per such cancellation.

e. Estimated Buses Required for Routes

- Regular Transportation: number of 9 buses; minimum 65 to 84 passenger school buses (contractor - 4 buses, district 5 buses).
- Special Education Transportation: (number of 1 van) capacity 21 regular.

In addition, Spare Bus Ratio shall be at least 10% by vehicle type (rounded up to nearest whole number) to cover for routine maintenance, breakdowns, accidents, etc.

f. School Calendar Year (September-June). The number of buses by category shown in paragraph d are those estimated to be required on each or most regular school days for approximately 180 days of school or as otherwise governed by the school calendar published for the ensuing school year (regular to and from school, shuttles, and field trips). Summer school, if conducted, will be arranged for separately as needed.

g. “Other” Days. “Other” days are those days during the school calendar year when regular school is not in session. On such “other” days, the number of buses and type of service shall be on an as-requested basis. The maximum number of buses will be not greater than the number of buses used for regular school year transportation.

h. School Bus Arrival And Departure Times. The District, in developing the routes, and the CONTRACTOR, in driving the routes, will strive to comply with the following guidelines.

1. Student arrival at school in the morning (a.m.): no more than 20 minutes prior to the start of school at the middle/high school and no more than 10 minutes prior to the start of school at the elementary school.
2. Bus arrival at school to pick up students at dismissal: No later than 5 minutes after school dismissal time for elementary school and no more than 10 minutes after dismissal at the middle/high school.

The DISTRICT may assess a penalty of \$50.00 for each scheduled transportation day where more than 15% of scheduled arrivals and departures do not meet the above time requirements. This penalty will be assessed when the delays are caused by the CONTRACTOR.

- i. Limitation On Student In-Transit Time. The DISTRICT requires and the CONTRACTOR agrees that no student will be scheduled to be in transit more than 60 minutes home to school or school to home, unless waived by the DISTRICT. Transit time will begin when the student boards the bus.
10. Facilities and Equipment. The DISTRICT reserves the rights to approve transportation facilities and equipment used to provide services to the DISTRICT and the CONTRACTOR'S school bus safety inspection and preventive maintenance programs. The DISTRICT requires and CONTRACTOR agrees:
- a. that school bus parking and maintenance facilities which are not owned by the DISTRICT will be situated to efficiently support routing needs and minimize necessary time and miles, as determined by the DISTRICT;
 - b. that all buses operated under this Contract shall be subject to Chapter 392-142 WAC, Replacement and Depreciation Allocation. School buses which are not owned by the DISTRICT will meet minimum school bus specifications approved by the Washington Superintendent of Public Instruction. No individual bus older than scheduled lifetimes approved by the Washington Superintendent of Public Instruction for its purpose of funding school bus purchases, will operate at all times under this Agreement with authorized State of Washington School Bus Operation permits, Washington vehicle registration and licensing which may be in the name of the DISTRICT, and safety inspection decals affixed by the Washington State Patrol.

Therefore, the Bidder shall complete **Schedule C** of this Invitation to Submit Proposals specifying the make, model, date of manufacture, and the rated passenger capacity of each bus, including standby buses, to be used in the performance of the Contract. No DISTRICT owned school bus will be used for any purpose other than to provide service to the DISTRICT without written consent of the DISTRICT for the legal use of DISTRICT owned equipment; and

- c. any installation or modification of equipment required by a change in law or regulation or as directed by the DISTRICT shall be made by the CONTRACTOR upon written notice and prior approval as to cost by the DISTRICT. Such required installations or modifications shall be made by the CONTRACTOR, with reimbursement to be by the DISTRICT at the previously approved cost.
- d. The DISTRICT owns 8 cellular phones, 10 camera boxes, 2 video cameras, 3 video systems (camera and recorder), and 2 five point car seats. (1) All repairs and recommendations for replacements will be the responsibility of the CONTRACTOR. (2) All repair and replacement costs will be born by the DISTRICT. The repair shop will bill the DISTRICT directly. (3) If the CONTRACTOR loses the contract all DISTRICT owned equipment will be removed by the CONTRACTOR at a previously approved cost.
- e. School Bus Safety Inspection and Maintenance Program. A draft of proposed CONTRACTOR school bus safety inspection procedures and preventive maintenance program must be attached for DISTRICT review, analysis and

approval. CONTRACTOR failure to implement procedures accepted by the DISTRICT may result in cancellation of the contract at the option of the DISTRICT.

11. On-Site Management. The DISTRICT reserves the right to inspect all transportation facilities and equipment used to provide service to the DISTRICT whether owned by the DISTRICT or the CONTRACTOR, and the DISTRICT requires and CONTRACTOR agrees:

- a. to keep and make available to the DISTRICT all bus maintenance records, including driver pre-trip safety inspections, maintenance shop bus safety inspections, Washington State Patrol inspections, preventive maintenance performed, and all repairs made, and the CONTRACTOR further agrees to implement timely correction of any deficiencies reported by the DISTRICT.
- b. to keep and make available to the DISTRICT daily bus time, miles, rider counts, route maps and such other operating data necessary to enable DISTRICT to evaluate routes and to identify the basis for CONTRACTOR charges, and the CONTRACTOR agrees to make timely adjustment of changes reported by the DISTRICT;
- c. to compile data requested by the DISTRICT which include school bus operations data, such as, route maps, route descriptions, bus miles or other required data; and
- d. it shall be the responsibility of the CONTRACTOR to immediately report to the DISTRICT any accident involving the CONTRACTOR while in DISTRICT service or any serious driver incident with a student, DISTRICT staff or public. A detailed written report of each incident must be submitted to the DISTRICT as soon as possible but not later than two days after CONTRACTOR becomes aware of a reportable accident/incident.

12. Labor Management.

- a. The CONTRACTOR shall permit school buses to be operated only by trained and competent drivers who hold the proper valid licenses issued by the State of Washington. The CONTRACTOR will use every reasonable means to provide the same drivers and vehicle throughout the Contractual year for each route. Drivers employed by the CONTRACTOR shall satisfy the requirements for "School Bus Driver Certification" as directed by the Superintendent of Public Instruction. Said drivers will report all cases of student misbehavior on buses and will handle all disciplinary matters in strict accordance with DISTRICT policy. In no case will a driver eject a student from a bus for misbehavior. If there is an extreme emergency endangering the safety of other students, the driver shall stop the vehicle and radio for assistance. The CONTRACTOR shall be responsible for, and report to the DISTRICT, that each driver is physically fit and qualified under physical examination requirements prescribed by Chapter 180-20 of the Washington Administrative Code. The CONTRACTOR, at its expense, shall engage a licensed doctor to certify all school bus drivers' physical

examinations. In addition to the first aid training required for the School Bus Driver Certificate, drivers assigned to transport special education pupils shall be given special training concerning the techniques of handling such children. This instruction shall be provided prior to such assignment by the CONTRACTOR;

- b. the CONTRACTOR agrees to require all prospective employees who would have unsupervised access to DISTRICT students during the course of their employment to satisfactorily complete a fingerprinting and related background check as required by State Law. The CONTRACTOR furthermore agrees to make any offer of employment conditional and subject to the acceptable outcome of the criminal history records check. CONTRACTOR shall refuse to hire any applicant whose criminal history records check reveals a conviction for DUI, reckless driving, possession or use of a controlled substance, child abuse, sexual assault, or any violent crime.

The CONTRACTOR also agrees to inform all applicants in writing at the time of their applying for work that would involve unsupervised access to DISTRICT children that a national and state background check will be required;

- c. for the purposes 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 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. CONTRACTOR must ensure that drivers are qualified and fit for duty. The responsibility for hiring and discharging personnel in respect to all of the foregoing shall rest entirely upon the CONTRACTOR;
- d. the DISTRICT will require that Labor Management Policies, acceptable to the DISTRICT, be adopted and implemented by the CONTRACTOR. A draft of the proposed CONTRACTOR policies (**Schedule E**) must be attached to the proposal for DISTRICT review and approval. All approved CONTRACTOR policies will be incorporated by reference into the Agreement. Failure of the CONTRACTOR to implement policies accepted by the DISTRICT may result in cancellation of the Agreement at the option of the DISTRICT. CONTRACTORS policies must address of the following issues;
 - 1) nondiscrimination and equal employment opportunity;
 - 2) requirements and qualifications for school bus drivers and aides;
 - 3) recruitment, screening and background investigations of applicants for school bus driver and bus aide employment;
 - 4) school bus driver and bus aide training;

- 5) school bus driver and bus aide performance evaluation;
 - 6) qualifications of personnel authorized to perform school bus safety inspections;
 - 7) drug policy;
- e. In order to provide continuity of service, The CONTRACTOR will give first hiring preference to the current CONTRACTOR drivers and will offer wages at a rate no less than last received, provided, those drivers continue to hold all required licenses and certification and that they meet all of the CONTRACTOR'S standard nondiscriminatory employment requirements and background checks. A break-out of the current salary schedule is included under Section III.
13. Safety Program. The CONTRACTOR'S school bus driver safety and training program shall be submitted to the DISTRICT with their Proposal. A certified driver supervisor shall ride with every driver at least once each semester for the purpose of evaluating their driving practices with respect to safety, mechanical operation, and conformance with applicable laws, rules, and regulations, including adherence to published time schedules, and render a written evaluation of each performance on a CONTRACTOR provided form developed specifically for this purpose.
14. Hold Harmless Requirement. In addition to the insurance requirements included as part of the specifications, the CONTRACTOR shall also defend, indemnify, and hold harmless the DISTRICT from and against any and all claims, suits, judgements and demands whatsoever, including without limitation costs, litigation expenses, counsel fees and liabilities with respect to injury to, or death of, any person or persons whatsoever, or damage to property of any kind by whomsoever owned, arising out of caused or claimed to have been caused in whole or in part by the acts or omissions of the CONTRACTOR, any subcontractor, or any other person directly or indirectly employed by them or any of them, while engaged in the performance of the work or any activity associated therewith or related thereto.
15. Unscheduled Closing of Schools: Whenever (a) inclement weather or impassability of roads occurs, (b) school is canceled or delayed, (c) the school day is scheduled for other than regular start or end times, or (d) school is dismissed early for any reason, District shall notify Operator not later than 6:00 a.m. on the day of such cancellation or delay or not later than two (2) hours before early dismissal or the cancellation of Supplemental Transportation. If District does not notify Operator by 6:00 a.m., District shall pay Operator the agreed upon cancellation rate.

16. Force Majeure. The DISTRICT:

- a. agrees that the CONTRACTOR may be excused from performance under this Agreement during the time and to the extent that the CONTRACTOR is prevented from obtaining or performing service by Act of God, fire, flood, strike, commandeering of equipment, material or transportation facilities by the government, or other occurrences or circumstances which are beyond the control of the CONTRACTOR, when sufficient evidence thereof is presented to the DISTRICT, provided that it is satisfactorily established that non-performance is not due to the fault of the CONTRACTOR; and,
- b. reserves the right but is not required to assume operation of such buses that the CONTRACTOR is prevented from running with such school district employees or other persons as the DISTRICT may deem appropriate until the CONTRACTOR can resume operations. In this event, the CONTRACTOR agrees to keep all buses serviced and fueled for the DISTRICT'S use at all times, and the DISTRICT agrees to pay the CONTRACTOR the same payment rate for buses used as if the CONTRACTOR had operated the buses, less expenses and costs incurred by the DISTRICT in securing and using the services of said operating personnel, provided that if the DISTRICT does not operate buses the DISTRICT is not obligated to payment.

17. District Option to Purchase Contractor Owned School Buses. The CONTRACTOR grants to the DISTRICT an option to purchase all CONTRACTOR owned school buses used to provide services to the DISTRICT under this Agreement, terms and conditions as follows:

- a. the DISTRICT may exercise the option to purchase CONTRACTOR owned buses by providing 90 days notice to the CONTRACTOR of DISTRICT intent to purchase CONTRACTOR buses;
- b. the DISTRICT and the CONTRACTOR agree to determine purchase prices by a panel of three qualified persons, one person selected by the DISTRICT, one person selected by the CONTRACTOR, and the two panel members selecting the third panel member, with the DISTRICT and CONTRACTOR sharing equally the costs of the third panel member. Purchase prices are to be determined by majority agreement of the panel members, with resulting values binding on the DISTRICT and the CONTRACTOR; and
- c. in the event of the cancellation of the contract by either party, the DISTRICT shall have the option to acquire from the CONTRACTOR, or a wholly owned subsidiary of CONTRACTOR, the buses then in use by CONTRACTOR under the contract or at CONTRACTOR'S option, buses substantially similar thereto, to provide the service hereunder on one of the following bases at a price agreed to as stated in article 18, b; above:
 - A) Outright purchase of the buses.

B) Purchase the buses on a conditional sales contract over a period of three years.

C) Lease the buses over a period of five years.

CONTRACTOR may exercise its right to substitute similar buses only in the event the buses then in use are encumbered by third party lenders or leaseholder of the buses. Should the DISTRICT elect to extend its lease, or alternatively, to lease the buses with options to purchase, the appraisers shall additionally determine the fair market value of said lease payments and/or option price.

It is understood and agreed that the DISTRICT shall have the option to acquire all of the CONTRACTOR'S buses on any of the above bases or on a combination of (B) and (C), whichever is deemed to be the best advantage of the DISTRICT. It is further understood and agreed that interest rates payable by the cooperative on Options (B) and (C) above shall be a) two (2) points over the existing prime rate quoted by the Bank of New York, New York or b) the existing statutory limit, whichever is less.

18. Use of District Facilities, Equipment and Buses. The DISTRICT agrees to lease to the CONTRACTOR, and the CONTRACTOR agrees to lease from the DISTRICT, transportation facilities, equipment and buses.

A. A definitive lease agreement will be executed covering each of the following items:

- 1) parking for 9 school buses and 1 support vehicle;
 - 2) parking for 12 CONTRACTOR employees;
 - 3) office space for 1 office person including a lounge/meeting room area with capacity for 20 people;
 - 4) other equipment, furniture and fixtures as listed in **Schedule A**;
 - 5) buses listed in **Schedule B**.
-

B. The DISTRICT agrees to lease to the CONTRACTOR, and the CONTRACTOR agrees to lease from the DISTRICT, district owned facilities and equipment listed in **Schedule A** for total annual consideration of \$600.00 subject to the following conditions:

- 1) the DISTRICT will provide insurance for fire, theft, collision and other loss to DISTRICT owned property,

- 2) the DISTRICT will repair district owned grounds and buildings when any required repair is unrelated to use by the CONTRACTOR, as determined by the DISTRICT;
 - 3) the CONTRACTOR agrees to pay costs of all utilities and telephone required for transportation operations situated at transportation facilities;
 - 4) the CONTRACTOR will maintain district owned equipment on the same schedule and in the same manner as CONTRACTOR owned equipment, repair district owned equipment which is broken or damaged related to use by the CONTRACTOR, whether due to negligence or not, and repair parts and components due to normal wear and tear, except: the DISTRICT may waive the CONTRACTOR obligation to repair equipment on showing by the CONTRACTOR that repair is imprudent considering the age and condition of the equipment;
 - 5) the CONTRACTOR will maintain district grounds and buildings in the same condition as existed at the inception of this Agreement, to include routine maintenance, painting, and repair of damage related in any way to use by the CONTRACTOR, whether due to negligence or not, excepting normal wear and tear as determined by the DISTRICT; and
- C. The DISTRICT agrees to lease to the CONTRACTOR, and the CONTRACTOR agrees to lease from the DISTRICT, district owned school buses listed in **Schedule B** for total annual consideration of \$3,500.00, subject to the following conditions:
- 1) the CONTRACTOR will provide insurance for fire, theft, collision or other loss to DISTRICT owned school buses;
 - 2) the CONTRACTOR will maintain district owned buses on the same schedule and in the same manner as contractor owned buses, repair district owned buses which sustain damage related to use by the CONTRACTOR, whether due to negligence or not, and repair parts and components due to normal wear and tear, except: the CONTRACTOR will not be obligated to repair any district owned bus which exceeds the scheduled life of the bus as established by the Superintendent of Public Instruction; and,
19. Compensation for Services and Adjustments. The DISTRICT and the CONTRACTOR agree:
- a. that the CONTRACTOR will submit to the DISTRICT, no later than the tenth of each month, invoice for services provided during the preceding month, in such form as required by the DISTRICT;
 - b. that the CONTRACTOR will measure billing time for all scheduled route services from no earlier than ten minutes before departure time from the bus parking site to no later than five minutes after return to the bus parking site, and exclude time in between when the bus driver is not operating the bus or in standby approved by the DISTRICT;

- c. charges for basic service to and from school for regular riders shall be on a per bus, per hour-day basis. Time charges for this service shall be computed to the nearest 1/10th hour in increments of six (6) minutes;
- d. that the CONTRACTOR will bill for services using rates adopted by this Agreement, adjusted as follows:
 - i) It is recognized by the parties hereto that: (1) certain of the CONTRACTOR'S operational expenses such as the cost of materials, services, and labor may change materially, up or down, during the Contract period; (2) that such changes in cost cannot be determined in advance; (3) that without a realistic escalation provision in the Contract, the parties must of necessity agree on a rate high enough to compensate for possible, yet unknown added costs to cover the entire term of the Contract; (4) that if an escalation provision which is fair and just to both the CONTRACTOR and the DISTRICT, is included in a Contract, cost projections and proposals can be more accurate and the corresponding rate the DISTRICT would pay will be lower than it otherwise would be.
 - ii) It is therefore agreed by both parties that the compensation for the services described herein will be adjusted for the second, third, fourth, and fifth years up or down to coincide with the average annual change in the Consumer Price Index, United States City Average for Urban Wage Earners and Clerical Workers (or if that CPI is not available, the CPI for All Urban Consumers shall be used), published by the U.S. Department of Labor, and such adjustment to be computed annually based upon the Consumer Price Index as reported the previous 12 month period ending December 31 on a 100 percentage basis to apply on the Contract rates for the ensuing school fiscal year (effective September 1).

Following is a hypothetical sample calculation from the Consumer Price Index:

December 2007	153.5
December 2006	<u>149.7</u>
Difference	3.8

Percent change: $3.8 \div 149.7 = 2.54\%$

- iii) By May 15, in the event of any unusual circumstances, such as but not limited to changes in local, state, or federal taxes, laws, specifications, or regulations or changes in the cost of buses, materials, labor, interest rates, or insurance which cause the CONTRACTOR'S costs hereunder to increase at a rate in excess of the Consumer Price Index, then the parties shall determine a reasonable and just amount to cover such increase, and this amount shall be reflected into the aforementioned compensation rates.

In the event that District fails to make a payment on any sums due hereunder, and such sums remain unpaid for 31 days following receipt of the invoice by District, Operator shall be entitled to: a) charge interest on unpaid amounts at the rate of 1.5% per month or the maximum allowable statutory amount; and/or b) terminate service under this Agreement until all amounts due have been paid in full. In the event of repeated delinquency by District, Operator shall have the right to request a deposit or payment bond from District before resuming service. Operator shall be entitled to, without limitation, court costs, litigation expenses and attorneys' fees incurred in any attempt to collect unpaid amounts due under this Agreement.

IN CONSIDERATION of the performance on the part of the CONTRACTOR of the terms of this agreement, the DISTRICT agrees to pay the CONTRACTOR the following sums for the transportation services rendered for:

65. Basic and Special Education Service Rate Schedule for Regular To and From School Pupil Transportation:

Passenger Size of Vehicle	Minimum Daily Hours of Operation and Rate for First 3 Hours of Operation		Hourly Rate Over 3 Hours
	Contractor Bus	District Leased Bus	
Van Lift	3	3	38.73
65-84	3	3	38.73

B. School Day Excess Hour Rate for all other transportation services (shuttles, mid-day kindergarten, late take home, field trips and extracurricular trips)

Passenger Size of Vehicle	Dollars/First Hour (Min. Call-out)	Dollars/Additional Hour
Van Lift		
65-84	40.40	43.04

C. Nonschool Day Excess Rate for all other transportation services

Passenger Size of Vehicle	Dollars/First Hour (Min. Call-out)	Dollars/Additional Hour
Van Lift		
65-84	40.40	43.04

20. Fuel Cap (Fully loaded rate)

Request For Proposal

The CONTRACTOR will be responsible for the purchase of all fuel for buses used in providing pupil transportation services for the DISTRICT. The fuel vendor must be approved by the district. Such Fuel will be subject to a fuel cap as outlined herein.

Unleaded and Diesel \$3.50

If the purchase price of any fuel used exceeds the price identified as its cap, the DISTRICT shall, on a dollar-for-dollar basis, reimburse the CONTRACTOR the actual amount in excess of the cap. If the purchase price of any fuel used falls below the price identified as its cap, the CONTRACTOR shall reimburse the DISTRICT on a dollar-for-dollar basis the actual amount under the cap. These adjustments should be reflected on the monthly invoices. Said fuel caps shall be subject to any escalation applied to the basic daily rate either up or down as formulated by the Consumer Price Index, as describe elsewhere herein.

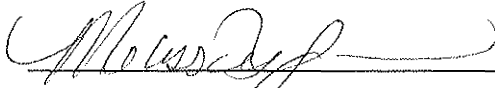
In the event that any statement amount is disputed by District, District shall deliver written notice specifying the disputed amount to Operator within 5 days of receipt of the statement by District. In the absence of District timely providing said written notice, District waives any right to dispute said statement in the future.

Either party may terminate this agreement for convenience upon not less than 30 days prior written notice to the non-terminating party.

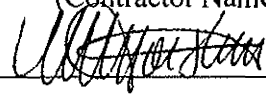
IN WITNESS WHEREOF, ADNA SCHOOL DISTRICT NO. 226, and
First Student, Inc. _____, enter into this agreement on this
1st day of September, 2017, at Adna, WA.

Adna School District No. 226

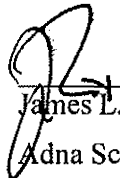
First Student, Inc.



Jennifer Collins, Chairman,
Melissa Ryan
Adna School District Board of Directors

(Contractor Name)


(Title and Authorized Signature)
Sr. Vice President



James L. Forrest, Secretary
Adna School District Board of Directors

Superintendent

(Title and Authorized Signature)

SECTION III
Supplemental Information

PUPIL TRANSPORTATION SERVICE
ESTABLISHED ROUTES AS OF DECEMBER 2016

Regular Daily Routes

The number of daily miles, number and type of vehicles, number of routes specified and program requirements specified in the “SERVICE REQUIREMENTS” represent the District’s current estimates of service requirements for the 2015/2016 school year. These figures represent estimates only, and that said numbers, mileage, routes and number of vehicles may change during the life of the contract. The successful proposer agrees to adjust its services if requested to do so by the District. The successful proposer agrees to add routes, eliminate routes, or both from service, upon request by the District.

*Hours and miles also include noon routes

Route Number	Bus Size	Average Daily Miles	Average Daily Hours
1	72	62	3.7
2	72	28	3.2
3	72	58	4.0
4	72	48	3.4
5	72	26	3.0
7	72	40	3.1
Mid-day routes – If Provided			
K-1			
K-2			
EL			

(Make additional copies of this page as necessary.)

Supplemental Information – Continued

Driver Wage Scale

<u>Steps</u>	<u>Rate Per Hour 2012-16</u>
Step 1	\$12.00
Step 2	\$12.75
Step 3	\$13.50
Step 4	\$14.25
Step 5	\$15.00
Step 6	\$15.35
Step 7	\$15.70
Step 8	\$16.05
Step 9	\$17.30

Driver Benefits

The following benefits apply to all regular and standby drivers after 90 days of employment:

Paid Holidays

Six (6) paid holidays.

Paid Sick Leave

One (1) day per month for each month worked. Maximum accrual is 45 days.

Bereavement Leave

Up to three (3) paid days.

Summer Unemployment Compensation

Drivers are entitled to state unemployment compensation during the months they do not work. The amount of compensation varies depending on the number of hours worked per week by the employee. The value of this benefit could be as high as \$2,000 per year.

Medical Insurance

Union medical plan. The Company, effective September 2006, will contribute up to \$150.00 per month per employee for medical coverage.

Social Security Retirement

contractor pays 6.2% of all employees' wages into Social Security, with an equal amount contributed by the employee.

Social Security Medicare

contractor pays 1.45% of all employee wages for Medicare coverage, with an equal contribution by the employee.

Other

Safety jackets, Year pins, Company holiday parties.

**SECTION IV
SCHEDULE A**

**ADNA SCHOOL DISTRICT
PUPIL TRANSPORTATION - OTHER EQUIPMENT FORM**

The following DISTRICT owned property is provided for lease to the CONTRACTOR per Section 20B.

ITEM DESCRIPTION:

1. None _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____

(Make additional copies of this page as necessary.)

SCHEDULE B

**ADNA SCHOOL DISTRICT
PUPIL TRANSPORTATION - BUS EQUIPMENT FORM**

The following DISTRICT owned vehicles are provided, per Section 20C, for lease or purchase by the CONTRACTOR.

No. of Vehicles	Current Odometer Reading as of <u>3/23/12</u> (Date)	Year of Chassis	Make of Chassis	Make of Body	Capacity Rating
912496	167861	96	INT'L	AMTRN	66
34304	219971	90	INT'L	WARD	65
934929	180516	99	INT'L	AMTRAN	72
000004	119307	05	INT'L	CE 300	72
000005	63161	12	BLUEB	BLUEB	72

(Make additional copies of this page as necessary.)

Total Number of Vehicles: 5 at this time.

SCHEDULED

A. Adna Home to School

(To Be Completed by CONTRACTOR)

Contractor Proposed Prices

For September 1, 2017 to August 1, 2018.

A. Basic and Special Education Service Rate Schedule for Regular To and From School Pupil Transportation:

Passenger Size of Vehicle	Minimum Daily Hours of Operation and Rate for First 3 Hours of Operation		Hourly Rate over 3 Hours
	Contractor Bus	District Leased Bus	
Van (Lift)	\$ 309.89	\$ 309.89	\$ 39.89
Van (w/o Lift)	\$ 309.89	\$ 309.89	\$ 39.89
65-84	\$ 291.19	\$ 291.19	\$ 39.89

B. School Day Excess Hour Rate for all other transportation services (shuttle, mid-day kindergarten, late take home, field trips and extracurricular trips)

Passenger Size of Vehicle	Dollars/First Hour (2 hour Min. Call-Out)	Dollars/Additional Hour
40-50	44.33	44.33
65-84	44.33	44.33
Lift Bus	44.33	44.33

C. Nonschool Day Excess Rate for all other transportation services

Passenger Size of Vehicle	Dollars/First Hour (Minimum Call-Out)	Dollars/Additional Hour
41-47	44.33	44.33
65-84	44.33	44.33
Lift Bus	44.33	44.33

The above rates are based on a minimum of 7 daily routes.

Each route less than 7, Per Bus Per Day \$ 209.18

Escalation for Years 2 - 5 will be CPI or 2%, whichever is greater.

Ben M. Area General Manager
Authorized Signature & Title

7/10/17
Date

SCHEDULE C

(TO BE COMPLETED BY CONTRACTOR)

CONTRACTOR PROPOSED BUS FLEET

The following vehicles shall be used by the undersigned in fulfilling the service requirements in the Agreement, including standby/spare vehicles:

No. of Vehicles	Specify if Contractor or District Provided ¹	Year of Chassis	Make of Chassis	Make of Body	Capacity Rating
2	Contractor	2015	Thomas	Thomas	72
1	Contractor	2013	Freightliner	Thomas	72
1	Contractor	2007	International	International	71
1	Contractor	2010	Collins	Collins	20
1	District	1990	International	International	65
1	District	1996	International	International	66
1	District	2005	Bluebird	Bluebird	72
1	District	2012	Bluebird	Bluebird	72
1	District	2011	Bluebird	Bluebird	72

(Make additional copies of this page as necessary.)

Total Number of Vehicles: 10

¹ District provided vehicles are those vehicles that are currently owned by the District per Schedule B that the Contractor proposes continuing to use according to the provisions of 18.b and/or 18.c.

B. M. [Signature] Area General Manager
Authorized Signature & Title

7/10/17
Date

SCHEDULE G
(To Be Completed by CONTRACTOR)
PERFORMANCE BOND COST

Annual amount of reimbursement to the DISTRICT if the performance bond requirements are waived: \$ 1,500.00 .

SCHOOL BUS TRANSPORTATION SERVICES AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____ 201_, by and between _____, with principal offices at _____, (hereinafter called "District"), and First Student, Inc., with its national headquarters at 600 Vine Street, Suite 1400, Cincinnati, Ohio 45202-5755 and local business offices for purposes of this Agreement located at _____ (hereinafter called "Contractor").

WITNESSETH

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

WHEREAS, Contractor desires to provide such transportation services,

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

SECTION 1: TERM

1.1 The term of this Agreement shall commence on November __ , 2017 and shall continue through August 31, 2022.

SECTION 2: SCOPE OF SERVICES REQUIRED

2.1 Contractor shall, during the term of this Agreement, supply and maintain such school buses (in quantity and capacity) and personnel as are required to fulfill District's needs for transportation services as described in the Bid Specifications and Contractor's Proposal. In the event of a conflict between these documents and the provisions of this Agreement, this Agreement will control. Otherwise, the terms of the Bid Specifications and Contractor's Proposal shall govern the parties' relationship, in the following order of precedence: (1) Contractor's Proposal and (2) the Bid Specifications.

2.2 District and Contractor will consult on a regular basis concerning the Transportation requirements of District. In the event of increases or decreases in the number of students requiring Transportation, or in routes or schedules, the number of buses and the number of spare buses will be adjusted accordingly. District may increase or decrease services to be provided by Contractor under this RFP ("Schedule Readjustments"). However, where Schedule Readjustments impact by 5% or more the service levels or equipment levels required of Contractor under the assumed

routes, schedules, days of service, hours or miles, or vehicle requirements contained in this RFP, Contractor shall be permitted to adjust rates commensurately to cover increases or decreases in cost structure associated with such changes by District.

- 2.3 In the event Contractor agrees to any Schedule Readjustments, Contractor shall be afforded a period of thirty (30) days following implementation of such changes during which time no liquidated damages may be assessed with respect to scheduled drop-off times or availability of buses on routes, while Contractor makes operational adjustments to meet School District requirements.
- 2.4 District represents, warrants and covenants that from and after the effective date of this Agreement, District will use Contractor as District's sole and exclusive provider for all of District's home-to-school and Charter Transportation at rates [agreeable by the parties OR as set forth in Exhibit ___]. "Charter Transportation" shall mean the outsourced transportation of any and all persons to be transported for field trips, excursions, extracurricular, athletic, creative or academic activities, or any similar purpose.
- 2.5 District must notify Contractor in writing within forty-eight (48) hours of an incident its intent to assess liquidated damages. Contractor shall have thirty (30) days following such notice to cure the incident prior to the assessment of liquidated damages. District must bill Contractor for such liquidated damage within sixty (60) days of the incident if the violation has not been remedied. Failure to either timely notify or bill Contractor shall relieve Contractor of its obligation to pay liquidated damages for the particular incident.

SECTION 3: COMPENSATION AND BILLING

- 3.1 In consideration for services rendered hereunder, District shall pay to Contractor all undisputed sums due and owing in accordance with the rates set forth in Exhibit ___, as may be adjusted from time to time as provided herein.

Contractor will submit to District a monthly statement of its services rendered during the prior month no later than the 10th of the month. After verification of the statement, District shall pay the full amount due to Contractor on or before 31 days following the date on which the statement has been submitted.

In the event that District fails to make a payment on any sums due hereunder, and such sums remain unpaid for 31 days following receipt of the invoice by District, Contractor shall be entitled to: a) charge interest on unpaid amounts at the rate of 1.5% per month or the maximum statutory amount, whichever is greater; and/or b) terminate service under this Agreement until all amounts due have been paid in full. In the event of repeated delinquency by District, Contractor shall have the right to request a deposit or payment bond from District before resuming service. Contractor

shall be entitled to, without limitation, court costs, litigation expenses and attorneys' fees incurred in any attempt to collect unpaid amounts due under this Agreement.

In the event that any statement amount is disputed by District, District shall deliver written notice specifying the disputed amount to Contractor within 5 days of receipt of the statement by District. In the absence of District timely providing said written notice, District waives any right to dispute said statement in the future. District shall pay all amounts not disputed to Contractor within 30 days following the date on which the statement has been submitted.

SECTION 4: ESCALATION

- 4.1 District and Contractor recognize that certain of Contractor's costs are subject to change during the term of this Agreement. As such, District and Contractor have negotiated escalation amounts set forth in Exhibit ___.
- 4.2 In the event of unusual circumstances, such as changes in state or federal taxes, laws or specifications (to include but not be limited to any requirements that seat belts be installed in vehicles), increased insurance or surety premiums or any other condition which causes any of Contractor's operating costs hereunder to increase at a rate in excess of any negotiated escalation, then the parties shall determine a reasonable and just amount to cover such increase, and rates of Contractor compensation set forth in Exhibit A shall be adjusted to reflect such increase.
- 4.3 In the event of a driver shortage, Contractor shall be permitted to pass through the cost of incremental labor and travel and expense costs. A driver shortage shall mean less than 90% of the drivers needed meet the District's service requirements.

SECTION 5: FUEL (Not Applicable)

- 5.1 Contractor shall purchase at its own cost, [including/excluding taxes], all fuel required for the operation of buses hereunder. Fuel prices are assumed at \$ ____ per gallon. Should Contractor's cost of fuel exceed \$ ___ per gallon [including/excluding taxes], District will reimburse Contractor the excess cost. Contractor will provide documentation substantiating its fuel costs upon written request of District.

SECTION 6: ROUTES AND SCHEDULES

- 6.1 Contractor shall be primarily responsible for planning all routes, stops and schedules. Contractor shall furnish District a complete route map on or before the first day of enrollment of each school year.

- 6.2 District shall furnish Contractor with a list of student names and addresses not later than 30 days prior to the start of each school year, from which Contractor will construct a complete route map on or before the first day of enrollment of each school year. Contractor shall use the route information provided by District to calculate the approximate time of pick up and drop off for each stop. Contractor shall then provide a list of such times to District. District shall inform parents and families of these times.
- 6.3 District reserves the right to establish the routes and schedules to be followed and to make changes therein from time to time. District shall notify Contractor whenever changes are necessary in routes or time schedules, and Contractor shall make a reasonable effort to adjust its operations to incorporate such changes within five (5) business days after notice is received from District. District shall waive its right to assess any liquidated damage or penalty in accordance with Section 2.3. In the event District changes routes or schedules once service has begun or been published, District will assist in republication of changes or other notification to those patrons whose service has been changed. Contractor shall consult with District as to stops or portions of routes that Contractor considers to be a safety concern due to traffic patterns or configurations. In the event any stop or portion of a route remains unchanged by District after such discussions, and Contractor believes such stop or route presents an unacceptable safety risk to Contractor's property or students, Contractor may reject the stop or route portion and provide District with alternative designations by written notice.

SECTION 7: RECORDS AND REPORTS

- 7.1 Contractor shall provide within 30 business days of any request, those reports and records which may be reasonably requested by District pertaining to students, routes, stops, mileage audits and other information having to do with daily operations. In reviewing Contractor's records, District shall protect the confidentiality of Contractor's proprietary or confidential information included in the data provided.
- 7.2 Contractor shall maintain such records and submit such reports, as are deemed necessary by District and as negotiated between Contractor and District from time to time. All reports required by District shall be submitted on forms mutually agreed upon by both parties. Contractor will not be responsible for filing on behalf of District any state or regulatory reports concerning ridership or reimbursement.
- 7.3 Contractor shall immediately notify the Superintendent of Schools, or his or her designated representative, by telephone and confirmed as soon as practicable in writing, of the occurrence of any incident involving student riders, or an accident reportable by law that involves a vehicle with passengers that is being used to provide transportation services pursuant to this Agreement. Written notification shall contain a full and complete statement of all relative facts including police case number when available.

SECTION 8: INDEMNIFICATION

- 8.1 Contractor agrees to indemnify, hold harmless and defend District, its governing board, officers, employees and agents from and against every claim or demand which may be made by any person, firm, or corporation, or any other entity arising from or caused by Contractor's gross negligence 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, student-upon-student violence; routing; or Contractor's good faith adherence to District's policies, procedures or directives.

SECTION 9: INSURANCE

- 9.1 Contractor shall, at its expense, procure and keep in force during the entire term of this Agreement for claims arising under this Agreement, General Liability and Automobile Liability Insurance to protect Contractor, its drivers and other personnel. Contractor shall provide General Liability limits of not less than \$15,000,000.00 each occurrence and aggregate bodily injury and property damage and \$15,000,000.00 Personal Injury each occurrence and aggregate; Automobile Liability limits of not less than \$15,000,000.00 combined single limit for bodily injury and damage to property for all owned, hired and non-owned autos; Upon request, Contractor agrees to provide to District a certificate of insurance evidencing such coverage and designating District as an additional insured as its interest may appear for both the General and Automobile Liability programs, such certificate to be provided by July 1st of each Contract Year, or on renewal of such policies. All insurance policies shall provide that no coverage shall be canceled except by thirty (30) days' written notice to Contractor and District. Insurer shall maintain a minimum A.M. Best's & Company rating of A or Contractor shall obtain insurance from a company mutually agreed upon between Contractor and District. Upon request, Contractor shall provide District with a certificate of insurance as evidence of having statutory workers' compensation coverage at levels and in forms required by the laws in which Contractor shall operate for this Agreement.
- 9.2 District will, at its own expense, procure and keep in force general liability insurance as is customary in the business and at limits of not less than \$2,000,000.00.

SECTION 10: FORCE MAJEURE

- 10.1 In the event Contractor is unable to provide the transportation services as specified in this Agreement because of any act of God, civil disturbance, fire, riot, war, terrorism, picketing, strike, labor dispute, labor shortages, governmental action or any other condition or cause beyond Contractor's control, District shall excuse Contractor from performance under this Agreement.

SECTION 11: SCHOOL CLOSINGS OR CHANGES IN SCHEDULE

- 11.1 Whenever (a) inclement weather or impassability of roads occurs, (b) school is canceled or delayed, (c) the school day is scheduled for other than regular start or end times, or (d) school is dismissed early for any reason, District shall notify Contractor not later than 5:30 a.m. on the day of such cancellation or delay or not later than two (2) hours before early dismissal or the cancellation of Supplemental Transportation. District shall pay Contractor the full daily rate per bus for days when District fails to notify Contractor by 5:30 a.m. of school cancellation.
- 11.2 Notwithstanding the foregoing, in the event of circumstances in the operation of any school which necessitate early dismissal for student health or safety reasons, the Contractor and District shall cooperate to facilitate orderly transportation of students in the most efficient manner possible in light of the circumstances presented.

SECTION 12: SAFETY PROGRAM

- 12.1 Contractor shall be responsible for implementing, maintaining, and reviewing annually a comprehensive pupil transportation safety program.
- 12.2 Contractor's employees shall not be required to perform any medical functions for passengers, including but not limited to administering EpiPen.

SECTION 13: MANAGEMENT PERSONNEL

- 13.1 Contractor shall employ management personnel who shall be responsible for the efficient operation of the transportation services furnished hereunder and who shall be Contractor's liaison to District. Contractor will designate a crisis management contact person for emergency contact with District. Prior to the start of the school year, Contractor shall inform District of the name(s), contact telephone number(s) and address(es) of such management personnel.
- 13.2 District shall employ management personnel who shall be responsible for coordination of the student transportation requirements of District to be furnished under this Agreement and who shall be District's liaison to Contractor. District will designate a crisis management contact person for emergency contact with Contractor. Prior to the start of the school year, District shall inform Contractor of the name(s), contact telephone number(s) and address(es) of such management personnel.

SECTION 14: OPERATIONS PERSONNEL/DRIVERS

- 14.1 Contractor shall employ a sufficient number of qualified drivers and support personnel to assure District of continuous, reliable, safe, and on time service.
- 14.2 Contractor shall take reasonable steps to prevent its employees from exposing any pupil to impropriety of word or conduct. Contractor shall not knowingly permit its

drivers to smoke on the bus, to drink any intoxicating beverage, or to be under the influence of drugs or alcohol while operating any bus.

- 14.3 Contractor shall be responsible for hiring and discharging personnel employed by Contractor to perform its obligations hereunder. However, District shall have the right to request Contractor to remove from service to District any employee who, in District's sole discretion, is deemed unsuitable for the performance of transportation services for District; provided that District shall make such request in writing, state the reasons therefore and include any supporting documentation, and provided further that such request does not violate applicable local, state or federal laws, rules or regulations. Unless prohibited by law, District shall indemnify, defend, and hold Contractor harmless from and against all claims, expenses, or liabilities by or to a removed Contractor employee arising from the removal of that employee based on the District's request.
- 14.4 Contractor shall provide qualified driver/trainers and qualified drivers, trained and licensed in accordance applicable laws and the rules and regulations of District. Not less than sixty (60) days prior to the start of any school year, District shall advise Contractor of District's requirements for training or qualification for drivers or driver/trainers. Contractor will, to the extent such requirements do not conflict with state or federal laws, implement such requirements into its hiring and training programs for drivers servicing District's students. Contractor agrees that each driver shall:
- 14.4.1 Possess a valid license or permit issued by this State authorizing such person to operate a school bus.
 - 14.4.2 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. The physical examination shall be conducted prior to employment and periodically thereafter.
 - 14.4.3 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.
 - 14.4.4 Prior to employment and from time-to-time thereafter, to the extent permitted by law, undergo such tests as may reveal, within a reasonable degree of medical or scientific certainty, the presence or absence of drugs or controlled substances in the body and such tests as may clinically reveal alcoholism or alcohol abuse. Negative findings for such tests shall be a condition of employment.
 - 14.4.5 Meet any other criteria required by law or by District's policies, rules or regulations.

SECTION 15: TRAINING REQUIREMENTS

- 15.1 Contractor shall provide thorough instruction to drivers in compliance with state and federal safety and operations guidelines and regulations. The District shall have the right to review course content.
- 15.2 Prior to the start of the school year, Contractor will provide time at one of its driver orientation sessions so that District administrators may address drivers assigned to work under this Agreement on matters relating to the expectations for student conduct and to familiarize drivers with members of the school administration. Such orientation will be at a time and place mutually agreed upon by Contractor and District. District may not distribute materials to drivers without Contractor approval.

SECTION 16: EQUIPMENT

- 16.1 All school buses supplied by Contractor in performance of this Agreement shall meet or exceed the standards established by the applicable laws and regulations. Contractor shall maintain the school buses used to provide transportation services under this Agreement in accordance with law and accepted industry maintenance standards.
- 16.2 The prices included with this Agreement do not include modifications to vehicles if seat belts or GPS or other equipment (collectively, "equipment") were included in the equipment provided for students under this Agreement. If District or any government agency shall at some time in the future mandate that Contractor provide GPS or seat belts for use in vehicles, the parties shall negotiate in good faith alternative pricing and availability of vehicles to service District under this Agreement. In the event that District or any governmental agency imposes equipment requirements other than those set forth above on Contractor's vehicles during the term of this Agreement, which are specific requirements for the operation of this Agreement or immediate installation is required for continuing operation of the vehicles, Contractor and District in good faith shall negotiate price increases applicable to such equipment requirement. If the parties do not reach agreement regarding applicable price increases, either party may terminate this contract upon not less than 60 days prior written notice to the other party.
- 16.3 Contractor agrees that all vehicles shall be equipped with two-way radios. Contractor agrees to perform an inspection of all radios prior to the start of the school year to ensure proper performance.
- 16.4 District may direct Contractor to perform additional tasks under this Agreement. Contractor may perform such assignments in accordance with an agreed upon schedule and level of effort. Labor costs associated with such assignments shall be invoiced to District at a cost of \$_____ per hour regular time and \$_____ per

hour for overtime. Parts and supplies and any services performed by other than Contractor shall be invoiced to District [at cost/plus markup].

SECTION 17: PUPIL DISCIPLINE/VANDALISM

- 17.1 The ultimate responsibility and authority to suspend or expel any pupil from transportation services hereunder shall rest with District. Contractor's drivers are responsible only for such discipline as is required to properly and safely 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 pupil from a bus for misbehavior except in the event of an extreme emergency endangering the safety of other pupils or driver and then only after radio notice to Contractor's terminal and to the pupil's building or school principal. In all cases of disciplinary ejection, the bus shall remain at the approximate area of student discharge until authorities arrive on site and authorize it to proceed on route. All discipline problems shall be reported in writing by the next school day following completion of the route. The District and Contractor will, in the event Contractor determines that a pupil poses a danger to himself/herself or other passengers, cooperate to provide a safe transportation environment prior to Contractor being required to transport such pupil. Further procedures and regulations for the administration of discipline shall be established cooperatively between District and Contractor.
- 17.2 Vandalism, damage to Contractor's equipment or facilities shall be the responsibility of Contractor. District shall give Contractor reasonable assistance in obtaining restitution for damaged equipment or facilities where damage is determined to be caused by District students or personnel. Contractor may, with the written concurrence by District, refuse to provide a pupil with transportation services until vandalism damages caused by such pupil are paid.

SECTION 18: ASSIGNMENT

- 18.1 This Agreement shall not be assigned by the parties hereto, without the written consent of District, which consent shall not be unreasonably withheld or delayed. However, Contractor may assign this Agreement if the assignment is made to a parent, subsidiary, related or affiliated company.

SECTION 19: TERMINATION

- 19.1 If either party violates any of the covenants or duties imposed upon it by this Agreement, such violation shall entitle the other party to terminate this Agreement in accordance with the following procedure: The non-defaulting party shall give the offending party thirty (30) days' written notice of default and the opportunity to remedy the violation or take steps to remedy the violation. If at the end of such 30-day default notice period, the party notified has not remedied the purported violation or taken steps to do so, the non-defaulting party may terminate this Agreement as follows: within ten (10) business days following the last day of the 30-day default

notice period, the non-defaulting party shall give the defaulting party not less than (fifteen) 15 business days' notice of termination. If the non-defaulting party does not provide the notice of termination within ten (10) business days, the default notice shall be deemed rescinded.

19.2 District has the ability to cancel this Agreement effective at the end of any Contract Year on the failure of the state legislature or other applicable governmental entity to provide adequate funding to allow District to provide transportation services to students within District. In the event District shall elect to terminate this Agreement due to state legislative funding deficiencies, District shall give written notice to Contractor on or before February 1 prior to the end of any Contract Year for services to be rendered in the following Contract Year. As the Contractor will make reasonable efforts to offset costs in the event of a termination, the District shall reimburse the Contractor in full for costs incurred by Contractor as the result of such early termination, including, but not limited to, retrofit and redeployment of vehicles, contract close-out costs, facility/property related expenses associated with closure of property and sale as appropriate, and fueling infrastructure related costs, and all other associated termination costs.

19.3 Either party may terminate this Agreement for convenience upon not less than one hundred and eighty (180) days prior written notice to the other party.

SECTION 20: SURVIVAL

20.1 The mutual obligations described in Compensation and Billing, and Indemnification hereof shall survive the termination or expiration of the Agreement.

SECTION 21: STATUS OF CONTRACTOR

21.1 Contractor shall be an independent contractor employed by the District to provide transportation services only. Neither Contractor nor any of its employees shall be held or deemed in any way to be an agent, employee or official of 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.

SECTION 22: SEVERABILITY

22.1 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.

SECTION 23: EXTENSION AND MODIFICATION

23.1 Contractor and District may extend or otherwise 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.

SECTION 24: NOTICE TO PARTIES

24.1 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:

Tenino School District
301 Old Hwy 99 N
Tenino, WA 95589
Attention: Brenda Padgett, Director of Finance

Notices to Contractor shall be addressed to:

First Student, Inc.
201 NE Park Plaza Drive, Suite 240
Vancouver, WA 98684
Attention: Kim Worster, Senior Vice President

With a copy to:

FirstGroup America
600 Vine Street, Suite 1400
Cincinnati, OH 45202
Attention: General Counsel

24.2 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.

SECTION 25: ENTIRE AGREEMENT

25.1 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.

SECTION 26: COMPLIANCE WITH THE LAW

26.1 Notwithstanding any contrary provision in this Agreement, Contractor shall comply with federal, state and local laws, rules and regulations in providing transportation services described herein.

SECTION 27: DISPUTE RESOLUTION

27.1 The parties shall negotiate in good faith in an attempt to resolve any dispute that may arise under this Agreement. Disputes that cannot be resolved by negotiation shall be submitted to mediation using a mutually agreed upon mediator. In the absence of an agreement on a mediator, each party shall select a temporary mediator and those mediators shall jointly select the permanent mediator. If mediation is not successful, the parties may pursue their remedies as they choose. Nothing in this Agreement shall be deemed to prevent the parties from agreeing in the future to submit a dispute to arbitration.

SECTION 28: PLACE OF CONTRACT/CONTROLLING LAW

28.1 This Agreement shall be governed by the laws of the State of Washington, without regard to conflicts of law principles.

SECTION 29: AUTHORITY

29.1 Both parties warrant that they are properly authorized to enter into this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement the day and year first hereinabove written.

First Student, Inc.

By: _____
Title: _____

Attest:

By: _____
Title: _____

District

By: _____
Title: _____

Attest:

By: _____
Title: _____

Superintendent's Office**Every Student. Every Classroom. Every Day.****Three Goals 50,000 Journeys and Counting****EXECUTIVE APPROVAL FORM**

This form is to be used for contracts, MOU's, and grants above \$75,000 and for sole source and emergency approvals. Contracts below \$75,000 may be signed by the Purchasing or Accounting Manager. An original of the document to be approved must be attached to this form. If the contract requires Board approval, a copy of the approved Board Action Report must be included.

TO: Assistant Superintendent for Business and Finance (for approvals up to \$100,000)
Superintendent (for approvals over \$100,000)

Requesting Approval for (Check all that apply):	<input checked="" type="checkbox"/> Contract/PSC/PO	<input type="checkbox"/> MOU	<input type="checkbox"/> Grant
	<input type="checkbox"/> Sole Source	<input type="checkbox"/> Emergency	<input type="checkbox"/> Other: _____
	<input type="checkbox"/> Inter-Local Cooperative Agreement		
Project Title/Description /Reason Procurement Requested: RFP09614: Student Transportation Services for 2017-2019 & Succeeding Years			
Contract Amount: \$29,637,160			

The subject and attached material have been reviewed with the appropriate staff members as indicated by the signatures below. **All policies and legal requirements have been followed.** If the material meets your approval, please sign and return to the initiator's office. The page(s) requiring your signature have been tagged.

Attachment(s)/ Supporting Documentation Contract Document	Related Policy or RCW(s) or WAC(s)	
Initiator/Staff Member Information		
(1) Name (Print) Kathy Katterhagen	Signature	Date 3/21/2017
Email/Phone kkatterhagen@seattleschools.org	Department -0579	
ROUTING APPROVAL (For Contracts, Personal Service Contracts/ Purchase Orders \$75,000 - \$100,000)		
(2) Manager/Principal (Print) Kathy Katterhagen	Signature	Date 3/21/2017
(3) Director (Print) Kathy Katterhagen	Signature	Date 3/21/2017
(4) Facilities Finance (Capital only) (Print)	Signature	Date
(5) Procurement (Purchasing/Contracting) (Print) Diane Navarro	Signature	Date 3/22/2017
(6) Legal (Print) Ronald Boy	Signature	Date 3/28/2017
(7) Accounting (for encumbrance)* (Print) Amy Fleming	Signature	Date 4/10/2017

(8) Assistant or Associate Superintendent of Department (as appropriate) (Print) Flip Herndon	Signature	Date 4/20/2017
(9) Assistant Superintendent for Business and Finance* (Print) JoLynn Berge	Signature	Date 4/20/2017
(10) Deputy Superintendent Stephen Nielsen	Initial	Date 4/20/2017
FINAL APPROVAL (for Contracts \$100,000 - \$250,000)		
(11) Superintendent (<i>Superintendent to execute contracts over \$250,000 after Board approval</i>)* (Print)** Larry Nyland	Signature	Date 4/24/2017
BOARD APPROVAL (for Contracts OVER \$250,000)		
(11) Board Action Approval Date February 15, 2017	<input checked="" type="checkbox"/> Approved Board Action Report (BAR) attached	

*Contract executor(s) – See Superintendent Procedures 6220SP.A, Attachment 1 for contract signature authorities

**If Board Action Approval is appropriate, skip Superintendent signature until Board approves. Once approved by Board, then have Superintendent sign-off.



SCHOOL BOARD ACTION REPORT

DATE: December 16, 2016
FROM: Dr. Larry Nyland, Superintendent
LEAD STAFF: Pegi McEvoy, Assistant Superintendent, Operations, pmcevoy@seattleschools.org
Kathy Katterhagen, Director of Logistics, kkatterhagen@seattleschools.org

1. TITLE

Approval of Contract RFP09614, 2017-2020 Bus Transportation Services.

For Introduction: February 1, 2017
For Action: February 15, 2017

2. PURPOSE

This Board Action Report recommends approval of contract RFP09614, Bus Transportation Services for 2017-2020. This contract provides for point-to-point yellow bus transportation services to and from school for general education and special needs students, athletics, field trips, and special programs. The period of performance for this contract is three years with two optional one-year renewal periods thereafter.

3. RECOMMENDED MOTION

I move that the School Board authorize the Superintendent to execute contract RFP09614, for School Bus Transportation Services for 2017-2020 with First Student, Inc. in the form of the contract agreement and attached to the School Board Action Report, with any minor additions, deletions, and modifications deemed necessary by the Superintendent, and to take any necessary actions to implement the contract.

4. BACKGROUND INFORMATION

Seattle Public Schools provides to and from school transportation, per the School Board approved Transportation Service Standards. Ensuring that safe, reliable and efficient transportation to schools enables all students’ access to instruction. The district has historically provided Metro ORCA cards and contracted school bus services to third party vendors. The cost of bus transportation in previous years was reimbursed at 100% by the State. The State uses a reimbursement formula that pays out the lesser of the previous year’s actual or current year projected costs.

The current school bus contract expires in August 31, 2017. The recommended 2017– 2020 contract is the result of an advertised competitive solicitation, in which the District sought proposals for school bus transportation. To meet the requirements of providing school bus transportation operations, a contractor must be identified and allowed enough time to plan and secure buses, property, equipment, fueling stations, maintenance shops, and staffing to support this contract. School bus operations in Seattle face distinct challenges with the unique regional geographic location, with boundaries of surrounding waters, severely congested city traffic, high

volume of special needs students requiring individualized transportation, and various schools and programs characterized with longer routes crossing neighborhood boundaries.

The District's Request for Proposal (RFP) for School Bus Transportation Services for 2017-2020 solicited proposals with the intent to select multiple contractors in order to remedy some of the geographic and service challenges bus contractors experience in the Seattle. Because of these unique challenges, the RFP was open longer than usual in order to attract more proposals. However, only First Student, the largest and incumbent contractor, responded. The RFP set high priority on the contractor's ability to attract and retain qualified school bus drivers and focused on the District's requirement for on-time performance, student safety, customer service, and technology. A school bus driver is often the first and last school representative in contact with students and parents and the selected contractor would align with the District's core values and offer competitive compensation packages that attract and retain a fully staffed team of skilled drivers.

First Student has increased wages under their new Labor agreement. Beginning the next school year, September 2017, the entry-level wage for bus drivers is set at \$18 per hour with an annual increase thereafter. This rate represents a 16.7% increase from the 2016 starting rate of \$15 per hour. Drivers with seniority have also received wage increases per their labor agreement. Fifty one percent of the existing bus driver staff have 10 or more years of service and wages have increased from \$23.10 per hour in 2016 to \$24.40 in 2017, with annual increases thereafter.

The School Board has made it clear that retaining qualified drivers is paramount and bus drivers have stated that healthcare is an important retaining factor. First Student provides health care benefits to drivers who work 30 or more hours per week. The District requested pricing to gauge the cost of extending health care benefits to those drivers who work less than 30 but more than 20 hours per week. Unfortunately, the pass through cost for the District to broaden First Student's bus driver participation in healthcare coverage is cost prohibitive, especially when the District is facing a \$74 million dollar shortfall. Expanding bus driver health care coverage would increase this contract by \$1.7 million annually and not recommended.

Historically, the District does not use all of the buses available per the contract and prepares a budget each year based on the estimated number of buses required. The District is considering a two-tier system starting in the 2017-2018 school year, should external funding become available by May 1, 2017, that will require an estimated 32 additional buses. Therefore, the new contract will increase the number of buses from 366 to a maximum of 398 to be prepared for this contingency. The District only pays for the buses that are scheduled into service, not the full number of buses on the contract.

a. Alternatives

1. No action - Not recommended, as students need transportation to access general and specialized education.
2. Rebid – Not recommended, as another procurement cycle could not be completed with enough time for vendors to successfully respond and implement for the 2017-18 school year.

3. **Research** – Not applicable.

5. FISCAL IMPACT/REVENUE SOURCE

The current 2016-17 bus transportation contract provides for up to 366 buses, which support a three-tier transportation system, for a total cost of \$24,566,574. District funding to cover the 2016-17 contract costs is derived from the general fund; \$23,352,888, capital revenue; \$660,879, and Associated Student Body (ASB) revenue; \$552,807. The State funding formula reimburses the District’s prior year actual cost or current year projected cost, whichever is less. There is a one-year lag in reimbursements from the State.

Cost impact in 2017-18 to fund Three-Tier Transportation

The new contract rates with the same number of buses, 366, increases the contract to \$27,272,015 and includes capital and ASB funded transportation costs. This is an increase in 2017-18 for the General Fund by \$2,705,441 over the 2016-17 school year because of the state funding formula. The \$2,705,411 increase also exceeds the initial estimated increase in transportation costs included in the \$74m budget deficit by \$1,122,862.

	2016-17 Current	2017-18 (Three Tier - 366 Buses)	2017-18 (Two Tier 398 Buses)
General Fund	\$23,352,888	\$26,058,329	\$28,423,474
Capital	\$660,879	\$660,879	\$660,879
ASB	\$552,807	\$552,807	\$552,807
	\$24,566,574	\$27,272,015	\$29,637,160

Option for Two Tier Transportation – additional cost of \$2,365,145

This contract allows for an increase in the number of buses by 32 to cover the possibility of the District exercising an option to go to a two-tier system. This option is dependent upon securing external funding to run a two-tier bus system. 2017-18 costs for a two- tier transportation system, 398 buses, would cost, in total, approximately \$29,637,160. The District is seeking external funding by May 1, 2017 to support the two tiers in the first year.

Medical Benefits

Our bus contractor provides medical benefits for employees who work 30 hours or more per week. A price estimate was requested from vendors to understand the cost impact if healthcare benefits participation were broadened to include drivers working less than 30 hours and more than 20 hours per week. That estimate is an additional \$1.7 million per year increase to the general fund in 2017-18, and therefore not recommended.

Expenditure: One-time Annual Multi-Year N/A

Revenue: One-time Annual Multi-Year N/A

6. COMMUNITY ENGAGEMENT

With guidance from the District’s Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

Tier 1: Inform

Tier 2: Consult/Involve - Community engagement was completed during the Bell Times analysis with respect to the impacts for transportation levels. Principals, schools and families have provided ongoing service evaluations used to target priorities in the contract.

Tier 3: Collaborate

7. EQUITY ANALYSIS

School bus transportation supports student equity and the district goal of closing the opportunity gap by providing transportation to school for students residing outside their attendance area walk zone. If such transportation were not available, disparities in equitable transportation may exist, negatively affecting students from lower income households without vehicles or the financial resources to support their student’s transportation to and from school, programs, and athletics. School buses support transportation special needs students requiring curb-to-curb transportation as required by their Individualized Education Plan (IEP), and McKinney Vento (MKV) homeless students. School bus transportation affords many students from lower income families the opportunity to participate in Nutrition Services before school breakfast program.

8. STUDENT BENEFIT

The benefit of this contract is to provide safe and efficient transportation to and from school for students residing outside the walk zone of their attendance area schools.

9. WHY BOARD ACTION IS NECESSARY

Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)

Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)

Adopting, amending, or repealing a Board policy

Formally accepting the completion of a public works project and closing out the contract

Legal requirement for the School Board to take action on this matter

Board Policy No. _____, [TITLE], provides the Board shall approve this item

Other: _____

10. POLICY IMPLICATION

This motion is in alignment with Policy No. 0010, Instructional Philosophy, because student transportation is considered an integral element to ensure that all students receive an education that meets the goals enumerated in the District's Instructional Philosophy.

This motion is in alignment with Policy No. 6220, Procurement, because it uses sound business and financial practices that support the delivery of desired services and goods. Further, the policy is being followed by seeking Board approval where the value exceeds \$250,000.

This motion is in alignment with Policy Nos. 6600-6620, Transportation, as the proposed contract provides multiple services enumerated in transportation policies promulgated by the Board.

11. BOARD COMMITTEE RECOMMENDATION

This motion was discussed at the Operations Committee meeting on December 15, 2016. The Committee reviewed the motion and moved the item forward for consideration by the full Board.

12. TIMELINE FOR IMPLEMENTATION

Upon approval of this motion, the contract will go into effect starting September 1, 2017.

13. ATTACHMENTS

- Contract for RFP09614, 2017-2020 Bus Transportation Services.

SEATTLE PUBLIC SCHOOLS**Personal Service Contract Cover Sheet****(To be used for contracts awarded as a result of the RFP/RFQ process only)****RFP09614: Student Transportation Services for 2017-2019 and Succeeding Years****CONTRACTOR NAME AND ADDRESS**

(Legal Name – MUST be same as registered with Tax ID number)

First Student, Inc.

Name

CONTRACT MUST BE FULLY EXECUTED IN ADVANCE OF SERVICES

601258746

WA State Business License UBI#)

DBA

Phone

Fax

Address

Email

13525 Lake City Way

City Seattle

State WA

Zip 98125

Acctg Use: Vendor#

PO#

This agreement is made between the Seattle School District ("the District") and the above-named contractor (the "Contractor")

District employees, other than personnel in the District Financial Services Department are not authorized to make promises for contractual services, promises for a particular period of time or promises of a particular level of payment. Any verbal or written statements to that effect by District employees other than Financial Services personnel are null and void.

SCHOOL/DEPARTMENT BUDGET AUTHORITY			
School/Department Name	Logistics/Transportation	Mail Stop	23-169
		Phone	206 252-0579
CONTRACT AMOUNT	\$ 29,637,160	CONTRACT EXPIRATION DATE	Yr.

As an authorized representative of the originating school/department and having budget authority to authorize the disbursement of funds from the budget line give below, I declare that:

1. I have personally verified the existence of funds available within the appropriate unit to pay this contract.
2. I am satisfied that the contractor meets the eligibility requirements for an independent contractor as outlined in the attached Classification Checklist.
3. The services being provided do not violate any labor agreement regarding contracting out for services.

Having completed these steps, I hereby authorize the release of funds from the budget line coded below.

Print Name Kathy Katterhagen Title Director of Logistics
 Signature _____ Date 3/21/2017

SCHOOL BASED CONTRACTS OVER \$25,000

Executive Director for Schools _____
 Print Name _____ Signature _____ Date _____

FISCAL YEAR	FUND	FUND CENTER/COST CENTER	COMMITMENT ITEM
2017	1000	34199521A0	7120
2017	1000	34199521S0	7120
			7120

FINAL SEATTLE PUBLIC SCHOOLS APPROVAL

Contracts up to \$75,000 _____ Date 4/10/2017 / _____ Accounting Manager
 Contracts \$75,000 and over _____ Date 4/20/2017 / _____ Asst. Supt. for Business and Finance
 Contracts over \$100,000 _____ Date 4/24/2017 / _____ Superintendent

FOR ACCOUNTING USE ONLY

Funds Available _____ Date _____
 Grants Acctg Review _____ Funds Encumbered _____ Contract Acctg Review _____

Seattle Public Schools Documentation of Competition

This form must be completed for any Personal Services Contract (PSC) over \$25,000, unless a sole source contract is requested. Use this form for any Personal Services Contract valued over \$3,500.00 that is federally funded.

Documentation of Competition for any PSC over \$25,000 or for any federally funded PSC valued over \$3500.00

Competition was obtained for this contract through:

- Informal Competition** – Requests for quotes and proposals were solicited through non-Procurement staff (via phone/fax, email, or regular mail).
- Formal Competition** – Competition was conducted and facilitated by Procurement staff, either with Purchasing or Contracting Services.

(1) Informal competition. If an informal competition was conducted, describe the vendors contacted, the criteria used, and the results. Supporting documentation of the process (e.g. RFP/RFQ, proposals, evaluations, etc.) must be saved in your department files and be made available upon request.

(2) Formal competition. Competition for your contract was conducted by Procurement Staff.

RFP number: _____ RFP09614: _____

RFP name: _____ Student Transportation Services for 2017-2019 & Succeeding Years _____

Documentation of Competition - Approvals Required:

Initiator Name Kathy Katterhagen	Signature	Date 3/21/2017
Manager/Director Name Kathy Katterhagen	Signature	Date 3/21/2017
Procurement Staff Name Nancy Milgate	Signature	Date 3/3/2017

Seattle Public Schools Bargaining Unit Checklist

The information provided below will assist the Seattle Public Schools in determining whether a service may be performed by an independent contractor and whether the individual can appropriately be classified as a contractor with the District. Please note that this page should be completed by the Principal/Program Manager contracting the Independent Contractor and must be attached to the SEATTLE SCHOOL DISTRICT PERSONAL SERVICES CONTRACT FORM for processing and approval.

First Student Inc.

Name of contractor or business _____

59-2364035

Tax Payer Identification # _____

Please answer YES or NO to the following two (2) questions:

SECTION 1. BARGAINING UNIT CHECKLIST

Yes No Is the service being provided included in a current district position that a current employee could do or could be trained to do?

Yes No Will the service contract bypass and/or violate collective bargaining agreements or District hiring process/procedures or any other District policies (i.e., Hiring of Relatives, Child Labor Laws)?

Bargaining units include but are not limited to:

1) Seattle Education Association Certificated Paraprofessional SAEOP	2) Internatinal Union of Operating Engineers Custodial/gardeners Nutrition services Security specialists, alarm monitors	3) Machinists 289/79 Machinists Auto machinists 4) Teamsters 117/174 Warehouse workers Truck drivers 5) PASS (Principals Assoc of Seattle Schools) 6) Seattle/King Cty Building & Trades Council
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Please Note:
 If the answer is "Yes" to EITHER of the above two questions, the individual cannot be classified as a contractor. (Please contact your Personnel Analyst for staffing concerns and contact the Payroll Department for Retirement information.)

If the answer is "NO" to both of the questions listed above, please proceed to the Determining Employee versus Independent Contractor Checklist.

I, **Seattle School District's Principal or Department Manager** confirm that the above information is true.

Name (print) Kathy Katterhagen

Signature _____

Title Director of Logistics

**SEATTLE PUBLIC SCHOOLS
DETERMINING EMPLOYEE versus INDEPENDENT CONTRACTOR
CLASSIFICATION CHECKLIST**

The information provided below will assist the Seattle Public Schools in determining whether an individual performing services will be classified as an employee of the District or as an independent contractor for federal, state and FICA tax purposes. Please note that this page should be completed by the Principal/Program Manager contracting the Independent Contractor and must be attached to the SEATTLE SCHOOL DISTRICT PERSONAL SERVICES CONTRACT FORM for processing and approval.

SECTION 1. GENERAL	
Name of Individual/Business: First Student Inc.	Individual/Business E-mail Address: Cal.Hull@Firstgroup.com
For Individuals: (check one) <input type="checkbox"/> US Citizen <input type="checkbox"/> Resident Tax Alien <input type="checkbox"/> Nonresident Alien	Taxpayer Identification Number: 59-2364035
School or Program Location:	Phone Number/Address: 360 896-9500 ext. 747

SECTION 2. MULTIPLE RELATIONSHIPS WITH THE DISTRICT	
<input type="checkbox"/> Yes <input type="checkbox"/> No Does this individual currently work for the District as an employee (including hourly, temporary or substitute)?	
<input type="checkbox"/> Yes <input type="checkbox"/> No Does the District expect to hire this individual as an employee to provide the same or similar services immediately following the termination of his/her independent contractor service?	
<input type="checkbox"/> Yes <input type="checkbox"/> No During the previous 12 months prior to the date on which the independent contractor service commenced, was the individual an employee (including hourly, temporary or substitute) to provide the same or similar service?	
Please Note: If the answer is "Yes" to ANY of the above three questions, the individual should be classified as an EMPLOYEE and paid through the normal payroll process. See footnote*.	

SECTION 3. RETIREMENT BENEFITS	
<input type="checkbox"/> Yes <input type="checkbox"/> No Is this individual drawing state retirement benefits?	

SECTION 4. RELATIONSHIP WITH THE DISTRICT	
The individual does not receive extensive instructions on how to perform his/her job, except perhaps topics to discuss. The individual does provide or could be available to perform this job at other businesses/schools. The individual does not receive benefits from the Seattle Public School District, nor does the individual expect to receive benefits from the District. The District and the individual agree, either in writing or orally, that the relationship is strictly that of an independent contract relationship.	
I, Seattle School District's Principal or Department Manager , confirm that the above paragraph is true and therefore the individual is an independent contractor. If the above statement is not true, the individual may be an employee.*	
Name (print): <u>Kathy Katterhagen</u>	Title: <u>Director of Logistics</u>
Signature: _____	Date: <u>3/21/2017</u>
Phone Number: <u>206 252-0579</u>	E-mail Address: <u>kkatterhagen@seattleschools.org</u>

*If the department requesting services disagrees with this determination, please complete the Internal Revenue Services SS-8 form (available at www.irs.gov), provide documentation to provide answers, and submit completed packet to the Contracts Desk in Accounting. Accounting and Payroll will work with the department to make a final decision.

**SERVICES CONTRACT
STUDENT TRANSPORTATION SERVICES FOR 2017-2020 AND SUCCEEDING YEARS**

This Agreement, Contract No. RFP09614, is effective upon mutual execution by and between Seattle School District No. 1, a Washington municipal corporation ("District"), and First Student, Inc., an indirect, wholly-owned subsidiary of FirstGroup America, Inc. ("Contractor"). District and Contractor agree as follows:

1. SCOPE OF WORK AND SCHEDULE

- a. Contractor shall provide professional and related services as described in Exhibit A hereto, on the schedule set forth therein ("Services"). This contract will be to provide up to 398 buses at a daily basic rate as set forth in Exhibit B, Fees. The District reserves the right to increase or decrease route assignments, and payments to the contractor shall be adjusted accordingly. Contractor is authorized to proceed upon execution of the Contract by both parties.
- b. The student transportation under this contract shall be provided in the period beginning August 1, 2017 and ending August 31, 2020. The District reserves the option to extend the contract for two (2) additional years as specified in RFP09614.

2. CONTRACT PRICE

- a. Subject to the number of routes assigned, the District agrees to pay Contractor, in year one, an estimated amount of twenty-nine million, six hundred thirty seven thousand, one hundred sixty dollars (\$29,637,160) payable according to Contractor's schedule of fees and reimbursable expenses specified in Exhibit B hereto. This amount shall constitute complete compensation for all costs and fees incurred, including any expenses for labor, materials, equipment, rental, meals, travel, lodging and Washington State sales tax, if applicable. Additional services must be authorized in writing by District prior to performance.

Compensation will be paid only to the extent that Contractor presents documented evidence of fees earned and expenses incurred during the period for which payment is requested. Contractor shall submit its invoices in the form and according to the schedule prescribed in the General Conditions, to the address listed in paragraph 3.

3. COMMUNICATIONS

The District's representative for this contract is Kathy Katterhagen, Logistics Director. All correspondence, requests, notices and other communications to District, in relation to this Agreement, shall be in writing and shall be delivered to:

To the District:
 Kathy Katterhagen
 Logistics Director
 Seattle School District No. 1
 MS 2466, P.O. Box 34165
 Seattle, Washington 98124-1165

To the Contractor:
 Bill Nofitz
 Area General Manager
 First Student, Inc.
 13525 Lake City Way
 Seattle, WA 98125

Either party may from time to time change such address by giving the other party notice of such change in accordance with the provisions of this Paragraph 3.

4. CONTRACTOR'S REPORTS

Contractor shall provide reports as requested by District in a format proposed by Contractor and approved by District.



5. **PERSONNEL**

Contractor shall assign the personnel listed in the contractor’s submittal response to the Request for Proposal RFP09614, Section 3. Staff Qualifications and Performance, to the performance of the Work and shall not (for so long as they remain in Contractor's employ) reassign or remove any of them without the prior written consent of District.

6. **ORDER OF PRECEDENCE**

In the event of a conflict between the provisions of one or more of the Contract Documents, the provisions will be interpreted so as to harmonize the conflicting provisions to the extent possible so as to give effect to each provision. If, notwithstanding the foregoing sentence, two or more provisions cannot be harmonized, the order of precedence among the conflicting provisions shall be the following:

1. Change Orders and Amendments to the Contract
2. This signed agreement between Owner and Contractor
3. Addenda (Later ones having precedence over earlier ones)
4. General Conditions
5. Scope of Work
6. Fees – Exhibit B
7. RFP09614
8. Advertisement for RFP09614
9. Signed and completed Form of Proposal, including attachments.


7. **THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS:**

Exhibit	Topic
A	Scope of Work
B	Fees
C	General Conditions of Personal Services Contract (Short Form)
D	Safety Assurance Plan (Due annually to the District before the start of school each year)
E	RFP09614 Addenda 1 through 3

The parties, if any, make modifications and revisions, in the attached Exhibit E.



CONTRACTOR:


Signature

Calvin E. Hull
Typed Name (Above)

Sr. Vice President
Title

2/28/17
Date Signed

FIRST STUDENT, INC
Company Name

59-2364035
Employer I.D. No. or Social Security No.

SEATTLE SCHOOL DISTRICT NO. 1:

Signature

Larry Nyland

Typed Name (Above)

Superintendent

Title

4/24/2017

Date Signed



Exhibit A
Scope of Work

The primary purpose of this contract is the provision of transportation for students to and from school. Buses will also be utilized for field trips and other school related activities.

The buses will be operated to service the program requirements that the District determines to be in its best interest. There are two types of program definitions used to identify service requirements.

1. Regular To and From

- a. Students are primarily picked up and dropped off at corners. Drivers are provided either route maps or left/right driving directions and stop listings indicating directions of travel, time of pick up and/or drop off and a listing of assigned students for each stop. Drivers may also be provided electronic route directions for use with Tyler semi-rugged tablets.
- b. Type C buses are typically utilized in this program. Buses assigned two routes per day average approximately five hours of service and accrue an average of approximately 60 miles per day. Buses assigned three routes per day average approximately six hours of service and accrue an average of approximately 80 miles per day.
- c. The Contractor shall implement and enforce District administrative procedures applicable to this Program. The District will specify these procedures prior to the start of the school year and will modify as required throughout the contact period.
- d. The District may operate certain programs beyond the normal 178-day school year or may operate some or all programs less than 178 days. The Contractor shall provide such service as required.

2. Special Services

- a. Students are generally picked up and dropped off at specific addresses. Drivers are provided stop listings, which indicate student's name, pick up or drop off address and appropriate time.
- b. Special education and preschool students are generally accommodated in this service. The transportation of these students is unique and requires personnel sensitive to such students' needs. Not all drivers are suitable for this type of assignment; therefore, reassignment of drivers may be necessary to alleviate adverse situations that may occur.
- c. The Contractor shall implement and enforce District administrative procedures applicable to the Special Services programs. The District will specify these procedures prior to the start of the school year and will modify as required throughout the contract period.



Exhibit A
Scope of Work

- d. The District may operate certain programs beyond the normal 178-day school year or may operate some or all programs (including Regular To and From) less than 178 days. The Contractor shall provide such service as required.
- e. The Contractor shall use buses with NTSB and Washington State approved seat belts for Special Service programs. Drivers will require students to use seat belts.

A. Primary Obligation of Contractor

For the purpose of this contract and interpretation thereof, it must be recognized that the transportation of school children is a significantly specialized function. Students must be transported to and from school regularly, promptly, safely and without interruption or adverse incidents. The interests of students in such transportation shall take precedence over the interests of the Contractor or its drivers. It shall be the primary obligation of the Contractor to conduct its activities so that students will be assured of continuous and reliable service. For the protection of students, drivers and all other persons coming in contact with the students must be of stable personality and of sound moral character. Drivers and all other persons coming in contact with students must be able to communicate effectively orally and in writing. The District places upon the Contractor full responsibility for assuring such qualities in personnel. The Contractor shall not allow any person to drive a school bus whose moral character is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever, nor shall the Contractor allow any person to drive a school bus who is not in a condition of mental and emotional stability.

B. Mandatory Requirements

Proposers (Prime Contractors) who have not successfully operated a student transportation program three of the past five years involving a minimum of 20 buses each year will not be considered.

C. Responsibility for Hiring and Discharging

The responsibility for hiring and discharging personnel in respect to all of the foregoing shall rest with the Contractor. The Contractor shall enter into no contract or arrangement with any employee, person, group or organization, which will in any way interfere with the Contractor's ability to comply with this requirement.

D. Time is of the Essence

Time is of the essence in the performance of the Contractor's obligations hereunder. Failure to meet the deadlines specified herein may be treated by the District as a material breach of contract. Where deadlines for performance of Contractor's obligations are specified with reference to the 2017-2020 year, the same deadlines will apply in each succeeding year unless otherwise noted.

E. Equipment and Facilities

- 1. Bus Specifications. The Contractor shall provide written lists of presently owned buses or a letter from a manufacturer at time proposal is submitted (and by May 15 in each succeeding year), assuring that buses will be available for District use at the bus facilities by August 1, 2017. The total number of buses by size will be as specified on



Exhibit A
Scope of Work

the proposal pages. Buses shall meet specifications for school buses as required by the Superintendent of Public Instruction for the State of Washington.

2. Condition and Maintenance. The Contractor shall at all times maintain all school buses and other equipment used to provide student transportation service in a safe and functional condition and in strict accordance with State and Federal specifications and District required standards for school buses. Such equipment shall be maintained in good mechanical and operating order at all times, so as to successfully pass required bus inspections. The buses shall be kept clean and free of body damage including minor dents and paint scrapes of a cosmetic nature, and all repairs are to be made within 15 days of occurrence. Bumpers and wheels will be cleaned as needed to retain a fresh, clean appearance.
3. Bus Inspections. All buses shall be inspected at least twice during the school year by the Washington State Patrol in accordance with prescribed State regulations. The Contractor shall correct all discrepancies within two weeks and notify the District in writing of the same.
4. Bus Categories. Washington State School Bus and Specifications define four basic types of buses. Within these broad categories there exists a wide range of sizes and capacities. For the purpose of this contract, bus sizes and types will be divided into four classifications for use in this contract. They are:

STATE CLASSIFICATION

AVERAGE NUMBER OF BUSES

State Classification	Minimum #Buses
Type A – with 19 minimum integrated 3 point restraint (Head Start compliant seats)	20
Type A – with 2/per seat lap shoulder belt systems	135 (20 & 24 minimum passenger)
Type C (lift) – 2 wheelchair stations and 18 walk on seating 2/per seat lap systems/shoulder belts	40
Type C 71 passenger for every 50 type c Buses award 2 units must be equipped w/ 16 integrated booster type seats, placed in the first 4 rows.	155

Note: Minimum 15% of awarded fleet shall be fueled by Propane.

All buses used in performance of this contract shall be no older than the following:



Exhibit A
Scope of Work

<u>State Classification</u>	<u>Regular Service Maximum Age</u>	<u>Spare Service Maximum Age</u>
Type A	8 years	10 years
Type C	12 years	15 years

5. Spare Buses. A spare bus is defined as a vehicle available for replacement of a regular service bus for reasons of breakdown, maintenance, emergency, etc. The Contractor shall maintain a minimum of 10 percent spare bus inventory in each class size.
6. Standby Buses. Contractors shall provide and assign to the District one (1) field standby bus and driver if more than 35 units are awarded and one additional bus and driver for each 35 units awarded. These buses and drivers are to respond to emergency services (breakdowns, accidents, lost drivers) and are over and above the 10 percent in-house standby/spare bus needs. The District will determine the type of bus to be used for standbys, hours of service and standby locations. If service is required beyond the standard 4 hour day the District will pay for the excess time, however the first 4 hours is contractor responsibility.
7. Floater Bus. The District may chose to assign additional emergency service buses and drivers beyond the Standby requirement. If the District chooses to utilize floater buses these units will be assigned a control number and work hours and will be 100% paid for by the District. However if the contractor uses the floater to cover another control numbers work due to a non-emergency need such as a shortage of drivers, in those instances the District will be credited the base rate for each occurrence.
8. Bus Storage Facilities. Contractor will be required to provide bus storage facilities as follows: The Contractor shall identify, in writing, the location of site (or sites) for bus yards at time of proposal submission. The Contractor shall furnish by June 30, 2017 a copy of the actual site lease or proof of site purchase. The storage facility(ies) shall be located no further than 5 miles outside the confines of the District.
9. District Inspections. At any time during the contract period, the District reserves the right to inspect any and all buses, the facilities for maintaining the buses and the operational procedures utilized by the Contractor.
10. License Requirements. The Contractor shall use county exempt license plates, and the proposal will be based on their cost, on all vehicles transporting students. In the event that vehicles are to be utilized in other types of service, the Contractor at its own cost will purchase the necessary licenses and permits in compliance with State, county and city laws and the county exempt plates shall be removed from the bus and forwarded to the District's Transportation Office for retention. Upon termination of the contract, all tax-exempt license plates shall be returned to the District's Transportation Office.
11. Service Modifications. The District retains the option of modifying the scope of work in this contract to meet its requirements. Such modifications may result in increased or decreased equipment demands.

Exhibit A
Scope of Work

12. Fuel. Federal tax-exempt fuel shall be used for all District Transportation functions. The District will purchase said tax-exempt fuel for delivery to the Contractor's storage and dispensing facility or the District may choose to contract with a mobile fueling provider to directly fuel busses. Should the District choose to have fuel stored at the Contractor's storage and dispensing facility, the Contractor must have storage tanks of such capacity that all busses can be fully fueled in a single day. Propane fuel tank capacity shall be approved by the District based on distribution of the propane-powered bus fleet by June 30, 2017. Said fuel will remain the property of the District, but the Contractor shall become solely responsible for its ordering, custody, safekeeping, and dispensing and also assume the risk of loss from any eventuality. The District, in conjunction with the Contractor, will inventory the fuel invoice against fuel storage tanks monthly and upon completion of the inventory, will prepare a monthly report delineating fuel utilized for District functions and remaining fuel available for District use. The District may waive the requirement for on-site fuel, provided the Contractor shall be responsible for any difference in price. At no time will the Contractor utilize District fuel for non-District uses. At the conclusion of the contract, an ending inventory of fuel in the Contractor's tanks will be taken and a determination made as to the amount of District fuel remaining. Based on this inventory, the Contractor shall reimburse the District for the cost of this fuel and any taxes, if applicable. On the proposal, the proposer shall compute Basic Daily Rates and Hourly Charges predicated on the District purchasing fuel for this contract. The proposer shall, at the District option, at any point in time, upon demand, permit the District to inspect all books and records regarding the invoiced fuel purchases and disbursement.
13. Bus Radios. The Contractor shall provide two-way narrow band frequency radios for all buses. The District shall monitor radio procedures and retain supervisory control of radio procedures. Contractor communications dispatchers will be located in the District's Operations Control Center. For this purpose, the Contractor shall provide one additional dispatcher if their awarded fleet exceeds 150 total buses. Contractors with fewer than 50 buses may enter into agreement with other Contractors to handle their in-house dispatch requirement. The District shall provide adequate space and technology support, including District email, telephone, computer and printer access, and two-way radio communications access to perform this duty.
14. GPS. The District requires all buses to be equipped with a GPS tracking system with the capability to compare actual ran route to planned.
15. The District has high interest in buses being be equipped with a dashboard mounted GPS routing tablet that is compatible with the District's Versatrans routing software. (See the Tyler Technologies "Tyler Drive" system, or a District approved similar compatible device). The District would like the initial cost of purchase and installation identified on Attachment 3, Pricing.
16. Route Signs. Route numbers are furnished by the District shall be prominently displayed on the exterior of all buses as specified by the District. Route number signs, safety rules and all other appropriate safety signs will be provided by the Contractor for installation on all buses.



Exhibit A
Scope of Work

17. On Board Video. The Contractor shall provide District approved digital video recording systems in 100% of their allocated fleet including buses used as spares. The system must be a digital format minimum three camera system with a minimum 250 GB removable media cartridge hard drive. The Contractor will ensure the video system is calibrated and maintained to be in proper working order at all times. The contractor will provide the District the video harddrive within 24 hours of a request. The Contractor will maintain a surplus of video harddrives to install when ever the District makes a request to view an existing video harddrive.
18. Stop Paddle Violation Systems. The District reserves the right to request the contractor to allow the installation and operation of automate school bus safety cameras on school buses for the detection of violations of RCW 46.61.370(1) There shall be no direct cost to the contractor, other than providing access both for installation and maintenance of the by the stop paddle violation camera vendor.

F. Personnel and Driver Requirements.

1. Facilities Manager. The Contractor shall at all times have assigned to its facilities a designated manager who shall have the authority to act on behalf of the Contractor. An organizational chart, identifying the duties and responsibilities of sufficient numbers of personnel employed to effectively implement and operate the Transportation program shall be submitted at the time of the proposal.
2. Implementation. The Contractor shall have drivers and all other personnel hired and trained to implement transportation by August 1, 2017.
3. Minimum Operational Personnel Requirements. Operational personnel are defined as those individuals directly involved in the control, supervision, and investigation of daily bus operations and procedures. The extent and regional coverage of the District's transportation needs requires certain personnel availability to assure the safety and success of these functions. A minimum of the following personnel shall be maintained for the indicated number of vehicles in daily operation. Job descriptions of each position must be included with the proposal.

# Vehicles In Operation/ Position	Less Than 50	50 to 100	1 & 2 Lot Options 101 to 150		1 & 2 Lot Options 151 to 200		Minimum 2 Lots 201 to 300	Minimum 2 Lots 301+
			Lot 1	Lot 2	Lot 1	Lot 2		
Operations Supervisors	1	1	1	2	1	2	2	2
Primary Dispatcher	1	1	1	2	1	2	2	4
Secondary Dispatcher	1	1	1	2	2	2	2	2
Field Supervisors	1	2	2	3	3	3	3	3



Exhibit A
 Scope of Work

Dispatch Clerks	0	1	2	2	2	2	2	2
Communications Dispatch	0	1	1	1	1	1	1	1

NOTE: These staffing standards are based on the total number of route buses awarded to Contractor. The number of staff required for any subcontractor depends on the type of operation they establish. If a subcontractor operates a separate yard and dispatch, then the minimum staffing will be applied.

- a. For each 50-vehicle increment above 300 in daily operation one additional Field/Safety Supervisor shall be provided.
 - b. Each field/safety supervisor will use a radio and cell phone equipped type A school bus or minivan. These individuals will be assigned specific service areas in which to be deployed during the peak time operations. Their primary responsibility will be to respond to vehicles that are broken down, involved in an accident, or to assist a driver with student management problems.
4. Driver Certification.
- a. The Contractor shall allow only trained and competent drivers who satisfy all the requirements for "School Bus Driver Certification" as required by the Superintendent of Public Instruction for the State of Washington, or by any other agency or provision of law, to operate its buses.
 - b. Lift Bus Certification: If a firm is awarded any lift bus routes, all drivers and cover/standby drivers assigned to drive a lift bus must complete an annual lift bus certification-training program. The intent of the training is to ensure each driver is trained and knowledgeable in the types of wheelchairs used by District students. The company must submit its training program to the District for approval by July 1st of each school year. The District will assist with procuring appropriate chairs for the training session.
 - c. Additional first aid training: Many students now have "Medical Alert profiles." Each driver's notebook will contain a section to store this information and there will be a special statement next to the student name on the bus roster to advise the driver that a special alert exists for this student. Many of these students will be on special needs vehicles, however some will be on regular school bus runs and field trips.
- All drivers need to be trained to review their route tablets, notebooks and rosters, and review the medical information. In addition there will be requirements for individual drivers to attend special briefings on an individual student needs. Additionally some drivers will be required to receive training in the use of Epinephrine Auto-Injectors. The training and certification of completion of the training will be provided by the District.
5. Driver Background. Pursuant to RCW 28A.400.330, as a contractor for a school district, Contractor shall prohibit any employee of Contractor who has pled guilty to or



Exhibit A

Scope of Work

been convicted of any felony crime involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury or death of a child under Chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual exploitation of a child under Chapter 9.68A RCW, sexual offenses under Chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a minor under Chapter 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or violation of similar laws of another jurisdiction from working in any situation where the employee will have unsupervised access to children. Failure to comply with this section shall be grounds for District to immediately terminate this Agreement.

Contractor agrees that all of Contractor's staff assigned to work at a District school or with District students under this Agreement shall obtain a criminal background check per RCW 28A.400.303 and RCW 43.43.830 prior to such staff providing services pursuant to this Agreement. Contractor further agrees that all staff assigned to the District will be fingerprinted prior to any work for the District. Contractor is responsible for any fingerprint processing fees. The District shall be provided with fingerprint results for all staff assigned to perform work for the District. If a positive criminal history is reported, the District shall make a final determination as to whether that particular staff member may be assigned to work under this Agreement.

All applications for employment must include the following statement to be read and signed by each applicant interviewed to work on this contract.

"Have you ever been arrested and/or charged with a crime at any time?" If yes, as to each arrest, supply the following information: Were you charged with a crime? If charged, are the charges still pending? If so, indicate the nature of the charge, date charged, court of jurisdiction, case number, and trial date (if scheduled). If the charges are not still pending, indicate the nature of the charge, the date charged, the court of jurisdiction, and the case number, and specify how the charges were resolved. (Indicate whether by dismissal, acquittal, conviction, guilty plea, agreement with court or prosecutor, or some other manner of disposition.)"

6. Drug and Alcohol Testing. The Contractor will conduct drug and alcohol testing per State and Federal Regulations.
7. I.D. Badges. All drivers will be required to wear identification badges, which include their picture and name. I.D. badges will be the responsibility of the Contractor.
8. Driver Responsibilities. The driver will be responsible for the supervision of students while on the bus. Drivers must ensure that students adhere to District rules and regulations of conduct, and shall report cases of student misbehavior to the receiving school Principal or Program Manager. The Principal or Logistics Director have the final authority in determining the suspension of a student's riding entitlement. Drivers may not eject a student from a school bus. Should unmanageable student behavior occur en route, the driver shall pull off the road and try to control the situation. If necessary, the driver shall call the District Operations Control Center for assistance and authorization to proceed to the nearest school for assistance by the building administrator.

Exhibit A
Scope of Work

All drivers and operational staff are to be trained to follow and administer the policies and procedures outlined in the District's "Student Management on Buses" program.

9. Driver Experience. In the interest of student safety and management efficiency, the Contractor shall be required to meet the following driver experience requirements: At least 50 percent of the full-time bus drivers hired by the Contractor for work under this contract will have a minimum of six months experience as school bus drivers. A driver is "full-time" under this contract if he/she performs 20 hours per week of work under the contract.

The Contractor shall report in writing to the District on October 1st and February 1st of each school year on its compliance with this experience requirement.

The District may, in writing, waive or partially waive these experience requirements when the District, in its sole discretion, determines that there is some intervening reason why the requirements cannot reasonably and feasibly be met.

10. Driver Compensation and Benefits. Driver compensation and benefits shall be adequate to attract and retain sufficient numbers of qualified and suitable drivers to avoid service interruptions. Driver wages and benefits shall commensurate with the City of Seattle labor management laws. The District places high value on drivers being fairly compensated and receiving benefits which provide for healthy living.
11. Regular Driver. Experience has proven that a regular driver minimizes operational and student management problems. The Contractor shall provide a regularly assigned driver to each route. Drivers may be transferred between routes whenever the best interests of the District, driver, or students may be served. The District may request that appropriate action be taken regarding driver assignments in the event of legitimate concerns for driver performance or characteristics; however, determination of appropriate action rests with the Contractor who shall be obligated to deal responsibly and responsively to such District requests. Whenever a change of driver occurs on a route, for whatever reason, the new driver will conduct a dry run of that route prior to commencement at no cost to the District.
12. Route Direction. The Contractor agrees not to deviate from the schedule and routes prepared by the District Transportation Office. Any deviation will be at the sole expense and liability of Contractor. The Contractor shall ensure that each driver will have an updated route map and/or left/right directions and a current student listing prior to making any run.
13. Driver Uniform. Drivers are viewed by the public as an extension of the District. Drivers shall maintain a professional appearance and the Contractor shall adopt a standard uniform jacket and name tags required to be worn by drivers while on duty, beginning no later than 15 days after employed.
14. Monthly Personnel Reports. The Contractor shall submit monthly a personnel status report indicating the following:
 - a. Daily driver assignment report – This is an on-line report and the Contractor must submit information daily per District procedures.

Exhibit A
Scope of Work

b. Personnel Attrition Report - The first report will be submitted on the first working day of August each year. This will be considered the base report for the coming school year. Included in this August report will be a recruitment and training plan showing how the Contractor will meet the driver requirements for dry run day.

Sample Format

PERSONEL ATTRITION REPORT	Month	Cumulative
Total Drivers at Beginning of Month		
Drivers Terminated		
Percent Attrition		
Drivers Entering Training		
Drivers Completing Training		
Percent Attrition from Training		

15. Driver Evaluation. Driver trainers shall ride with every driver at least once each semester to observe and evaluate driving practices with respect to safety, mechanical operation, and conformance with applicable laws, rules and regulations and adherence to specified route schedules and methods of student management. In addition, the District may at any time, have a representative ride with any driver of the Contractor for the purpose of observation to assure compliance with the terms and conditions of this contract. The Contractor shall provide the District with a monthly summary of driver evaluations conducted during the previous month with attached copies of evaluation reports.
16. Substitutes. Persons who may be employed as substitute drivers shall fully comply with all requirements pertaining to regular drivers. They must have a minimum of three months school bus driving experience and shall pass the geographic test provided by the District. Substitute drivers include "cover," "on-call," "standby" and those drivers not assigned regular routes but who drive as backup when needed.
17. Assignment of Substitute Drivers. Whenever a regular driver is off on a planned absence or for sick leave of more than two days, to the extent possible, the same substitute driver shall be used for the entire absence of the regular driver.
18. Newly Trained Drivers. Contractor will provide the District 24 hours advance notice of the first time assignment of a new driver to District work. The notice will include the control number and copy of a Dry Run Report for the assigned control number. All new hires will be assigned an open control number for a minimum period of three months. This will allow a driver the opportunity to become familiar with District student transportation and reduce the potential for the types of problems occurring that typically occur with new drivers.

All drivers must attend a 3-hour District orientation training session. Drivers must attend this session within their first 30 work days of employment. The District will offer a minimum of one class per calendar month. If needed, additional classes will be scheduled. The Contractor will submit a claim voucher for reimbursement upon completion of the course. Compensation will be at the driver's hourly wage rate.

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19. Customer Service Training. The Contractor agrees that drivers may be required to participate in a Customer Service course of instruction. The District will furnish instructors and facilities. The District will specify the dates and designate the drivers required to participate. The Contractor will submit a claim voucher for reimbursement upon completion of the course. Compensation will be at the drivers' hourly wage rate.
20. Safety Assurance Plan. The Contractor shall develop and maintain a Safety Assurance Plan. The Safety Assurance Plan and Action Plans will be updated annually and submitted to the District for approval before the start of school each year. An outline of areas to be covered in the Safety Assurance Plan is provided in Attachment 2.
21. Safety Training. As part of the Safety Assurance Plan, the Contractor shall provide driver safety training. The training shall consist of a minimum of one two-hour session per semester with a maximum number of 35 drivers participating in each orientation. Drivers failing to attend are not eligible to drive District routes. A roster of participants will be submitted to the District within five working days after each session.
22. Labor Provisions. The District believes that experienced school bus drivers are critical to the safe and timely transport of students and therefore places a high priority on the retention of an experienced driver force that has a commitment to safe and efficient provision of services under this contract. As high levels of driver turnover have become a major problem in the school bus industry, and as this creates an impediment to the adequate training and professionalism of drivers, the District wishes to ensure that all reasonable steps be taken to ensure the retention of the current driver workforce and the ongoing maintenance of a workforce of experienced, well trained drivers committed to safety and high quality service. The District also wishes to avoid the unnecessary disruption of services and the unnecessary lowering of driver morale.
 - a. Retention of Employees under Prior Contract
 1. The Contractor agrees to offer employment to all school bus drivers who had been employed to provide these services to the District under the prior contract, and, as of the end of the 2016-2017 school year had been so employed for a period of not less than 90 days, unless the Contractor has reasonable cause to refuse to make such an offer to one or more particular employees. The hiring procedures and requirements imposed by the Contractor shall not be substantively more stringent than those employed by the Contractor under the District contract for 2016-2017 or, if the Contractor did not have a contract with the District for the 2016-2017 school year, the hiring procedures and requirements shall not be substantively more stringent than those generally applied by the Contractor in similar operations for other school districts. Any such offers to school bus drivers who had been employed to provide services under a contract for the 2016-2017 school year shall be for an hourly rate not less than the hourly rate paid to the particular employee involved under the prior contract and shall be held open by the Contractor for a period of not less than 30 days. All such employees shall be retained for a period of at least 90 days after the start of the 2017-2018 school year, absent reasonable cause for termination.

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2. Should the Contractor determine that it requires the services of fewer drivers than those who had been so employed under the prior contract, the Contractor shall offer employment to the drivers on the basis of the driver's seniority (i.e., length of continuous service as a driver providing services to the District). In such circumstance, should the Contractor hire additional drivers prior to the 90th day of the 2017-2018 school year, it shall give preference (in seniority order) to such drivers who were not previously retained. Any such drivers hired at such later time shall be retained for a period of at least 90 days after their hire, absent reasonable cause for termination.

3. Failure of Contractor to comply with paragraphs (1) or (2) above, shall entitle the District to void this contract, at its discretion. Nothing in these Bus Labor Provisions is intended to create in any third parties, any independent causes of action against the Contractor or the District.

b. Driver turnover rates

The District places a high priority in the retention of an experienced driving force. The District understands that school bus driving is considered part-time employment and therefore retaining qualified drivers requires constant innovations. Each firm shall submit as part of its proposal the steps that it shall take to ensure that it is able to minimize driver turnover, hire and retain qualified drivers, retain the experienced work force currently driving our students, including senior drivers, and offer adequate and ongoing training to the workforce. Such proposal may include an incentive plan for drivers with monetary and/or non-monetary incentives. Adherence to such plan shall be a requirement of this contract. The District favors Contractors having non-compete agreements with newly hired drivers that received training and CDL license at the expense of the Contractor if allowable under their CBA.

c. Labor peace

In order to ensure that any union organizational efforts among employees performing services under this contract do not unduly disrupt services to the district or contribute to the lowering of employee morale or the loss of experienced drivers:

1. Each proposer shall (i) reach an enforceable agreement with any and all labor organizations which informs the proposer or the District that it seeks to represent employees performing services under this contract as their representative(s) under the National Labor Relations Act, with such agreement(s) providing for the lawful and peaceful resolution of disputes associated with any such organizing efforts in a manner that will minimize any disruptions or undermining of the District's interests, including that such labor organization(s) will engage in no picketing, work stoppages, or other activities disruptive of services to the District, and that the proposer shall not take any actions contrary to the National Labor Relations Act, including a requirement that the proposer shall provide only truthful information to its employees, and each bidder shall include a copy of any such agreement(s) in its proposal package, or (ii) shall represent as part of its proposal to the District that it has in good faith sought such agreement(s) with each such labor organization or



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has been unable to obtain such agreement(s) despite best efforts. Contractor's compliance with the provisions of this paragraph 3(a) shall be a condition precedent to receipt of this contract, assuming the willingness of the relevant labor organization(s). No Contractor shall be required to agree to any unlawful terms, nor to reach agreement regarding employees not related to the performance of services under this contract. In determining whether the proposer has met the requirement to seek such an agreement in good faith, the following requirements shall be met and shall be sufficient: (1) proposals must be exchanged or requested; and (2) a face to face meeting to discuss the proposals must be held or requested; and (3) if an agreement cannot be reached, the bidder must provide a rational explanation for why agreement was not reached. In and of itself, a failure to negotiate a contract with a labor organization pursuant to this paragraph 3(a) will not disqualify a proposer.

2. The Contractor agrees that, during the term of this contract, it shall continue to be willing to agree to, and execute, such lawful labor peace/labor harmony agreements with any labor organization that may lawfully seek representation of employees performing services under this contract and that has informed the District or the firm that it seeks to represent such employees. If the Contractor is contacted by any such labor organization and is unable to reach an agreement, upon request by the District, the Contractor must: (1) represent that proposals were exchanged or requested; and (2) represent that a face to face meeting to discuss the proposals was held or requested; and (3) present a rational explanation for why agreement was not reached.

3. Failure of Contractor to comply with paragraph 1. or 2. above shall entitle the District to void this contract, at its discretion, or to seek actual damages to the District for each violation, up to \$10,000 for each violation, provided however, that no contractor shall be required to agree to any unlawful terms, nor to reach agreement regarding employees not related to the performance of services under this contract.

23. Compliance with Labor Laws. Contractor agrees to comply with all applicable labor laws and regulations as they pertain to organizational activities and the like. Drivers must know that they have an unencumbered right to discuss organizational activities without fear of employer retaliation. In particular, each Contractor is responsible to comply with its obligations under the National Labor Relations Act with respect to drivers' discussion concerning their rights to organize.

G. Operations.

1. Stop Times and Locations. The District will have sole authority to direct the routes, times and locations of pickup and delivery. The District shall furnish the Contractor with a list of the school days by program for which the transportation service is to be furnished with the understanding that the number and days shall vary depending on the program. A school calendar will be provided to the Contractor. In the event of changes in the school calendar the District will provide an amended calendar as soon as practicable.

2. Bus Inspection at Completion of a Route. All buses will be equipped with the Zonar Electronic Vehicle Inspection Report (EVIR) system or equivalent approved by District



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and shall include pre-trip, post-trip and child-check inspections. This system shall include an integrated GPS-GSM real-time reporting capability. This system shall be an eleven-zone tag configuration subject to approval of the District. Drivers are to complete a physical walk-through of the bus after each route is completed; verification of this inspection will be via the Zonar or equivalent system. This inspection is to determine if any students are still on board and to identify any leftover belongings. If the driver leaves a student on the bus unattended, the Contractor will transfer or otherwise remove the driver from the District's school bus service.

The District reserves the right to request the contractor at a future date to provide the District with integrated software capability such as VersaTrans "Online" or equivalent to leverage GPS capability. This system software will be used to provide contractor with real time billing capability, monitoring of late buses and providing District with real time solutions for on-time delivery of students. The contractor will be responsible for purchase and maintenance of the system, and will provide the District with all necessary passwords and access to all data generated by the system.

3. Delivery. No student will be delivered to school earlier than one-half hour or no later than ten minutes prior to the beginning of class sessions. The District prior to the opening day of school will submit school start/dismissal times to the Contractor. In the event of changes in start/dismissal times the District will provide amended schedules as soon as practicable.
4. Special Program Notification. The District will inform parents of various programs, e.g., Special Education, Head Start, etc., that the District will report to the Contractor any student who is not to be picked up or who is to be resumed.
5. Load Adjustments. The District will monitor all routes and loads assigned to each bus and the Contractor shall adjust routes and loads as directed by the District's Transportation Office.
6. Additional Activity Services. The Contractor shall provide additional bus service for extended day activities, noon runs, varied school start/dismissal times, and other activities as required by the District's Transportation Office.
7. Other Authorized Riders. The Contractor shall permit adults or other approved visitors to ride the buses only when authorized by the District Transportation Manager. Family members of drivers, including children (unless child is assigned to that route) are not permitted on the school buses during the time the bus is operating under this contract, this includes deadheading time. Exceptions may be requested in advance for special events, such as bring your child to work day, or other emergencies, all must be approved in advance by the Transportation Manager. Any instances will be subject to fines under liquated damages section.
8. Intervention Associates. The District may assign Intervention Associates to routes. The role of the Intervention Associate will be to work with the bus driver, students and school officials to ensure a safe and orderly bus ride.
9. Incident Reports. The Contractor will provide the District's Transportation Office with written incident reports of disciplinary and health problems that may arise during scheduled



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District service. The Contractor shall notify the District immediately of any vehicle accident where students are involved, or of any situation that constitutes a safety hazard to students. The Contractor will bear full responsibility for any issues resulting from students being dropped off at an unassigned stop.

10. Accident Reports. The Contractor will immediately notify the District of any accident. The Contractor shall forward within 24 hours of each accident wherein an injury is sustained a written report describing all details of such accident. All other accident reports will be submitted by the tenth of each month for the preceding month. Prior to the start of school, the Contractor shall provide the District's Transportation Office with a copy of its Standard Operating Procedures for responding to accidents.

11. Emergency Exit Drills. Emergency exit drills shall be held each school semester except Head Start routes will have two drills in the first semester. If unexpected problems develop, a make-up drill shall be scheduled as soon as possible. Emergency drill reports shall be submitted as directed by the District's Transportation Office.

12. Field Trips. There will be requirements for field trip busing. Field trips will be assigned as requested by the District's Transportation Office.

13. Ice and Snow. The Contractor shall operate during ice and snow conditions unless the District cancels routes. Chains will be carried on all buses at all times and drivers shall be trained and qualified to install tire chains. The Contractor shall implement alternate routes as necessary that have been approved by the District.

14. Notification of Delays. The Contractor shall immediately notify the District's Operations Center of all service delays at sign out and all bus breakdowns. This will allow the District's Operations Control Center to inform parents of delays.

15. Dry Run. A rehearsal day (Dry Run Day) will be conducted approximately one week prior to opening day of school (the exact date to be announced by the District). All routes will be operated as though it were the first day of school. Orientations will be conducted during the same day for all drivers at sites and times designated by the District. It is critical that all drivers have the opportunity to meet with the school staff prior to the opening of school. The Contractor will submit a claim voucher for reimbursement upon conclusion of the rehearsal run and orientation of the drivers. Rehearsal runs will be compensated at BDR (Basic Daily Rate) and drivers' orientation at the drivers' hourly wage rate.

16. State Funding Count Requirements. The Contractor shall provide the District with accurate and timely student counts for the purpose of State Transportation Cost Reimbursement. These four days official count periods will be conducted in October, January, and April of each year unless a more frequent schedule is required by state or federal regulations. The Contractor shall work with their GPS service provider to provide these counts electronically beginning October of 2017. Liquidated damages shall apply for each case of missing ridership data not received within 5 days of designated count period.

H. Billing Procedures

1. Claim Voucher/ Daily Bus Report. The Contractor shall submit a base billing to the District's Transportation Office no sooner than the 15th of each month for that month



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of operation. Contractor shall submit an excess billing to the District's Transportation Office on or before the tenth day of each month for the previous month's service. Contractor shall maintain daily Bus Report Forms for each individual route. The billing(s) shall give a breakdown of the program identifying the amount of time when hourly rates are utilized, the applicable rate, and the total amount claimed for each program group. Programs will be designated by the District prior to the start of the school year. The Contractor shall complete a Daily Bus Report (DBR), as designated by the District, or input data into software provided by the District. The DBR's will be assembled by date and in route sequence and made available to the District no later than five days after the transportation is provided.

2. Basic Daily Rate. "To and From" Basic Daily Rate (BDR) (four hours) is defined as two trips out of the lot and return per day. Invoicing shall be based on driver DBR sign on/off time to include a 15 minute pre-trip driver safety/preventative maintenance check of bus.
3. Use of Basic Daily Rate. The District reserves the right to fully utilize the four hours Basic Daily Rate. Further, the District reserves the right to assign additional time beyond the basic four hour rate for work required to provide other services, including for areas such as Head Start preschool program and before and after school activity services. If the Contractor routes a bus from an alternate facility not designated to serve the route, the Contractor will credit the District for excess deadhead time.
4. New or Substitute Drivers. When a new or substitute driver is assigned a route, the time of the route will be computed on the average time of the regular driver's route time and invoiced on the billing accordingly.
5. Rounding Time. All time accrued in excess of the Basic Daily Rate will be prorated to the closest five minute increment as reported on the driver's DBR. If over three minutes, time shall be rounded to the next higher five-minute interval. If three minutes or under, the time shall be rounded down to the next lower five minute interval. Time which is accrued in excess of the Basic Daily Rate of four hours shall be charged at the hourly rate schedule under Excess Hourly Rate.
6. Late Operation/Work Actions. In the event a bus is late in performing a run due to contractor error, an adjustment to the charge will be made. A run operated greater than 10 minutes late, up to thirty minutes will be credited on a per minute bases at the excess hourly rate. Should a trip be missed entirely, a deduction equivalent to the estimated cost of the trip shall be subtracted from the monthly billing. The Contractor shall immediately notify the District's Transportation Office in the event of a delay. If students are missed as a result of driver fault or negligence, or because of a delay in operating service, the Contractor shall, at its expense, pick up and deliver missed students or reimburse the District for any expenses incurred by the District in providing alternative service for missed students. If there is a failure or refusal on the part of the Contractor to furnish the services specified in the proposal, after requested in writing, the District may charter that service in the open market at the Contractor's expense or take any other action provided for in this Contract.
7. Liquidated Damages. Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience,



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while minimizing the burden to the student, their families and school staff. From the nature of the services to be rendered it would be impractical and extremely difficult to fix the actual damage under the Contract caused by defects in service. Within 45 days of the event there shall be assessed as liquidated damages, but not as a penalty, the amount(s) set out below. Radio log/recordings/GPS system provider data will be used as verification.

- a. \$200.00 shall be assessed for each incident of the following: (If an entire assignment is missed (blown route), including an assignment for a field trip, the liquidated damage assessment shall be \$800.00)
 - i. Morning route, 15 or more – minute delay.
 - ii. Noon route, 15 or more – minute delay.
 - iii. Afternoon route, 15 or more – minute delay.
- b. \$100.00 shall be assessed for each incident of the following:
 - i. Not having a “Regular Driver.”
 - ii. Driver misses stop or fails to pick up or drop off student(s).
 - iii. Driver fails to follow District approved route.
 - iv. Failure of a driver to keep up-to-date route description.
 - v. Failure to clean a dirty bus (interior and exterior) within twenty-four hours of notice.
 - vi. Failure to display route numbers.
 - vii. Unauthorized riders.
 - viii. No contact via radio.
- c. \$250.00 shall be assessed for each incident that a field supervisor is absent from his/her assignment.
- d. \$250.00 shall be assessed for each assignment on Dry Run Day that is not driven by the driver who is permanently assigned to that route.
- e. \$300.00 shall be assessed for each incident or for delays in service as a result of a private charter trip.
- f. \$250.00 shall be assessed for each case of missing ridership data not received by District within 5 days of designated count period.
- g. \$250.00 shall be assessed for each case of a route being covered with a bus that does not have active GPS, Radio, or Video.



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Damages for trip delays, which are in the sole judgment of the District clearly and unquestionably caused by factors totally beyond the control of the Contractor, will be waived by the District.

The above damages are cumulative if a single incident includes more than one category.

8. Late Operation. If the District becomes aware that a late or missed trip occurred, but was not reported by the Contractor to the District, the Contractor may be charged \$250.00 for each trip which is not reported to the District. A late trip is defined as a trip operated more than 20 minutes late.
9. District Cancelled Operation. If the District cancels transportation and there is insufficient time to notify the drivers, the Contractor may charge the District for actual incurred costs and they will be paid by the District.
10. Cancellation of Routes. If Contractor's performance on a particular route or routes is unsatisfactory for a total of three days in any week, or if the Contractor does not have an assigned regular driver for a route or routes on Dry Run Day, the District may cancel such route(s) or portions thereof and award them to another carrier, or operate them with District equipment. The Contractor shall be liable for any additional costs to District as a result of providing such alternative service. Unsatisfactory performance for purposes of this section may consist of driver fault, driver misconduct toward students, mechanical breakdowns, not filling assignments, late route performance of ten minutes or more, multiple different drivers on a given route, and/or other similarly serious factors. Except as provided in II.H.13 below, such cancellation shall be preceded by written notification of unsatisfactory performance by District to Contractor before or upon the third instance of unsatisfactory performance for each route, and following each instance thereafter. Contractor must immediately correct the deficiency, or may respond in writing, within five calendar days of receipt of such notices, as to why the asserted unsatisfactory performance should be excused. District shall make the final determination with its reasonable discretion.
11. Failure to Comply with Terms and Conditions. Notwithstanding the provisions of the Districts Terms and Conditions, Article 9, should Contractor fail to comply materially with any of the terms or conditions of this contract, or should District determine from Contractor's total performance that Contractor is unfit, unqualified or unable to meet the student transportation needs of District as required by this contract, then this contract may be cancelled in its entirety by District at any time upon thirty days prior written notice to Contractor.
12. Exercise of District Rights. Notwithstanding the foregoing process and periods for notification to enforce a right, the District at its option may exercise any of its rights under the District's Terms and Conditions, Article 9, with 24-hour notice if necessary to assure that reliable student transportation is available to the District.
13. Acquisition of Buses. Should the cancellation or termination of this contract occur, except as described under force majeure, the District will provide or furnish transportation services itself or by contract, and the District may acquire buses, real property, and other facilities and property for student transportation.



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14. District Purchase or Lease of Contractor's Assets. Therefore, upon cancellation or termination of this contract under any of its provisions, District may at its option buy or lease from Contractor, and Contractor agrees to sell or lease to District, any or all regular buses, services and spare buses, facilities and/or real property, which as of the date of delivery of notice of cancellation from District to Contractor are then being used by Contractor. The price for said buses, facilities and/or real property shall be determined by appraisal of the actual cash value without any assignment of value for a "going concern or group lot". The choice from among the various methods, as set forth below, by which District may acquire or lease said buses, facilities and/or real property will be determined at the sole discretion of the District.
- a. Outright purchase of any or all of the buses, facilities and/or real property; and
 - b. Lease of any or all of the buses, facilities and/or real property over a period or periods of up to five years.
15. Valuation. In the event the District exercises said option to purchase or lease any or all of Contractor's buses, facilities and/or real property the actual cash value at date of notification shall be used for valuation purposes and shall be determined by appraisal by three appraisers, one to be selected and paid by the District, one to be selected and paid by Contractor, and the third by the two said appraisers with the payment for the third appraiser to be equally shared by the Contractor and the District. The value of each vehicle and other asset shall be established by majority vote of the three appraisers, or, in the event of disagreement among all three, by the average of the two closest appraisals. The appraisers shall determine lease payments according to the same method on any lease using said value. The District may reject the appraisers' report as to the lease or purchase price within 15 days of report and such rejection shall work to forfeit the District's right to the lease or the purchase.

I. Field Trips

- 1. Field Trip Confirmation. All field trips paid with District funds, including evening and weekend trips, must be arranged and confirmed by the District's Transportation Office.
- 2. Site Release. The District reserves the right either to detain the bus and driver at the activity site or release, with the request to return at a specified time, whichever is the least cost to the District.
- 3. Scheduling of Field Trips. Whenever possible, field trips or activities will be scheduled in conjunction with to and from school trips.
- 4. Notification of cancelation of field trip bus(es). Contractor shall notify the District no less than five (5) working days in advance of the scheduled field trip.
- 5. Failure to provide scheduled field trip buses. Two (2) failures to provide a scheduled field trip bus(es) within 15 minutes of the scheduled time in any month shall be defined as "multiple cancellations".



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6. Contractor shall provide District with designated field trip drivers. These drivers may have a portion of their daily route designated as to and from routes. District shall designate the number of dedicated field trip drivers no later than July 16th of each upcoming school year.

J. Communication Equipment

1. Software. If the Contractor has their own proprietary system they use for daily bus routing operations, it must be compatible with data uploads from the District Versatrans system. Data uploads are currently done twice weekly and may increase to provide the most accurate routing. These data uploads contain all revisions made by district staff to existing routes and any new or cancelled routes.
2. Dedicated E-Mail Address: The Contractor shall provide a dedicated e-mail address for each to each facility location to receive route changes and other information.
3. Hot Lines. The Contractor will provide a hot line from each Contractor operational dispatch center to the District's Transportation Office.
4. GPS reporting and real-time route information. By September 1, 2017, the Contractor will authorize ZONAR to release the Contractor's GPS data directly to the District.

K. Public Relations

The Contractor shall cooperate with the District to establish and maintain good public relations with the community and the news media. The District reserves the right of consultation on news media material regarding pertinent matters affecting the transportation services or patrons of the District.

L. Contract Extension

The student transportation services under this contract shall be provided for three (3) years with the option of two (2) additional 1-year renewals. The initial 3-year period (or more precisely, 37 months) of performance begins August 1, 2017 and ends August 31, 2020 and all rates, terms and conditions remain the same. The District reserves the option to extend the contract with two (2) separate 1-year renewals. Should the District extend the contract, the first renewal period of performance would begin September 1, 2020 through August 31, 2021. The second renewal period of performance would begin September 1, 2021 through August 31, 2022. Renewals are granted on a year-by-year basis. The Contractor shall submit to the District its proposed rates by December 15th in the year preceeding the renewal date. The Contractor must specify justification for any change of rates from the current amounts charged to the District. The District reserves the right to:

- a. Accept the Contractor's proposed rate structure for the following year and award a one-year extension, or
- b. Reject the Contractor's proposed rate structure and select rates for the following year based upon an adjustment to the "core inflation rate" by



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using the then-current rates to reflect 100 percent of the October – October percentage change in the Consumer Price Index, Not Seasonally Adjusted, for Seattle-Tacoma-Bremerton, WA, All Items Less Food and Energy (Series Id: CUURA423SA0L1E, CUUSA0L1E), published by the Bureau of Labor Statistics, U.S. Department of Labor-Base Period 1982-1984 = 100 (e.g. the adjustment for the 2020-2021 school year would reflect 100 percent of the percentage change in this C.P.I. from reference period October 2019 to reference period October 2020).

- c. Cancel the contract effective the following August 31.
- d. Cancel the contract effective the following August 31.

The District will select one of the three alternatives by April 15.

It shall be understood that the Contractor is obligated to perform for a total of three years per these terms, but that the District is obligated only on a year-by-year basis except as otherwise provided herein for earlier termination by the District. Contractor may elect to terminate this contract after three years performance, in which case written notice of such termination must be given the District by December 15 of the year preceding the beginning of the next contract year. If Contractor does not timely elect to terminate the contract effective years four and five, or year five, yearly extensions per the above procedures shall continue at the District's option for the full five years of this contract.

The District makes no representation as to the size or scope of its transportation needs beyond the 2017-2018 school year; there will be no penalties assessed against the District in connection with decreases in numbers of buses contracted from year to year.

M. District Penalty

The Number of buses awarded by this contract for 2017-2018 or succeeding years may vary from the number required at the opening of each school year. If after the first 30 days of school or during the continuance of a year the number of buses not used in regular service exceeds 10 percent of the number contracted for regular service, the Contractor may assess the District a one time penalty. This penalty will be determined based on consideration of the following costs, and no others:

- 1. bus depreciation;
- 2. interest on capital investment on the unused equipment;
- 3. employee training;
- 4. bus license and/or fees; and
- 5. storage costs.



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These costs shall be subject to an independent audit by a firm acceptable to the District and the Contractor.

Once the penalty has been assessed, the Basic Daily Rate for each class of bus as outlined in Article II of the proposal will be utilized for the remainder of the contract.

The District reserves the right to prescribe the class and model of the buses to be retained in service. Cost reimbursement will be predicated upon vehicle class.

If the number of buses needed exceeds the contracted amount, the Contractor shall invoice in accordance with the cost per bus class as outlined in Article I of the proposal.

N. Other

The District currently has 24 nonunion, hourly employees who perform Bus Assistant responsibilities for Head Start students. The District is contemplating bringing this work under the purview of the successful contractor(s), and reserves the right to request the successful vendor to perform this function.



Fees

Request for Proposal No. RFP09614
Attachment 3, Pricing

Student Transportation Services for 2017-2020
and Succeeding School Years

BASE BID - All or None pricing

Proposers may elect to propose on all or part of the available service. Once the desired type of coaches and level of service are identified, the proposed four hour daily basic rate and excess hourly rate should be entered into the format provided below. Proposers must provide the four hour daily basic rate and excess hourly rate for all increments up to and including the desired maximum level of service. If the proposal does not contain rates at the lower increments, the District will assume that there is no desire from the proposers to provide services at the lower increments.

For example, if the proposed amount of class A (28 minimum passenger) service operated is 0-175 buses, the proposed daily basic rate and excess hourly rate should be included in each increment of service starting from 0-25 up to and including 151-175.

The numbers of buses to be made available by type are:

- a. "To and From" School Transportation

Number Required	Per Unit Basic Daily Rate	Excess Hourly Rate
i. Type A (28 Minimum Passanger)		
1 - 25	\$518.63	\$36.18
26 - 50	\$471.48	\$36.18
51 - 75	\$428.62	\$36.18
76 - 100	\$389.65	\$36.18
101 - 125	\$352.29	\$36.18
126 - 150	\$328.28	\$36.18
151 - 175	\$307.04	\$36.18
Over 175	\$307.04	\$36.18
ii. Type C		
1 - 25	\$523.18	\$36.18
26 - 50	\$475.61	\$36.18
51 - 75	\$432.38	\$36.18
76 - 100	\$393.07	\$36.18
101 - 125	\$362.37	\$36.18
126 - 150	\$346.45	\$36.18
151 - 175	\$324.01	\$36.18
176 - 200	\$324.01	\$36.18
201 - 225	\$316.11	\$36.18
Over 225	\$316.11	\$36.18



Request for Proposal No. RFP09614
 Attachment 3, Pricing

Student Transportation Services for 2017-2020
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Number Required	Per Unit Basic Daily Rate	Excess Hourly Rate
iii. Type C (Lifts) capacity: 18 walk-ons/2 chairs (Must be equipped with a "soft-ride" or an air ride suspension system)		
1 - 25	\$346.45	\$36.18
26 - 50	\$324.01	\$36.18
51 - 60	\$324.01	\$36.18

b. Field/Special Trips - Category I

- i. Category I trips are defined as trips that are assigned during calendar school days between the hours of 6:00 a.m. to 6:00 p.m.
- ii. Trips may be assigned by the District or in connection with "To-and-From" school transportation routes.
- iii. The Excess Hourly Rate will begin when the Basic Daily Rate is exceeded.
- iv. A two (2) hour minimum applies to the hourly rate if the trip is not connected to a "To-and-From" school trip. (Any third trip of the day)

Mileage Rates

When a trip involves excessive miles, the Contractor may bill at a cost per mile rate instead of cost per hour.

Type A	\$2.62	per mile
Type C	\$2.62	per mile
Type C (Lifts)	\$2.62	per mile



Fees

Request for Proposal No. RFP09614
Attachment 3, Pricing

Student Transportation Services for 2017-2020
and Succeeding School Years

c. Field/Special Trips - Category II

- i. Category II trips are defined as trips that are assigned during non-calendar school days and/or between the hours of 6:00 p.m. to 6:00 a.m. on calendar school days
- ii. Trips will be assigned by the Contractor to buses so as not to interfere with "To-and-From" school operations.
- iii. A four (4) hour minimum, (based on Category II hourly rate) which may be divided between two trips in and out of lots, will apply to all Category II Field/Special Trips.
- iv. Transportation Request, Confirmation, and Invoice Form will be utilized for field trips.

Hourly Rate

When a trip involves excessive miles, the Contractor may bill at a cost per mile rate or a cost per hour rate.

Type A	<u>\$37.25</u>	per hour
Type C	<u>\$39.79</u>	per hour
Type C (Lifts)	<u>\$39.79</u>	per hour
Layover Per Diem	<u>\$50 + Actual Hotel Cost</u>	

Mileage Rates

When a trip involves excessive miles, the Contractor may bill at a cost per mile rate instead of cost per hour.

Type A	<u>\$2.62</u>	per mile
Type C	<u>\$2.62</u>	per mile
Type C (Lifts)	<u>\$2.62</u>	per mile



Fees

Request for Proposal No. RFP09614
Attachment 3, Pricing

Student Transportation Services for 2017-2020
and Succeeding School Years

d. Hourly rates for Bus Assistants - Optional Service

Charge for Bus Assistant \$32.00 per hour

e. Initial purchase, installation and associated cost for Tyler GPS Tag \$2,086.96 cost per unit
- Optional Service

f. Annual cost for offering eligible drivers ACA compliant medical plans \$1,797,310.14 *

* Estimate of year 1 pass through cost.



Exhibit C

SERVICES CONTRACT
GENERAL CONDITIONS (SHORT FORM)

ARTICLE 1 - CONTRACTOR'S SERVICES AND RESPONSIBILITIES

1.1 Services. Contractor shall furnish all personnel, equipment and materials for the performance of all services under this Agreement. Such services, together with all drawings, specifications, materials, information, property, and other items provided or to be provided to District under this Agreement, are sometimes collectively referred to herein as the "Services."

1.2 Manner of Performance. Contractor's Services shall be performed with the degree of care and diligence ordinarily exercised under similar circumstances in the applicable disciplines and as expeditiously as is consistent with such standards of professional skill and care and the orderly progress of the Services. At the time of performance, Contractor shall be properly licensed, equipped, organized and financed to perform the Services.

1.3 District's Representatives. District may designate one or more individuals or firms as its representative for administration of this contract. If a representative is assigned by District, it shall not have authority to assign additional Services or to reduce the Services to be performed by the Contractor under this contract.

1.4 Correction of Noncompliances. Contractor shall, at no cost to District, promptly and satisfactorily correct any Services found to be defective or not in compliance with the requirements of this Agreement or the requirements of any governmental authority, law, regulations or ordinances.

1.5 Contractor's Personnel. All personnel employed by Contractor engaged in the Services and Services shall be fully qualified and shall be authorized under applicable federal, state, and local law to perform such Services and Services. Contractor shall, if so requested by District, remove from the performance of the Services any person District reasonably deems incompetent. Failure of District to so object shall not relieve Contractor of responsibility for such person. If any personnel are reassigned or replaced by Contractor upon District's request, Contractor shall replace them with personnel approved by District.

1.6 Contractor Employee Background. Pursuant to RCW 28A.400.330, as a contractor for a school district, Contractor shall prohibit any employee of Contractor who has pled guilty to or been convicted of any felony crime involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury or death of a child under Chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual exploitation of a child under Chapter 9.68A RCW, sexual offenses under Chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a minor under Chapter 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or violation of similar laws of another jurisdiction from working in any situation where the employee will have unsupervised access to children. Failure to comply with this section shall be grounds for District to immediately terminate this Agreement.

Contractor agrees that all of Contractor's staff assigned to work at a District school or with District students under this Agreement shall obtain a criminal background check per RCW 28A.400.303 and RCW 43.43.830 prior to such staff providing services pursuant to this Agreement. Contractor further agrees that all staff assigned to the District will be fingerprinted prior to any work for the District. Contractor is responsible for any fingerprint processing fees. The District shall be provided with fingerprint results for all staff assigned to perform work for the District. If a positive criminal history is reported, the District shall make a final determination as to whether that particular staff member may be assigned to work under this Agreement.

1.7 Compliance With Laws and Liability

1.7.1 General. Contractor shall comply, and be certain that its Services comply, with all applicable laws, ordinances, regulations, resolutions, licenses of record, permits of record, and other requirements applicable to the Services, in effect at the time of performance of the Services and as interpreted by cognizant authorities. Contractor shall furnish such documents as may be required to effect or evidence such compliance. All laws, ordinances, regulations, and resolutions required to be incorporated in agreements of this character are incorporated in this Agreement by this reference.

Exhibit C

1.7.2 Nondiscrimination.

A. Applicable state laws concerning prevailing wages, hours, workers' compensation and other conditions of employment are called to the attention of bidders for their compliance. Bidder shall include in the bid any filing fees required to comply with applicable labor laws.

B. During the term of this Agreement, Contractor shall comply with applicable local, state and federal laws prohibiting discrimination with regard to race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap.

C. Any contractor who is in violation of these requirements, or an applicable nondiscrimination program shall be barred forthwith from receiving awards of any purchase order from Seattle School District No. 1 or shall be subject to other legal action or contract cancellation unless satisfactory showing is made that discriminatory practices have terminated, and that reoccurrence of such acts is unlikely. This includes compliance with Section 503 and 504 of the Vocational Rehabilitation Act of 1973 and Sections 2012 and 2014 of the Vietnam Era Veterans Readjustment Act of 1974.

1.7.3 Warranty of Accessibility. If services include the provision of technology related products, Contractor warrants the following:

A. The system and services provided to the District will comply with all local, state, and federal laws, regulations and relevant regulatory guidelines. Contractor further agrees that the system and services provided to the District will comply with all laws prohibiting discrimination with regard to race, creed, color, national origin, sex, sexual orientation, marital status, age, or the presence of any sensory, mental, or physical disability. Contractor will furnish such documents and information as may be reasonably requested by the District to evidence Contractor's compliance with the terms of this agreement.

B. Contractor will use reasonable efforts to ensure that, to the extent directly affecting the intended daily use by end users of the system and services provided to the District under this agreement, such system and services will, at a minimum, conform with all applicable laws, including Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended, all other regulations promulgated under Title II of the Americans with Disabilities Act, and the accessibility standards of the Web Content Accessibility Guidelines ("WCAG") 2.0 AA; provided, however, that Contractor will have no obligations with respect to such compliance to the extent relating to any portion of the system and services provided or developed by third parties or any user-generated content. If Contractor cannot ensure WCAG compliance for a portion of its services, Contractor will detail how it will support the District in providing equally effective alternate access for nonconforming web content and software and unusable equipment, devised, and hardware.

C. Contractor will conduct an accessibility test using an independent third party automated software system or a method otherwise mutually agreeable to the parties, to determine the compliance of the products and services provided to the District under this agreement with all accessibility laws and protocols, including the WCAG, as amended.

1.7.4 Student User Privacy. Contractor agrees to comply with the Student User Privacy in Education Rights Act ("Super Act" - a Washington State law on student privacy) if the provisions of SUPER Act apply to the school services provided by the Contractor to the District. School service means a website, mobile application, or online service that: (a) Is designed and marketed primarily for use in a K-12 school; (b) is used at the direction of teachers or other employees of a K-12 school; and (c) collects, maintains, or uses student personal information. A "school service" does not include a web site, mobile application, or online service that is designed and marketed for use by individuals or entities generally, even if also marked to a United States K-12 school.

1.7.5 Confidential Student Information. Contractor understands and agrees that any educational records received from the District are considered confidential student information protected by federal law, the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. Section 1232g. Contractor further agrees that student educational records received from the District will not be disclosed to any other person, agency, or entity without the prior written consent of the District unless required to make such a disclosure in connection with the performance of its obligations under this Agreement (provided that the party to whom such information is disclosed is subject to confidentiality restrictions) or under an applicable law or court order. Contractor shall not be permitted to sell such information and must seek permission from District before including such information that is identifiable to the school or district. Contractor agrees that any student information obtained through this Agreement is confidential and cannot be disclosed to a third-party

Exhibit C

unless disclosure is expressly permitted in this section or required by law. Upon termination or expiration of this Agreement for any reason, Contractor shall either return or permanently delete and destroy all confidential student information. Contractor will confirm its destruction or return confidential student information in writing at the request of the District. For the avoidance of doubt, this section does not create any obligations for Contractor with respect to information that is not in Contractor's control. The unauthorized or unlawful disclosure of student records by Contractor is just cause for the District to immediately terminate this Agreement.

ARTICLE 2 - PAYMENTS TO CONTRACTOR

The compensation shall be made no more frequently than monthly and if paid on a lump sum basis shall be in proportion to the Services performed. Each of Contractor's invoices shall set forth in a detailed and clear manner a complete description of the Services covered thereby, on a form substantially similar to that customarily used by District and shall be supported by such receipts, documents, and other information as District may reasonably request. The invoice shall include separate listings of Services for particular schools or programs, if requested by the District. District shall pay each of Contractor's invoices within thirty (30) days after District's receipt, provided that all required documentation is included and accurate.

ARTICLE 3 - REIMBURSABLE EXPENSES

As shown in contract.

ARTICLE 4 - CONTRACTOR'S ACCOUNTING RECORDS

The Contractor's records of performance of Services shall at all times be subject to review by and the approval of District, but the making of (or failure or delay in making) such review or approval shall not relieve Contractor of responsibility for performance of the Services in accordance with this Agreement. Records of Reimbursable Expenses shall be kept in accordance with generally accepted accounting principles.

Contractor shall promptly furnish District with such information related to the Services as may be requested by District. Until the expiration of three (3) years after final payment of the compensation payable under this Agreement, Contractor shall provide District access to (and District shall have the right to examine, audit and copy) all of Contractor's books, documents, papers and records which are related to the Services or this Agreement.

ARTICLE 5 - DISTRICT OWNERSHIP AND USE OF DOCUMENTS

5.1 **District Ownership.** All drawings, specifications, materials, information, property and other items obtained or developed in connection with the Services or the cost of which is included in the Reimbursable Expenses (including, but not limited to, documents, designs, drawings, plans, specifications, calculations, maps, sketches, notes, reports, data, estimates, reproductions, renderings, models, mock-ups, completed Services and Services in progress), together with all rights associated with Districtship of such items (such as copyright, patent, trade secret and other proprietary rights), shall become the property of District when so obtained or developed or when such expense is incurred, as the case may be, whether or not delivered to District. Contractor shall deliver such items, together with all materials, information, property and other items furnished by District or the cost of which is included in the Reimbursable Expenses, to District upon request and in any event upon the completion, termination or cancellation of this Agreement. However, Contractor may at its own expense retain copies of any such items for its own records or for use in the furtherance of its professional knowledge.

5.2 **License.** District shall have a permanent, assignable, nonexclusive, royalty-free license and right to use all concepts, methods, processes, products, writings and other items (whether or not copyrightable or patentable) developed or first reduced to practice in the performance of the Services or otherwise whether by Contractor, any of its subcontractors, or any employee(s) of Contractor in connection with this Agreement. District shall hold Contractor or its subcontractors harmless for District's reuse of documents on a project other than this Project.

Exhibit C

5.3 Nondisclosure. Contractor shall not, without the prior written consent of District, disclose to third parties any information obtained in connection with the Services unless: (a) the information is known to Contractor prior to obtaining the same directly or indirectly from District or in connection with the Services; (b) the information is in the public domain at the time of disclosure by Contractor; or (c) the information is obtained by Contractor from a third party who did not obtain the same directly or indirectly from District or in connection with the Services. If so requested by District, Contractor shall obtain from its employees, subcontractors and their respective employees nondisclosure agreements in the form and content satisfactory to District. Submission or distribution to meet official regulatory requirements or for other purposes in connection with the activity for which the Services were rendered is not to be construed as publication in derogation of District's or Contractor's rights.

ARTICLE 6 - RELEASE, INDEMNIFICATION AND HOLD HARMLESS

6.1 Release and Indemnification. Contractor releases and shall indemnify, defend, and hold harmless District, its successors and assigns, and the directors, officers, employees and agents of District and their successors and assigns (collectively, the "Indemnitees") from any and all claims, losses, harm, costs, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) relating to the services or arising (whether before or after completion of the Services) out of any act, error or omission of any of the following: Contractor; Contractor's subcontractors or subcontractors; the directors, officers, employees or agents of Contractor or any of its subcontractors or subcontractors; or anyone acting on Contractor's behalf in connection with the Services or this Agreement. This liability includes, but is in no way limited to, all claims, losses, harm, costs, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) relating to incidents with or between students on board any bus; dropping off student(s) at the wrong location; bus driver misconduct; and any accident. Should any of these issues arise, Contractor is required to notify the District immediately of any accidents or issues related to any of the scenarios above. The Contractor shall not be required to so indemnify any of the Indemnitees against liability or damages to the extent caused by or resulting from the sole negligence of such Indemnitees. The indemnification obligation under this paragraph shall not be affected by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any subcontractor under any worker's compensation act, including Title 51, RCW, any disability benefit acts, or any other employee benefit acts. Contractor and any subcontractor hereby waive, for themselves and their successors, any right to claim such limitation as a defense, set off, or other reduction of rights to indemnification under this paragraph. **Contractor further agrees that this waiver has been mutually negotiated by the parties.**

6.2 Workers' Compensation. Contractor expressly waives any immunity or limitations (e.g., on the type or amount of damages, compensation, benefits or liability payable by Contractor) that might otherwise be afforded under any industrial insurance, workers' compensation, disability benefit or similar law, rule, regulation or order of any governmental authority having jurisdiction (including, but not limited to, the Washington Industrial Act, Title 51 of the Revised Code of Washington). By executing this Agreement, Contractor acknowledges that the foregoing waiver has been mutually negotiated by the parties.

6.3 Patent; Copyright. Contractor releases and shall defend, indemnify and hold harmless the Indemnitees from all claims, losses, harm, costs, liabilities, damages, expenses (including, but not limited to, reasonable attorneys' fees) and royalties arising (whether before or after completion of the Services) out of or in connection with any claim, action, suit or proceeding based upon infringement of any patent, copyright, trade secret or other proprietary right or upon the wrongful use of any confidential or proprietary concept, method, process, product, writing, information or other item and arising out of or in connection with performance of the Services or the use or intended use of any of the Services. Further, if any of the Services or any use or intended use of the Services constitutes an infringement of any patent, copyright, trade secret or other proprietary right or the wrongful use of any confidential or proprietary concept, method, process, product, writing, information or other item, Contractor shall at its expense either procure for the Indemnitees the right to use the infringing item, replace the infringing item with a substantially equal but noninfringing item or modify the infringing item so that it becomes noninfringing; provided, however, that this paragraph 6.3 does not apply to any claim, action, suit or proceeding based upon infringement which is related to any materials or equipment designated solely by District for use by the District.

Exhibit C

ARTICLE 7 – INSURANCE AND BONDS [Richard to review]**7.1 General Provisions.**

- A. Contractor shall, at its sole cost and expense, with respect to Contractor, its subcontractors of any tier, and their employees, officers, representatives and agents, ensure that Contractor and its subcontractors maintain in effect at all times during the performance of the Work coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance (including, but not limited to, the Washington Industrial Insurance Act), regardless of whether such coverage or insurance is mandatory or merely elective under the law. Prior to commencing the Work, Contractor shall furnish to Owner assurance and evidence acceptable to Owner of coverage or insurance with respect to all persons performing the Work in accordance with the applicable laws relating to workers' compensation and employer's liability insurance (including, but not limited to, Certificate(s) of Compliance as issued by the Washington State Department of Labor and Industries).
- B. Without limiting the generality of paragraph (a) above, Contractor shall purchase and maintain insurance as set forth below for all its employees, officers, representatives and agents engaged in Work on this Project under this Contract. In case any such Work is subcontracted, Contractor shall require the subcontractor to provide the same insurance coverage for all of the latter's employees, officers, representatives and agents engaged in such Work. In case any class of employees engaged in hazardous work under this Contract and the site of the Project is not protected under the above Washington State Industrial Insurance Act, or "stop-gap" insurance, Contractor shall provide and shall cause each subcontractor to provide compensation insurance and employer's liability insurance with a private insurance company.
- C. Prior to the commencement of performance of the Work, Contractor shall, at its sole cost and expense, secure such liability insurance as will protect Contractor, its employees, officers, representatives and agents, Owner and Owner's Representative, from and against any and all claims and liabilities arising out of bodily or personal injury (including death) or property damage that may result from Contractor's operations or performance of Contractor's obligations under this Contract, whether such performance is by Contractor or any of its Support. All such insurance shall be placed with such insurers and under such forms of policies as may be acceptable to Owner.

7.2 Contractor's Liability Insurance. Contractor shall, at its own expense, secure and maintain Commercial General Liability Insurance including Products and Completed Operations; Broad Form Property Damage; Stop Gap; Contractual Liability (and Collapse, Explosion and Underground). Without limiting the generality of the foregoing, such insurance shall protect Owner, Owner's Representatives, Construction Manager, Architect/Engineer and Contractor from the following claims which may arise out of, result from or relate to Contractor's operation or performance under the Contract:

- A. claims under workers' or workmen's compensation, disability benefit and other similar employee benefit act;
- B. claims for damages because of bodily injury, occupational sickness or disease, or death of its employees;
- C. claims for damages because of bodily injury, sickness or disease, or death of any person other than its employees;
- D. claims for damages, insured by usual personal and advertising injury liability coverage which are sustained (1) by any person as a result of an offense directly or indirectly related to the employment of such person by Contractor, or (2) by any other person;
- E. claims for damages, other than to work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom (including, but not limited to, the usual Broad Form Property Damage Liability coverage); and
- F. claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

All required liability policies shall be written on an "occurrence" and not "claims-made" form. The insurance required by 7.2 shall include contractual liability insurance applicable to Contractor's indemnification obligations under this Agreement.

All required liability policies shall be specifically endorsed as primary insurance, and not contributory to any other insurance or self-insurance available to Owner.

Exhibit C

7.3 Limits of Liability. The liability insurance required herein shall be written for not less than that stated in these Contract Documents; or one million dollars (\$1,000,000), whichever is greater. Except for workers' compensation, limits shall be project specific and dedicated to work performed under this Contract, unless otherwise agreed to by Owner. The amounts of insurance shall not be less than:

workers' compensation	statutory
employer's liability (stop gap)	\$5,000,000 each accident \$5,000,000 disease-policy limit \$5,000,000 each employee
commercial general liability	\$1,000,000/\$2,000,000 (per occurrence/aggregate)
bodily injury and property damage	\$5,000,000/\$10,000,000
personal and advertising injury	\$5,000,000/\$10,000,000
products and completed operations	\$5,000,000/\$5,000,000
fire legal liability	\$100,000
automobile liability (owned, non-owned, leased or hired)	\$10,000,000 per occurrence
umbrella/excess coverage	\$10,000,000 per occurrence
professional liability	\$1,000,000 each occurrence



Exhibit C

7.4 Coverage Period. Contractor or its Subcontractors shall maintain the foregoing insurance and coverages in full force and effect at all times; (a) until all of Contractor's obligations under this Contract have been fully performed, all of the Work has been fully accepted by Owner and all operations of Contractor and its employees, officers, representatives, agents and subcontractors (including, but not limited to, removal of equipment and other property) on or about the site of the Work have been concluded; and (b) in the case of completed operations and products liability insurance, until the expiration of one (1) year after all of Contractor's obligations under this Contract have been fully performed.

7.5 Certificates of Insurance. Prior to the execution of the Contract (or within such further time as Owner may allow in writing), Contractor shall deliver to Owner Certificates of Insurance in a form acceptable to Owner as evidence that policies providing insurance with such provisions, coverages and limits are in full force and effect. Such Certificates shall state specifically the name of this Project and its address, and shall evidence the Owner and Owner's Representatives, if any, as insureds or additional insureds. These certificates shall contain a provision that coverages afforded by the policies will not be canceled until at least 45 days prior written notice has been given to Owner and additional insureds. Contractor shall also furnish Owner with such additional assurance and evidence of such insurance (such as copies of all insurance policies, certified by an authorized representative of the insurer) as Owner may from time to time request. The certificate shall also evidence that the policies are issued as primary insurance and noncontributory to any insurance or self-insurance applicable to Owner.

7.6 Renewal, Termination, Cancellation, Expiration, and Alteration. In the event of any renewal, termination, cancellation, expiration or alteration in any policy of insurance required under this Contract, Contractor shall deliver to Owner a Certificate of Insurance with respect to any such renewal, termination, cancellation, expiration or alteration, as the case may be prior to inception of any such coverage.

7.7 Additional Insureds; Right of Subrogation. Contractor shall ensure that any policies of insurance that Contractor or any of its subcontractors are required to carry, provide or have provided as insurance against loss of or damage to property or bodily harm that may occur in connection with the Work or this Contract shall name Owner and Owner's Representatives as additional insureds and include a waiver of the insurer's right of subrogation against Owner, the Construction Manager, the Architect/Engineer and Owner's Representative. To the extent permitted by its insurance policies, Contractor hereby waives its rights of subrogation against Owner, the Construction Manager, the Architect/Engineer and Owner's Representative.

7.8 No Limitation. The requirements of this Contract as to insurance and acceptability to Owner of insurers and insurance to be maintained by Contractor and its Support are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Contract.

7.9 Owner's Right to Maintain Insurance. If Contractor or any of its subcontractors fails to maintain the insurance coverage as required by this Part 2, Owner may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as set forth above, and Owner may charge to or otherwise recover from Contractor (e.g., by offset against any amounts due or which may become due Contractor under this Contract), the cost of such insurance.

ARTICLE 8 – CHANGES

8.1 Notice. District may at any time, by written notice thereof to Contractor, make changes in the Services to be performed under this Agreement (including, but not limited to, additions to or deletions from any Services, suspension of performance, and changes in the schedule and location of performance). Contractor shall, within ten (10) days after receipt of notice of any change which Contractor believes to be



Exhibit C

outside the scope of Services, give District written notice of such belief, otherwise the change shall be deemed to be within the scope of Services.

8.2 Adjustment. If any change under paragraph 8.1 causes an increase or decrease in the cost of or the time required for performance of the Services, an equitable adjustment in the compensation and/or schedule under this Agreement shall be made to reflect such increase or decrease and this Agreement shall be modified in writing accordingly. Such equitable adjustment shall constitute full compensation to Contractor for such change.

ARTICLE 9 - TERMINATION OF THIS AGREEMENT

9.1 Termination of Agreement by District for Cause.

9.1.1 If Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if Contractor shall violate any of the provisions of this Agreement, or if Contractor becomes insolvent or the subject of any proceeding under bankruptcy, insolvency or receivership law or makes an assignment for the benefit of creditors, District shall thereupon have the right to terminate this Agreement by giving written notice of such termination and specifying the effective date thereof as a certain date at least seven (7) days after the notice, during which period Contractor shall have the right to cure the default.

9.1.2 Whether or not this Agreement is so terminated, Contractor shall be liable to District for any damage or loss resulting from such failure or violation by Contractor described in subparagraph 9.1.1, including, but not limited to, costs in addition to those agreed to herein for prosecuting Services to completion and delay damages paid or incurred by District. The rights and remedies of District provided by this paragraph are cumulative with and in addition to any other rights and remedies provided by law or this Agreement.

9.1.3 District shall be liable to Contractor for Contractor's just and equitable compensation for any satisfactory services completed, but in no event shall this compensation exceed the percentage of total services satisfactorily completed at the time of termination times the total compensation payable under this Agreement. District may withhold payments to Contractor equal to any claim made in writing by District for the purpose of set-off until such time as the exact amount of damages due District from Contractor is determined. In no event shall District be liable for any consequential or incidental damages, including, but not limited to, loss of profit on other projects or of reputation incurred by Contractor as a result of such termination. If District purports to terminate all or a part of this Agreement for cause, and it is determined that insufficient cause existed, such termination shall be deemed to have been a termination for convenience of District pursuant to paragraph 10.2, and the rights of the parties shall be determined accordingly.

9.2 Termination for Convenience by District. District may, at its option, terminate all or a portion of the services not then performed under this Agreement at any time by so notifying Contractor in writing. In that event, all finished or unfinished documents and other materials as described above shall, at the option of District, become its property upon compensation therefor in accordance with this Agreement, and District shall indemnify and hold harmless Contractor and its agents and employees from any claims arising from District's subsequent use of such documents and other materials, except to the extent Contractor is solely or concurrently negligent. If the Agreement is terminated by District as provided herein, Contractor's compensation for the Services shall be (i) that portion of the compensation for services performed prior to termination, and (ii) proper compensation for Reimbursable Expenses. District shall not be liable for any consequential or incidental damages, including, but not limited to, loss of profits on other projects or of reputation incurred by Contractor as a result of such termination.

ARTICLE 10 - MISCELLANEOUS

10.1 Time. Time is of the essence with regard to performance of this Agreement.

10.2 Subcontracting. Except for any services to be performed by subcontractors specified in Section 01100, Summary of Work, Contractor shall not (by contract, operation of law or otherwise) delegate or subcontract performance of any Services to any other person or entity without the prior written consent of District.



Exhibit C

10.3 Independent Contractor. Contractor shall at all times be an independent contractor and not an agent or representative of District with regard to performance of the Services as authorized by this Agreement. Contractor shall not represent that it is, or hold itself out as, an agent or representative of District.

10.4 Non-waiver. The failure of either party to insist upon or enforce strict performance by the other party of any of the provisions of this Agreement or to exercise any rights under this Agreement shall not be construed as a waiver or relinquishment to any extent of its rights to assert or rely upon any such provisions or rights in that or any other instance.

10.5 Assignment. Neither District nor Contractor shall assign, sublet or transfer any interest in this Agreement without the written consent of the other.

10.6 Entire Agreement. This Agreement represents the entire and integrated agreement between District and Contractor and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both District and Contractor.

10.7 Applicable Law; Venue. This Agreement shall be interpreted, construed, and enforced in all respects in accordance with the laws of the State of Washington. Venue in any litigation shall be in King County, Washington.

10.8 Debarment. Contractor, by accepting this contract, warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions (defined as not being eligible to receive federal funds) by any local, state or federal department or agency. Contractor agrees to be bound by the terms of School Board Policy No. 6973, which provides additional requirements applicable to debarment of contracts from receiving future contracts with SPS.

10.9 Cooperation with District Auditor and State Auditor. Contractor agrees to provide reasonable cooperation with any inquiry by either the district or State Auditor relating to the performance of this contract. The District has the right to audit records of the Contractor relating to payment or performance under this contract, for one year after completion of this contract. Failure to cooperate may be cause for debarment from award of future contracts.



Exhibit D
Safety Assurance Plan

Request for Proposal No. RFP09614
Attachment 2,
Recommended Safety Assurance Plan

Student Transportation Services 2017-2020
and Succeeding Years

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Exhibit E



November 10, 2016

ADDENDUM NO. 1 FOR RFP NO. RFP09614: STUDENT TRANSPORTATION SERVICES 2017 – 2020 AND SUCCEEDING YEARS

This addendum shall become part of the contract documents and modifies the original bidding documents for RFP No. RFP09614: Student Transportation Services 2017 – 2020 and Succeeding Years. Please acknowledge this addendum in your response. Failure to do so may subject the proposer to disqualification.

PLEASE NOTE: The **DUE DATE** has been changed from Thursday, November 17, 2016 at 10:00 a.m. to **MONDAY, NOVEMBER 28, 2016 at 10:00 a.m.**

END OF ADDENDUM NO. 1

Diane T. Navarro
Contracting Services Manager



November 16, 2016

ADDENDUM NO. 2 FOR RFP NO. RFP09614: STUDENT TRANSPORTATION SERVICES 2017 – 2020 AND SUCCEEDING YEARS

This addendum shall become part of the contract documents and modifies the original bidding documents for RFP No. RFP09614: Student Transportation Services 2017 – 2020 and Succeeding Years. Please acknowledge this addendum in your response. Failure to do so may subject the proposer to disqualification.

Please note that the District will select the successful firm(s) based on the best interests of the District, all factors considered. The District reserves the right to reject any or all proposals, waive minor irregularities, and make the award(s) in its best interest.

CHANGES TO RFP

1. Attachment 1, Scope of Work – Section L. Contract Extension:

Please **REVISE** the first paragraph to read as follows:

“The student transportation services under this contract shall be provided for three (3) years with the option of two (2) additional 1-year renewals. The initial 3-year period (or more precisely, 37 months) of performance begins August 1, 2017 and ends August 31, 2020 and all rates, terms and conditions remain the same. The contractor may submit by December 15th a request to increase rates for the following school year. The Contractor must specify justification for any change of rates from the current amounts charged to the District. The District reserves the right to reject the contractor’s rate request and select rates for the following year based upon an adjustment to the “core inflation rate” by using the then-current rates to reflect 100 percent of the October –October percentage change in the Consumer Price Index, Not Seasonally Adjusted, for Seattle-Tacoma-Bremerton, WA, All Items Less Food and Energy (Series Id: CUURA423SA0L1E, CUUSA0L1E), published by the Bureau of Labor Statistics, U.S. Department of Labor-Base Period 1982-1984 = 100.

The District reserves the option to extend the contract with two (2) separate 1-year renewals. Should the District extend the contract, the first renewal period of performance would begin September 1, 2020 through August 31, 2021. The second renewal period of performance would begin September 1, 2021 through August 31, 2022. Renewals are granted on a year-by-year basis. The Contractor shall submit to the District its proposed rates by December 15th in the year preceding the renewal date. The Contractor must specify justification for any



change of rates from the current amounts charged to the District. The District reserves the right to:"

2. Attachment 3, Pricing – Item e:

Please REVISE the following item description:

"e. Initial purchase, installation and associated cost for Tyler GPS Tablets"

ANSWERS TO QUESTIONS:

Question No. 1: Please see the request for operational data detailed below:

- Routes
- Route Statistics – How many miles, hours per route/day
- Routing software used
- Does the District or Contractor provide routing?
- School Bell times
- Field trips – Number of trips annually, average miles per trip, average hours per trip
- Wage Information
- Seniority List/Hire Dates
- Copies of contractor invoices/billing from last year, and this year to date
- Summer school – Number of days, students, routes, times/hours
- Liquidated damages charged to contractor in the last two years
- Number of vehicles
- Fleet list
- Staffing levels
- Management
- Support staff – administrative, dispatch, operations, safety, trainers, etc.
- Maintenance staff – manager, mechanics, vehicle service workers/utility
- Number of pupils transported
- Are Aides/Monitors required?
- Are the Aides/Monitors District employees or Contractor employees?
- Technology requirements for vehicles

Answer:

- Routes – See Attachment 1 - Buses and Field Trips, and Attachment 2 – Route Manifests.
- Route Statistics – How many miles, hours per route/day – See Attachment 1 Buses and Field Trips.
- Routing software used - VersaTrans
- Does the District or Contractor provide routing? – The District provides the routing.

Exhibit E

- School Bell times – See Attachment 3, 2016-2017 Bell Times.
- Field trips – Number of trips annually, average miles per trip, average hours per trip – See Attachment 1, Buses and Field Trips
- Wage Information – See Attachments 5 and 6 for First Student and Teamsters labor agreement regarding wages.
- Seniority List/Hire Dates – See Attachment 10 – OSPI Data Driver Authorization. This data is limited and may not reflect all current drivers.
- Copies of contractor invoices/billing from last year, and this year to date – See Attachment 7 – First Student Invoices and Payments.
- Summer school – Number of days, students, routes, times/hours – See Attachment 8 - Summer 2016.
- Liquidated damages charged to contractor in the last two years – See Attachment 1 – Buses and Field Trips.
- Number of vehicles - See Attachment 1 – Buses and Field Trips.
- Fleet list – See Attachment 11 – OSPI Data Copy of Depreciation.
- Staffing levels- See Attachment 12 – First Student Staff. Complete information is unavailable.
- Management – See Attachment 12 – First Student Staff. Complete information is unavailable.
- Support staff – administrative, dispatch, operations, safety, trainers, etc.
- Maintenance staff – manager, mechanics, vehicle service workers/utility - See Attachment 12 – First Student Staff. Complete information is unavailable.
- Number of pupils transported – approximately 18,500 students on yellow buses
- Are Aides/Monitors required? Yes. When required by student IEP and for Head Start students.
- Are the Aides/Monitors District employees or Contractor employees? Aides and Monitors are employed by the District.
- Technology requirements for vehicles – See RFP Attachment 1- Scope of Work, Section E: 13, 14, 15, 17, and 18.

Question No. 2: Your RFP looks like it is a school bus contract. Are you also using an alternative transportation provider for your special needs children? Is this service included in your current RFP? If alternative transportation is not included in the RFP process, will it be put out to bid in the future?

Answer: This RFP is a school bus contract providing transportation services for both general education and special needs students. Alternative transportation may be bid in the future.

Question No. 3: Section 5.0, pg 8 – What type of bus and seating capacity are the 10 miscellaneous buses?

Answer: Type C.

Question No. 4: Can we be provided with a copy of the current teamster's collective bargaining agreement for First Student?



Exhibit E

Answer: Please see Attachments 4, 5, and 6 for First Student _Teamsters National Labor Agreement.

Question No. 5: Can we be provided with all August and September First Student invoices?

Answer: Please see Attachment 7 – First Student Invoices and Payments.

Question No. 6: Attachment 1, pg 1 briefly describes route hours and mileage per bus type. Can we be provided with a detailed report by route number for both regular ed and special ed routes that list total hours per route, total miles per route, type of bus, passenger capacity and address of facility origin?

Answer: See Attachment 1 – Buses and Field Trips and Attachment 2 – Route Manifests.

Question No. 7: Attachment 1, L – Contract Extension, can you confirm that there will be NO price increases during the initial 3 year contract term?

Answer: See CHANGES TO RFP, Item 1, above.

Question No. 8: How many category 1 and II trips does the district expect to operate per school year, what is the average number of hours that these trips will operate and what is the expected average mileage of each trip?

Answer: See Attachment 1 – Buses and Field Trips.

Question No 9: Can we be provided with a copy of the current First Student contract with Seattle Public Schools?

Answer: Yes. Please see Attachments 13, 13A and 13B for the current contract and contract renewals.

Question No 10: What was the total dollar amount of liquidated damages charged to First Student during the 15-16 school year?

Answer: \$72,500

Question No. 11: Can a bidder solely offer Alternative Transportation for your Students with Special needs, transporting children using smaller sedans or dodge ramp wheelchair vans?

Answer: No. This RFP is for yellow school buses only.



Question No. 12: We respectfully request an extension on the due date for the Student Transportation Services RFP. Please let us know if it is possible to extend the due date out two weeks to allow additional time to craft an appropriate response.

Answer: Per RFP Addendum No. 1, the District has extended the RFP submittal Due date to November 28, 2016.

Question No. 13: Please provide a copy of the additional material supplied at the Pre-Bid Conference.

Answer: No additional materials were issued at the Pre-Bid Conference.

Question No. 14: The route counts listed in the RFP are slightly higher than the actual current route counts. The RFP lists 158 Type C bus routes and there are currently 155 being operated. Likewise the RFP lists 40 lift route and there are currently 37 being operated. Should we build our pricing based on the route numbers listed in the RFP or the actual current route count?

Answer: Please provide pricing based on the RFP route counts.

Question No. 15: The RFP calls for a three camera system in all buses. Currently there are just two camera systems in the Sped and lift buses. Will that be acceptable going forward? If not, can the existing buses be grandfathered with respect to that requirement?

Answer: All buses will be outfitted with a three camera system.

Question No. 16: The RFP calls for both Field Supervisors (page 7, attachment 1) and Field Standbys (page 4, attachment 1). I wanted to confirm that those are separate positions? For example, for 350 routes, six field supervisors are required (from the table on page 7, attachment 1), and 10 field standbys are required (a ratio of 35 to 1) for a total of 16 individual employees?

Answer: Field Supervisors and Field Standbys are separate positions.

Question No. 17: Regarding the Tyler Drive Tablets, we discussed at the pre-bid including both price and installation on the price sheet. Should we also include other associated costs such as cellular air time, training, security accessories, etc.?

Answer: Yes. See CHANGES TO RFP, Item 2, above. Please include the full cost of a tablet including the support items such as installation, airtime, training, etc.

Question No. 18: Regarding liquidated damages, initial liquidated damages have been claimed in the amount of \$49,366 for the month of September 2016, greatly exceeding any other month in the last two years. Additionally, many of the liquidated damages categories have been drastically increased in the new RFP: the most common categories have been quadrupled or quintupled over the last RFP. Is it the district's intent to maximize liquidated damages assessments going forward?



Answer: It is the intent of the District to assess liquidated damages as specified in the contract.

Question No. 19: Please confirm who will provide attendants on the Special Education buses – the District or the Contractor?

Answer: At this time, the District provides the attendants on the bus. The District is asking respondents to provide pricing on the price sheet, should the District decide in the future to transfer the bus attendant responsibility to the Contractor.

Question No. 20: Understanding the buses require NTSB and WA State approved seatbelts, with regard to page 1 of 22 of the RFP, there are special education preschool students, does the District require car seats for these students? Or do seatbelts suffice?

Answer: The District requires and provides the STAR booster seats. The bus Contractor is required to have integrated seats as required.

Question No. 21: Please provide Liquidated Damages for the past 3 years.

Answer: Please see Attachment 1, Buses and Field Trips.

Question No. 22: Please provide on-time performance for the last year.

Answer: The District started tracking on-time performance mid last year. On time performance averaged around 97% by June of 2016.

Question No. 23: How much time is expected for post-trip vehicle inspection review?

Answer: Post trip vehicle inspection should take no longer than 5 minutes.

Question No. 24: Please confirm that Zonar GPS is not required for this contract, and that only Zonar EVIR is required.

Answer: GPS is required. Zonar is called out in the RFP, however, the contractor may substitute an equivalent which the District may gain access.

Question No. 25: Please provide current rates paid to the existing contractor for variable and fixed costs.

Answer: See Attachment 9 – Rate Sheet 2016-17.

Question No. 26: Please provide current Special Education operational data for the past year.

Answer: See Attachment 2 – Route Manifests.



Question No. 27: In the next 5 years, what are the three most important items Seattle Public Schools wishes to accomplish with its transportation program?

Answer: We expect student transportation to provide the utmost in **safety** for our students, with quality drivers who consistently provide **excellent service** at a **reasonable cost**. A contractor's ability to attract and maintain drivers is a high priority. Drivers are seen as an extension of our operations and the District expects drivers to receive wages and benefits that align with attracting and maintaining a full staff of drivers to meet the needs of the District.

Question No. 28: Regarding the page limit (Section 7.1 General Submittal Requirements):

- a. Please confirm that required attachments, appendices, transition schedule, resumes, etc. can be excluded from the page limit.
- b. Would an 11x17 document that would count as two pages be acceptable?

Answer:

- a. Required attachments, appendices, transition schedule, resumes, etc. are excluded from page limit.
- b. An 11 x 7 document may count as two pages.

Question No. 29: Proposal Certification Form:

- a. Please advise if a UBI number is a requirement for proposers.

Answer: A UBI number shall be required for awarded firm(s). A contract cannot be executed without a valid UBI number.

Question No. 30: In the RFP, Bus Storage Facilities section (page 4, attachment 1), provisions are made for facilities to be located as much as five miles outside of the district. If a facility is located outside of the district what impact will that have on the billable hours for routes originating from that facility? In other words, will all of the route hours still be billable, or will only the hours operated within the district be billable?

Answer: Billable hours will be calculated for the time of operation within the district.

END OF ADDENDUM NO. 2

ATTACHMENTS:

- Attachment 1: Buses and Field Trips
- Attachment 2: Route Manifests
- Attachment 3: 2016-2017 Bell Times
- Attachment 4: Teamsters National Master Agreement
- Attachment 5: First Student Labor Agreement
- Attachment 6: First Student Labor Agreement
- Attachment 7: First Student Invoices and Payments (Multiple Documents)



Exhibit E

- Attachment 8: Summer 2016
- Attachment 9: Rate Sheet 2016-2017
- Attachment 10: OSPI Data Driver Authorization Dates
- Attachment 11: OSPI Data Copy of Depreciation 2015-2016
- Attachment 12: First Student Positions
- Attachment 13: First Student Contract
- Attachment 13A: First Student Contract Amendment 1
- Attachment 13B: First Student Contract Amendment 2



Diane T. Navarro
Contracting Services Manager



Exhibit E



November 17, 2016

ADDENDUM NO. 3 FOR RFP NO. RFP09614: STUDENT TRANSPORTATION SERVICES 2017 – 2020 AND SUCCEEDING YEARS

This addendum shall become part of the contract documents and modifies the original bidding documents for RFP No. RFP09614: Student Transportation Services 2017 – 2020 and Succeeding Years. Please acknowledge this addendum in your response. Failure to do so may subject the proposer to disqualification.

PLEASE NOTE: The **DUE DATE** has been changed from Monday, November 28, 2016 at 10:00 a.m. to **TUESDAY, NOVEMBER 29, 2016 at 2:00 p.m.**

END OF ADDENDUM NO. 3

Diane T. Navarro for:
 Diane T. Navarro
 Contracting Services Manager



AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

AGENCY Arthur J. Gallagher Risk Management Services, Inc.		NAMED INSURED FIRST STUDENT, INC. 600 Vine St Ste 1400 CINCINNATI OH 45202	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Re: RFP No. RFP09614- Student Transportation Services 2017-2020 & Succeeding Years
 Seattle Public Schools is included as additional insured (GL-End't#61712/AL-87950) with respect to the
 General and Automobile Liability coverage as evidenced herein as required by written contract with
 respect to work performed by the named insured. Umbrella Policy Follow Form over General, Automobile and
 Employers Liability Policies.

DETACH BEFORE POSTING



STATE OF WASHINGTON Corporation

BUSINESS LICENSE

Unified Business ID #: 601258746
Business ID #: 001
Location: 0017
Expires: Sep 30, 2017

FIRST STUDENT, INC.
FIRST STUDENT INC
201 NE PARK PLAZA DR STE 240
VANCOUVER, WA 98684-5874

TAX REGISTRATION - ACTIVE

CITY ENDORSEMENTS:
VANCOUVER GENERAL BUSINESS - ACTIVE

This document lists the registrations, endorsements, and licenses authorized for the business named above. By accepting this document, the licensee certifies the information on the application was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

Director, Department of Revenue

UBI: 601258746 001 0017

FIRST STUDENT, INC.
FIRST STUDENT INC
201 NE PARK PLAZA DR STE 240
VANCOUVER, WA 98684-5874

FOLD HERE

TAX REGISTRATION - ACTIVE
VANCOUVER GENERAL BUSINESS - ACTIVE

FOLD HERE

STATE OF WASHINGTON



Expires: Sep 30, 2017

Director, Department of Revenue

DETACH THIS SECTION FOR YOUR WALLET

Form **W-9**
(Rev. December 2014)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. First Student, Inc.		
	2 Business name/disregarded entity name, if different from above		
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
	5 Address (number, street, and apt. or suite no.) 600 Vine Street, Ste. 1400	Requester's name and address (optional)	
	6 City, state, and ZIP code Cincinnati, OH 45202		
	7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> <td style="width: 25px; height: 25px;"></td> </tr> </table>												
or													
Employer identification number	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25px; height: 25px; text-align: center;">5</td> <td style="width: 25px; height: 25px; text-align: center;">9</td> <td style="width: 25px; height: 25px; text-align: center;">-</td> <td style="width: 25px; height: 25px; text-align: center;">2</td> <td style="width: 25px; height: 25px; text-align: center;">3</td> <td style="width: 25px; height: 25px; text-align: center;">6</td> <td style="width: 25px; height: 25px; text-align: center;">4</td> <td style="width: 25px; height: 25px; text-align: center;">0</td> <td style="width: 25px; height: 25px; text-align: center;">3</td> <td style="width: 25px; height: 25px; text-align: center;">5</td> </tr> </table>	5	9	-	2	3	6	4	0	3	5		
5	9	-	2	3	6	4	0	3	5				

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶ 1/3/2017
------------------	----------------------------	------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

between

TACOMA SCHOOL DISTRICT NO. 10
(hereinafter referred to as "District")
601 South 8th Street
P. O. Box 1357
Tacoma, WA 98401-1357

and

FIRST STUDENT, INC.
(hereinafter referred to as "Contractor")
600 Vine Street, Suite 1400
Cincinnati, OH 45202
Contact: Greg Newman, Area General Manager
Phone: 206-379-6391, email: gregory.newman@firstgroup.com

Federal Identification # 59-2364035

and

Unified Business Identifier # 601258746

In consideration of the promises and conditions contained herein, the District and Contractor do mutually agree as follows:

DUTIES OF THE CONTRACTOR

- A. The purpose of this contract is to safely provide the District with pupil transportation services in compliance with Washington State laws, regulations and District policies. The District's requirements for providing these services will be performed under and in accordance with: Attachment A, the General Terms and Conditions, Attachment B, the Additional Terms and Conditions, and Attachment C, the Pupil Transportation Specifications. The Contractor's proposal response to the District's request for proposal (RFP) B18012S is incorporated into the Contract as Attachment D. In addition to the hiring and operational practices included in Attachment D, the Contractor shall at all times abide by local, state (including WAC Chapter 392-144-101) and federal laws and regulations.
- B. In order to accomplish the purpose of this contract, the Contractor shall perform its responsibilities to the satisfaction of the District's Contract Administrator (The Contract Administrator will be the District's Transportation Director). The Contractor will provide the services set forth in the Contractor's proposal response to the District's request for proposal

(RFP) B18012S, dated February 13, 2018, and incorporated into this Contract as Attachment D.

- C. The Contractor is allowed a reasonable amount of time from the September 1, 2018 contract start date in which to acquire the new buses necessary to bring the Contractor's bus fleet into compliance with the requirements for bus aging (see Attachment C, C.h.11)). The Contractor will provide the District with a letter from a manufacturer verifying the delivery schedule of new buses. All new buses required to bring the bus fleet into compliance must be delivered by January 31, 2019, unless an extension is granted by the District through an addendum to the Contract. By February 1, 2019 the Contractor will provide the District with a spreadsheet listing of the buses in the fleet by size, to include make, model and year of each bus.
- D. The Contractor is increasing the hourly wage rate for drivers by \$2.00 above what is stated in the Contractor's RFP proposal response (see Attachment D, Exhibit A. 2) Drivers, g)). Pricing in Attachment D, Exhibit A., 5) Pricing Requirements, has been updated to reflect this increase in the hourly wage rate.
- E. The Contractor agrees to work collaboratively with the District to monitor and measure on-going Contract performance. Further, the District expects the Contractor to provide pupil transportation services consistent with its proposal response including the statements on Commitment, Focus on Excellence, Dedication to Safety and Special Routing Services assistance in Attachment D, Executive Summary.
- F. The Contractor and the District commit to the continuous improvement of safe pupil transportation services and operations during the term of this Contract. Both parties agree to pursue innovative changes that will enhance overall operational performance, pupil safety and pupil security. Any changes to the requirements of this Contract will be written in a formal addendum to the Contract.

DUTIES OF THE DISTRICT

- A. In consideration of Contractor's satisfactory performance of the duties set forth herein, the District shall compensate Contractor as per the rates in the Contractor's proposal response (Attachment B). Payment shall be made within thirty (30) calendar days of the Contractor's submission of acceptable vouchers for payment to the Contract Administrator.

The value of this contract is estimated at \$7.4 million per year exclusive of sales tax.

- B. The District will consider justifiable price increases provide the Contractor requests an increase for the next contract year in writing by March 1 of each contract year. The request should be consistent with actual increases in operating costs due to inflation or other factors. The request should provide sufficient evidence of the need for an increase, to include recognized indicators such as the Producers Price Index (PPI).

**CONDITIONS OF COMMENCEMENT OF PERFORMANCE
AND
SCHEDULE OF PERFORMANCE**

Contractor shall not commence performance, or be entitled to compensation or reimbursement for any services rendered, prior to the occurrence of each of the following conditions: (1) this contract must be executed by an authorized representative of the Contractor and the District; and, if required, (2) this contract must be approved by the Board of Directors.

The contract covers the period September 1, 2018 through August 31, 2023 inclusive.

We the undersigned agree to the terms of the foregoing contract.

FIRST STUDENT, INC.

TACOMA SCHOOL DISTRICT NO. 10

By: 
(signature)

By: 
(signature)

Kim Worster
(print name)

Its: Superintendent

Carla J. Santorno
(print name)

Who certifies that he/she is the Contractor identified herein, OR a person duly qualified and authorized to bind the Contractor so identified to the foregoing Agreement.

Signed this ___ day of _____, 2018.

Signed this 6th day of August, 2018.

Funding Source and Accounting Information Completed by Originator

Company	AU-Accounting Unit	Account	Activity	AcCat
10	99000.52.550043	5711		

Attachment A
General Terms and Conditions

1. **Access to Data.** The Contractor shall provide access to any data/information generated under this Contract to the District, the District Superintendent's designee, or any State or Federal Auditor at no additional cost. This includes access to all information that supports this Contract.
2. **Alterations and Amendments.** This Contract may be amended only by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.
3. **Americans with Disabilities Act (ADA) of 1990, Public Law 101-336, as amended, also referred to as the "ADA" 28 C.F.R § 35.** The Contractor must comply with the ADA, which provides comprehensive civil protection to individuals with disabilities in the area of employment, public accommodations, state and local government services, and telecommunications. Contractors awarded a federally funded contract or subcontract that exceeds \$10,000.00 or that will (or can reasonably be expected to) accumulate to more than \$10,000.00 in any 12-month period, must comply with 41 CFR Part 60-741 (Section 503 of the Rehabilitation Act of 1973 as amended, 29 U.S.C. § 793) affirmative action requirements to employ and advance in employment qualified individuals with disabilities.
4. **Assignment.** Neither the District nor the Contractor shall assign this Contract, either in whole or in part, without the prior written consent of the other party, which shall not be unreasonably withheld. Any assignment permitted under this clause does not relieve either party from its duties or obligations under this Contract.
5. **Audit Requirements.** If the Contractor is a sub recipient of federal awards as defined by Title 2 Code of Federal Regulations (CFR), the Contractor shall maintain records that identify all federal funds received and expended, and shall use federal funds in accordance with applicable laws, regulations, and the terms and conditions governing the federal award(s). Such funds shall be identified by the appropriate OMB Catalog of Federal Domestic Assistance (CFDA) Numbers. The Contractor shall make their records available for review or audit by officials of federal agencies, the General Accounting Office and the Superintendent or designee. The Contractor shall incorporate Title 2 CFR, Chapter II, Part 200 Subpart F Uniform Audit Requirements into all Contracts between the Contractor and its Subcontractors who are sub recipients. The Contractor shall comply with any future amendments to Title 2, CFR and any successor or replacement circular or regulation.
6. **Authority of Parties.** Any individual signing this Contract on behalf of the Contractor represents and warrants that such individual has authority to do so and to bind the Contractor to the terms and conditions set out in this Contract.
7. **Authorized work.** Any changes to the scope of this contract must be made in writing and acknowledged by both parties (with authority to act on behalf of their activity). Only the District's contract administrator for this contract, or his/her designee, can authorize changes or additions to the scope of the contract. If the contractor performs work based on

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instructions from someone other than the contract administrator of their designee, the contractor is doing so at its own risk.

8. **Background Checks.** Consistent with RCW 43.43.834, the Contractor shall require each applicant for employment or volunteer who may have contact with children or vulnerable adults to disclose whether he or she has been convicted of a crime and/or had findings made against him or her in any civil adjudicative proceeding as defined in RCW 43.43.830. The Contractor shall conduct criminal background checks, including fingerprinting, in accordance with RCW 43.43.830 through 43.43.835, as now or hereafter amended, on all employees or volunteers who will or may have contact with children or vulnerable adults in the work to be performed under this Contract. Contractor shall ensure that any volunteers with regularly scheduled unsupervised access to children be fingerprinted in compliance with RCW 28A.400.303. Pursuant to RCW 28A.400.330, the Contractor shall not permit any employee, subcontractor, intern or volunteer from performing work under this Contract who has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322 as it now exists or is hereafter amended. Failure to comply with this provision shall be grounds for the District immediately terminating the contract. The Contractor shall incorporate this requirement into every subcontract it enters relating to services with the District.
9. **Certification Regarding Debarment, Suspension, and Ineligibility.** If federal funds are expended under this Contract, the Contractor certifies that neither it nor its principals are presently debarred, declared ineligible, or voluntarily excluded from participation in transactions by any federal department or agency.
10. **Certification Regarding Fraud, Bribery or Gratuity Violations.** If federal funds are expended under this Contract, by signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information or the omission of any material fact, may subject me to criminal civil or administrative penalties for fraud, false statements, false claims, or otherwise. I agree to disclose in writing, in a timely manner, to the District, any violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this award; and any potential conflict in accordance with applicable Federal policy.
11. **Change in Status.** In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the Contractor, Contractor agrees to notify the District Superintendent or designee of the change. The Contractor shall provide notice as soon as practicable, but no later than thirty (30) days after such a change takes effect.
12. **Compliance with Laws, Ordinances, and Regulations.** The Contractor shall comply with all local, state, and federal laws, ordinances and regulations applicable to the performance of its responsibilities under this Contract. Compliance shall include, but not be limited to, all applicable local, state, and federal licensing, accreditation and registration requirements or

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standards necessary to the performance of this Contract. In the event of unusual circumstances, such as changes in state or federal taxes, laws or specifications, increased insurance or surety premiums or any other condition which causes any of Contractor's operating costs hereunder to increase at a rate in excess of any negotiated escalation, then the parties will negotiate a reasonable and just amount to cover such increase, and rates of Contractor compensation shall be adjusted with an addendum to the Contract to reflect such increase.

13. **Confidentiality.** The Contractor acknowledges that certain data, material, or information which originates from this Contract regarding students, may consist of confidential records owned by the District or confidential personally identifiable information subject to the federal Family Educational Rights and Privacy Act or other privacy laws, and that disclosure to or use by third parties would be damaging. The Contractor, therefore, agrees to hold all such material and information in strictest confidence, not to make use thereof other than for the performance of this Contract, to release it only to authorized employees and agents requiring such information and not release or disclose it to any other party. The Contractor agrees to release such information or material only to employees and agents who have signed a written agreement expressly prohibiting redisclosure. The Contractor shall execute the attached document, Exhibit I, pertaining to the confidentiality of certain records.
14. **Conflict of Interest:** No director, employee or agent of the Vendor/Contractor shall give or receive any commission, fee, rebate, gift, or entertainment in excess of \$25 value in connection with the work, or enter into any non-consumer business arrangement with any director, employee or agent of Tacoma School District No. 10, other than as a representative of the district, without prior written notification thereof to the district. Any representative(s) authorized by the district's superintendent may audit all records of the Vendor/Contractor that pertain to the Tacoma School District, for the sole purpose of determining whether there has been compliance with this paragraph. Information obtained through process shall be administered confidentially.
15. **Continuing Effect.** Rights and obligations under these General Terms and Conditions, this Contract and any attachments or exhibits thereto which, by their nature should survive termination of the Contract will remain in effect after termination or expiration of all or any portion of this Contract.
16. **Disputes.** In an effort to find reasonable resolution and not meant to limit other legal options for either party, should a dispute arise under this Contract, it shall be determined in the following manner: (1) The District's Superintendent or designee shall appoint a member to the Dispute Resolution Board; (2) the Contractor shall appoint a member to the Dispute Resolution Board; (3) the District's Superintendent or designee and the Contractor shall jointly appoint a member to the Dispute Resolution Board; (4) the Dispute Resolution Board shall evaluate the dispute and make a determination of the dispute; and, the determination of the Dispute Resolution Board shall be final and binding on the parties hereto.

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17. **Entire Agreement.** This written Contract constitutes the mutual agreement of the Contractor and the District or designee in whole. No alteration or variation of the terms of this Contract and no oral understandings or agreements not incorporated herein shall be binding.
18. **Equal Employment Opportunity, Executive Order 11246, 41 C.F.R § 60 (2013).** This law prohibits contractors awarded federally funded contracts and/or subcontracts that have an aggregate value in excess of \$10,000 from discriminating in employment and requires affirmative action to ensure equal employment opportunity on the basis of race, religion, sex or national origin.
19. **Established Business.** Prior to commencing performance of this contract, or prior to the time required by law or regulation, e.g., Chapter 18.27 WAC, Contractor shall be an established business with all required licenses, accreditation, registration, bonding, facilities, equipment and trained personnel necessary to perform the work as specified in the solicitation for bids, request for proposals or this contract. Contractor must have a Federal tax identifier number as required by Internal Revenue Service regulations and a uniform business identifier number (UBI) required by the Washington Department of Revenue. The Contractor shall provide proof of compliance with these requirements within ten (10) calendar days from the date of the request by the District.
20. **Ethical Conduct.** The Contractor certifies that he/she/it, or his/her/its employees or agents, has not given, offered, provided, promised, pledged or been solicited to provide anything of economic value to a District official, employee or agent, as a gift, gratuity, commission or favor that may influence the selection of the Contractor for the work to be performed under this Contract. No director, employee, or agent of the Contractor shall enter into any non-consumer business arrangement with any director, employee, or agent of the District without prior written notice to the District superintendent or designee. Neither the Contractor nor any employee or agent of the Contractor shall participate in the performance of any duty or service in whole or part under this Contract in violation of any law, regulation, or policy that prohibits the use of public resources for political purposes.
21. **Governing Law.** The laws of the state of Washington shall govern this Contract. Pierce County, Washington shall be the venue for any litigation arising out of this Contract.
22. **Headings and Captions.** The headings and captions used in this Contract are for convenience only. They are not part of the agreement and do not define, limit or describe the scope of intent of the paragraphs of this Contract.
23. **Indemnification.**

Each party to this Agreement (the "Indemnifying Party") shall defend, indemnify, and hold the other party, and its officers, board members, agents and employees, harmless from and against any and all claims, demands, losses, liabilities, actions, lawsuits, or expenses, including reasonable attorney fees, arising or resulting from, related to, or connected with,

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the performance of this Agreement or representations or warranties contained therein by the Indemnifying Party, including any loss, damage, corruption, or improper or unauthorized disclosure of confidential or proprietary information or data, or acts or omissions of negligence, willful misconduct, or fraud of the Indemnifying Party, or its employees or agents, to the fullest extent permitted by law and subject to the limitations provided below.

The Indemnifying Party's duty to indemnify and defend the other party shall not apply to liability for damages arising out of, caused by, or resulting from the negligence of the other party and its officers, board members, agents and employees.

The Indemnifying Party's duty to indemnify the other party for liability for damages arising out of, caused by, or resulting from the concurrent negligence of each party shall apply only to the extent of negligence of the Indemnifying Party or its agents or employees.

The Indemnifying Party's duty to indemnify the other party for any liabilities or losses caused by or resulting from negligence shall apply only to the extent of the fault of the Indemnifying Party, its agents or employees, except in situations where fault is not a requirement for liability, in which case indemnity will be provided to the extent the liability or loss was caused by the Indemnifying Party, its agents or employees.

The Indemnifying Party's duty to defend, indemnify, and hold the other party harmless as to all claims, demands, losses, and liabilities shall include the other party's personnel-related costs, reasonable attorney fees, court costs, and all related expenses.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the District and its agents, employees, or officials. Contractor shall defend, indemnify, and hold harmless the District and its officers, board members, agents and employees, from and against any and all claims, charges, demands, losses, liabilities, actions, lawsuits, or expenses, including, without limitation, reasonable attorney fees, arising or resulting from, related to, or connected with any unfair labor practice arising out of the Contractor's performance of this Contract.

Claims shall include, but not be limited to, assertions that the use or transfer of any software, book, document, report, film, tape, or sound reproduction or material of any kind, delivered hereunder, constitutes an infringement of any copyright, patent, trademark, trade name, or otherwise results in an unfair trade practice or in unlawful restraint of competition.

24. **Independent Capacity.** The District and the Contractor intend that an independent Contractor relationship will be created by this Contract. The Contractor and his/her/its employees or agents performing under this Contract are not employees or agents of the District. The Contractor warrants that him/her/it is in compliance with all employment laws and regulations, and it is solely responsible for the payment of wages and/or benefits to its employees. Contractor indemnifies and holds harmless the District from all employment related claims brought by the Contractor's employees or regulatory agencies. The Contractor will not hold himself/herself/itself out as, nor claim to be, an officer or employee of the

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District by reason hereof, nor will the Contractor make any claim of right, privilege, or benefit which would accrue to such employee under law.

25. Insurance.

- a. **Worker's Compensation Coverage.** The Contractor shall at all times comply with all applicable worker's compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the fullest extent applicable. This requirement includes the purchase of industrial insurance coverage for the Contractor's employees, as may now or hereafter be required of an "employer" as defined in Title 51 RCW. Such worker's compensation and occupational disease requirements shall include coverage for all employees of the Contractor, and for all employees of any subcontractor retained by the Contractor, suffering bodily injury (including death) by accident or disease, which arises out of or in connection with the performance of this Contract. Satisfaction of these requirements shall include, but shall not be limited to
- 1) Full participation in any required governmental occupational injury and/or disease insurance program, to the extent participation in such a program is mandatory in any jurisdiction.
 - 2) Purchase worker's compensation and occupational disease insurance benefits to employees in full compliance with all applicable laws, statutes, and regulations, but only to the extent such coverage is not provided under any mandatory governmental program as in "a" above, and/or;
 - 3) Maintenance of a legally permitted and governmentally approved program of self-insurance for worker's compensation and occupational disease.

Except to the extent prohibited by law, the program of the Contractor's compliance with worker's compensation and occupational disease laws, statutes, and regulations in 1), 2), and 3) above shall provide for a full waiver of rights of subrogation against the District, its directors, officers, and employees.

If the Contractor, or any subcontractor retained by the Contractor, fails to effect and maintain a program of compliance with applicable worker's compensation and occupational disease laws, statutes, and regulations and the District incurs fines or is required by law to provide benefits to such employees or to obtain coverage for such employees, the Contractor will indemnify the District for such fines, payment of benefits to Contractor or subcontractor employees or their heirs or legal representatives, and/or the cost of effecting coverage on behalf of such employees. Any amount owed the District by the Contractor pursuant to the indemnity may be deducted from any payments owed by the District to the Contractor for the performance of this Contract.

- b. **Public Liability Insurance.** The Contractor shall at all times during the term of this Contract, at its cost and expense, carry and maintain general public liability insurance,

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including contractual liability and professional liability and/or malpractice liability coverage when appropriate, against claims for bodily injury, personal injury, death, or property damage occurring or arising out of services provided under this Contract. This insurance shall cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns or servants. The limits of liability insurance shall cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns or servants. The limits of liability insurance, which may be increased from time to time as deemed necessary by the District, with the approval of the Contractor (which shall not be unreasonably withheld), shall not be less than as follows:

Each Occurrence	\$1,000,000
Aggregate	\$3,000,000

- c. **Additional Insured.** The District shall be specifically named as an additional insured for claims arising under the Contract on all policies and all policies shall be primary to any other valid and collectible insurance. At its option, the District may waive this requirement where insurance carriers will not under any circumstances extend secondary insurance coverage for physicians' professional liability, or Architects' and Engineers' insurance. The District may also waive this requirement where insurance carriers will not under any circumstances extend secondary fidelity bonding coverage for private non-profit organizations.
- d. **Proof of Insurance.** Certificates and/or evidence satisfactory to the District confirming the existence, terms, and conditions of all insurance required in this Contract shall be delivered to the District's employee in charge of risk management within five (5) days of the Contractor's receipt of authorization to proceed. The policy of insurance that must be maintained in accordance with this Contract shall not be cancelled or given notice of non-renewal nor shall the terms and conditions thereof be altered or amended without forty-five (45) days written notice being given to the District's Superintendent or designee.
- e. **Cyber Liability Insurance.** Each party to this Agreement shall carry and maintain, at its own expense including any applicable deductibles or retentions, insurance policies or coverage agreements of the kind and with limits listed below:

Should the Contract have access to data provided by the District, the Contractor shall provide Cyber Liability insurance or coverage with limits of not less than \$1,000,000 for each occurrence and an annual aggregate of \$2,000,000 covering claims involving privacy violations, information theft, damage to or corruption or destruction of electronic information, intentional and/or unintentional release of private information, internet media liability, alteration of electronic information, extortion, and network security. This coverage is required to remain in effect for as long as necessary to cover any and all such claims.

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26. **Licensing and Accreditation Standards.** The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements or standards necessary to the performance of this Contract.
27. **Non-Discrimination.** The Contractor shall comply with all the federal, state, and local non-discrimination laws, ordinances, regulations and policies, which are otherwise applicable to the District. Accordingly, no person shall, on the ground of race, creed, color, religion, national origin, age, sex, marital status, sexual orientation, sexual identity, gender identity or expression, pregnancy, the presence of any sensory, mental, or physical disability, or the use of a trained dog guide or service animal be unlawfully excluded from participation in, be denied the benefits of, or be otherwise subjected to illegal discrimination under any activity performed by the Contractor and its agents under this Contract. Harassment on the basis of any of the foregoing conditions is strictly prohibited. The Contractor shall notify the Superintendent or designee immediately of any decision by a local, state or federal agency, court or jury that the Contractor violated a law, regulation or ordinance prohibiting discrimination. In the event of the Contractor's noncompliance or refusal to comply with this nondiscrimination provision, this Contract may be rescinded, cancelled or terminated in whole or part, and the Contractor may be declared ineligible for further Contracts with the District.
28. **Opportunity to Cure Default.** In the event that Contractor fails to perform a contractual requirement or materially breaches any term or condition, the District Purchasing Director may notify the Contractor of issues relative to a potential default which may include phone communication, email or in-person meetings. If not resolved, and as a last resort, the District Purchasing Director, in his/her sole discretion, may issue a written or oral notice of default and provide a minimum of 30 days in which Contractor shall have the opportunity to cure or take steps to cure prior to termination. Time for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages. If the nonperformance, breach or default remains after Contractor has been provided the opportunity to cure, the District may do one or more of the following:
- a. Exercise any remedy provided by law;
 - b. Terminate this contract and any related contracts or portions thereof;
 - c. Suspend Contractor from receiving future solicitations or other bidding opportunities.
29. **Payments.** The District shall not make payments in advance or in anticipation of services or supplies to be provided under this Contract. All payments to the Contractor are conditioned upon (1) Contractor's submission of a properly executed and supported voucher for payment, including such supporting documentation of performance and supporting documentation of costs incurred or paid, or both as is otherwise provided for in the body of this Contract, and (2) acceptance and certification by the District's Superintendent or designee of satisfactory performance by the Contractor.

Except as otherwise provided in this Contract, (1) all acceptable vouchers for payment due to the Contractor shall be paid within thirty (30) calendar days [Note: The 30 days begin

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upon receipt of the goods or services or a properly complete invoice, whichever is later.], and (2) all expenses necessary to the Contractor's performance of this Contract shall be borne in full by the Contractor.

30. **Performance.** Acceptance by the District of any unsatisfactory performance with or without objection or reservation shall not release the Contractor from any responsibilities imposed by the contract or by law and shall not be deemed a waiver of the right to claim damage for breach or to terminate the contract, nor constitute a waiver of requirements for satisfactory performance of any obligation remaining to be performed by Contractor.
31. **Records, Documentation and Reports.** The Contractor shall maintain complete financial records relating to this Contract and complete records documenting the services rendered under the Contract, including all books, records, documents, magnetic media, receipts, invoices, and all other evidence of accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. These records shall be subject at all reasonable times to inspection, review, or audit by personnel duly authorized by the District's Superintendent and state and federal officials so authorized by law, rule, regulation or agreement. The Contractor will retain all books, records, documents, and other materials relevant to this Contract for seven (7) years after the date of final payment by the District's Superintendent or designee, and make them available for inspection by persons authorized under this provision. If any litigation, claim or audit is started before the expiration of the seven (7) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
32. **Review.** The parties to this Contract have had the opportunity to review it with their respective legal counsel and execute it knowingly and voluntarily with full knowledge of its contents. It shall not be construed more strictly against one party than the other.
33. **Rights in Data and Publications.** Data that is developed pursuant to this Contract shall be "works for made for hire" as defined by the U.S. Copyright Act of 1976, as amended, and shall be deemed authored and owned by the District. Ownership includes ownership of all intellectual concepts and properties embodied in the data, the right to copyright, patent or register data and the right to transfer those rights. In the event any data which originates under this Contract is not considered "work made for hire" under the U.S. Copyright laws, the Contractor hereby irrevocably assigns all rights, title and interest in such data, including all intellectual rights, to the District from the moment of creation of such data. "Data" shall mean all work product to be provided by the Contractor under this Contract and shall include, but not be limited to, draft and final reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, photographs, tapes and/or sound reproductions in any format, form or medium.

The Contractor shall obtain the District's written approval prior to the publication of any results of students and/or services performed or to be performed for any purpose other than for District use. This provision shall not apply to any data that is developed independent of

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this Contract.

Data which is delivered under this Contract, but which does not originate under it, shall be transferred to the District with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, dispose of, and to authorize others to do so: PROVIDED, that such a license shall be limited to the extent to which the Contractor has a right to grant such a license. The Contractor shall notify the District, at the time of delivery of data furnished under this Contract, of all known or potential limitations on such license and any data that was not produced in the performance of this Contract.

Contractor warrants that it owns all rights, inventions, copyrights, know-how and trade secrets relating to its products and services and that it will not infringe any patent, copyright or other intellectual or industrial property rights of any third-party. Contractor shall defend, indemnify and hold harmless the District from any loss, damage, cost or liability that the District may incur as a result of any action or suit based upon a claim of infringement.

The Contractor shall promptly notify the District in writing of each notice or claim of copyright, trademark, or patent infringement it receives regarding any data delivered under this Contract.

34. **Right of Inspection.** The Contractor shall provide right of access to its facilities to the District's Superintendent or designee at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Contract on behalf of the District. All inspections and evaluations shall be performed in such a manner that will not unduly interfere with the Contractor's business or work hereunder.
35. **Severability.** If any provision of this Contract or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect other provisions of this Contract which can be given effect without the invalid provision, and to this end the provisions of this Contract are declared to be severable.
36. **Subcontracting.** Neither the Contractor nor any subcontractor shall enter into subcontracts for any of the work contemplated under this Contract without obtaining prior written approval of the Superintendent or designee. In no event shall the existence of any subcontract operate to release or reduce liability of the Contractor to the District for any breach in the performance of the Contractor's duties. This clause does not include Contracts of employment between the Contractor and personnel assigned to work under this Contract.
37. **Termination for Convenience.** Either party may terminate this Contract for convenience upon 180 days written notice to the other party. The notice shall specify the date of termination and shall be conclusively deemed to have been delivered to and received by the other party as of midnight the second day of mailing in the absence of proof of actual delivery to and receipt by either party. If this Contract is so terminated, the District shall be liable only for payment required under the terms of the Contract for services rendered or goods delivered prior to the effective date of termination.

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38. **Termination for Breach and/or Default.** After the Contractor has been afforded an Opportunity to Cure Default in accordance with Section 28 of the Contract's general Terms and Conditions, the District may terminate this Contract for breach and/or default, in whole or in part, by written notice to the Contractor if the District's Superintendent or designee has a reasonable basis to believe that the Contractor has:
- a. Failed to meet or maintain any requirements for Contracting with the District;
 - b. Failed to ensure the health or safety of any client for whom services are being provided under this Contract;
 - c. Failed to perform, or otherwise breached, any term or condition of this Contract;
 - d. Violated any applicable law or regulation;
 - e. Made any general assignment for the benefit of creditors;
 - f. In the District's sole opinion, become insolvent or in an unsound financial condition so as to endanger performance hereunder;
 - g. Become the subject of any proceeding under any law relating to bankruptcy, insolvency or reorganization, or relief from creditors and/or debtors, and/or;
 - h. Had a receiver, trustee, or similar official is appointed for Contractor or any of the Contractor's property.

In such event, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time; provided that if (i) it is determined for any reason the Contractor was not in default, or (ii) the Contractor's failure to perform is without Contractor's and/or subcontractor's control, fault or negligence, then the termination shall be deemed a "Termination for Convenience."

39. **Termination Due to Funding Limitations.** In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to normal completion, the District's Superintendent or designee may, without advance notice and without liability for damages, terminate the Contract in accordance with Section 37. Termination for Convenience under any such new funding limitations and conditions.
40. **Termination Procedure.** Upon termination of this Contract, the District's Superintendent or designee, in addition to other rights provided in this Contract, may require the Contractor to deliver to the District any property, including, but not limited to records, specifically produced or acquired for the performance of such part of this agreement as has been

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terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The District shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by the District and the amount agreed upon for (a) completed work and services for which no separate price is stated, (b) partially completed work and services, (c) other property or services which are accepted by the District, and (d) the protection and preservation of the property, unless the termination is for default, in which case the District shall determine the extent of the liability. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause for this Contract. The District may withhold from any amounts due to the Contractor such sum as the District's Superintendent or designee determines necessary to protect the District against potential loss or liability.

The rights and remedies of the District provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law under this Contract.

After receipt of a notice of termination, and except as otherwise directed by the District, the Contractor shall:

- a. Stop work under this Contract on the date and to the extent specified, in the notice;
 - b. Place no further orders or subcontracts for materials, services or facilities except as may be necessary for completion of such portion of the work under the Contract that is not terminated;
 - c. Assign to the District, in the manner, at the times, and to the extent directed by the District, all rights, title, and interest of the Contractor under the orders and subcontracts in which case the District has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
 - d. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the District to the extent the District may require, which approval or ratification shall be final for all the purpose of this clause;
 - e. Complete performance on such part of the work not terminated by the District; and
 - f. Take such action as may be necessary, or as the District may direct, for the protection and preservation of the property related to this Contract that is in the possession of the Contractor and in which the District has or may acquire an interest.
41. **Treatment of Assets.** Except as otherwise provided for in the Contract, the ownership and title to all real property and all personal property purchased by the Contractor in the course of performing this Contract with moneys paid by the District shall vest in the District, except

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for supplies consumed in performing this Contract. The Contractor shall surrender property and title to the District without charge prior to settlement upon completion, termination, or cancellation of this agreement. Any property of the District furnished to the Contractor shall, unless otherwise provided herein or approved by the District, be used only for the performance of the Contract. The Contractor shall be responsible for any loss or damage to property of the District which results from the negligence of the Contractor or the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.

If any property is lost, destroyed, or damaged, the Contractor shall notify the District and take all reasonable steps to protect the property from further damage. All reference to the Contractor under this clause shall include Contractor's employees, agents, and subcontractors.

42. **Vietnam Era Veterans' Readjustment Assistance Act, as amended 38 U.S.C. § 4212, also referred to as "VEVRAA" 41 C.F.R §§ 60-250 and 60-300 (2013).** This law prohibits federally funded supply and service and construction contractors (and their subcontractors) from discriminating in employment against disabled veterans, other protected veterans, and Armed Forces Service Medal veterans. It also requires that these contractors take affirmative action to employ and advance veterans. Despite its name, this statute is no longer limited to veterans from the Vietnam Era. VEVRAA applies equally to: 1) disabled veterans; 2) Armed Forces service medal veterans; 3) recently separated veterans, and; 4) other protected veterans who served during a war or in a campaign or expedition for which a campaign badge has been authorized.
43. **Waiver.** Any express waiver or failure to exercise promptly any right under this Contract will not create a continuing waiver or any expectation of non-enforcement. Any waiver shall not be construed to be a modification of the terms of this contract unless stated to be such in writing and signed by an individual authorized to execute said waiver for the District.
44. **Warranty of Accessibility.** If services include the provision of technology, web content, software, or similar products or services delivered through an online or electronic or computer-based format, Contractor warrants and shall abide by the following:
 - a. The system and services provided to the District shall comply with all local, state, and federal laws, regulations and relevant regulatory guidelines. Contractor further agrees that the system and services provided to the District shall comply with all laws prohibiting discrimination, as further required by the provision of these General Terms and Conditions. Contractor shall furnish such documents and information as may be reasonably requested by the District to evidence Contractor's compliance with the terms of this provision.
 - b. Contractor shall use reasonable efforts to ensure that, to the extent directly affecting the intended daily use by end users of the system and services provided to the District under

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General Terms and Conditions

this Agreement, such system and services will, at a minimum, conform with all applicable laws, including Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended, all other regulations promulgated under Title II of the Americans with Disabilities Act, and the accessibility standards of the Web Content Accessibility Guidelines (“WCAG”) 2.0 AA; provided, however, that Contractor will have no obligations with respect to such compliance to the extent relating to any portion of the system and services provided or developed by third parties or any user-generated content. If Contractor cannot ensure WCAG compliance for a portion of its services, Contractor will detail how it will support the District in providing equally effective alternate access for nonconforming web content and software and unusable equipment, devices, and hardware.

- c. Contractor shall conduct an accessibility test using an independent third party automated software system or a method otherwise mutually agreeable to the parties to determine the compliance of the products and services provided to the District under this Agreement with all accessibility laws and protocols, including the WCAG, as amended.

Attachment B
Additional Contractual Terms

a. Price Escalation. The Contractor must request price increases (if any) for the next contract year from the District in writing by March 1 of each contract year. The request should be consistent with actual increases in operating costs due to inflation or other factors. The request should provide sufficient evidence of the need for an increase, to include recognized indicators such as the Producers Price Index (PPI).

b. Liquidated Damages:

1) The District has an immediate and on-going requirement for the services specified herein. Prompt and safe transportation of students to schools and to their homes is essential for students to benefit fully from their school experience, while minimizing the burden to students, their families, and school staff. From the nature of the services to be rendered, it would be impractical and extremely difficult to fix the actual damage under the proposal and contract.

2) Liquidated damages will be assessed on the basis of \$200.00 per route for failure to meet critical performance requirements. Both the District and the Contractor will agree that the \$200.00 amount per route represents a reasonable amount for actual damages incurred by the District and is compensatory.

3) District must inform Contractor within 3 days of its intent to assess liquidated damages for a specific event and must bill for such liquidated damage within 31 days of the occurrence. Failure to notify or bill Contractor in a timely fashion shall relieve Contractor of its obligation to pay liquidated damages for the event.

4) The Contractor will be allowed up to 30 days after implementation of route increases or decreases by the District before liquidated would be considered. The Contractor may request a longer implementation period after notification of changes in collaboration with the District in order to ensure sufficient time is allowed to meet District requirements.

c. Acquisition of Buses: Should the cancellation or termination of this agreement become necessary, the District will provide or furnish transportation services itself or by other contractors, and the District will require buses, real property, and other facilities and property for student transportation.

1) Upon cancellation, termination, or expiration of this agreement, on thirty days written notice, District may buy or lease from Contractor, and Contractor agrees to sell or lease to District, any or all regular buses and spare buses. The price for said buses shall be determined by appraisal of the actual cash value without any assignment of any value for a "going concern or group lot." The choice from among the various methods, as set forth below, by which District may acquire or lease said buses, will be determined at the sole discretion of the District:

- a) Outright purchase of any or all of the buses, and
- b) Purchase any or all of the buses on a conditional contract over a period of three to five years.
- c) Lease of any or all of the buses over a period or periods of up to five years, said periods to be at the sole discretion of District.

Attachment B
Additional Contractual Terms

2) In the event the District exercises the option to purchase or lease any or all of Contractor's buses, the actual cash value at date of notification shall be used for valuation purposes and shall be determined by appraisal using three appraisers, one to be selected and paid by District, one to be selected and paid by Contractor, and the third selected by the two said appraisers with the payment for the third appraiser to be equally shared by the Contractor and the District.

3) The value of each vehicle shall be established by majority vote of the three appraisers. The appraisers shall determine lease payments on any lease using said value. The District may reject the appraisers' report as to the lease or purchase price within 15 days of receipt and such rejection shall work to forfeit District's right to lease or purchase

4) It is further understood and agreed that any interest rates payable by the District under these provisions shall not exceed the existing statutory limit, or two points over the existing prime rate, whichever is less.

d. Annual Performance Review. The District's Superintendent or designee shall review the Contractor's performance during each school year annually in July of each year of the contract. Any unsatisfactory results, whether costs or service, shall be corrected by the Contractor within thirty (30) days written notice of unsatisfactory performance. Failure by the Contractor to correct the unsatisfactory performance shall result in termination of the contract for default under the District's standard terms and conditions, item 38, Termination for Breach or Default.

e. Contract Administration Plan. Following the award of a Contract, the selected Contractor and the District Transportation Department will jointly develop a Contract Administration Plan. As a minimum, the Plan will require quarterly and annual performance review for the duration of the Contract. The Plan will include both Contractor and District roles and responsibilities. The Plan must be developed prior to the Contract start date and no later than August 1, 2018.

f. Force Majeure. It is agreed by the parties that in the event the Contractor is unable to provide transportation services as herein specified because of acts of God, fire, riot, war, civil commotion, labor unrest or strikes, the Contractor shall be excused from performance hereunder. The District shall have the right, but not be required, to assume the operation of such buses that the Contractor is prevented from running with such school employees or other persons, as the District may deem appropriate until the Contractor is able to resume operation.

g. Property Damage. If any property is lost, destroyed, or damaged, the Contractor shall notify the District's Superintendent and take all reasonable steps to protect the property from further damage. All reference to the Contractor under this clause shall include Contractor's employees, agents, and subcontractors.

Attachment C
Pupil Transportation Specifications

- A. **Scope:** The term of this proposal and resulting contract shall be for five years per the specification herein. The contract as a result of the proposal shall be effective September 1, 2018. The District makes no representation as to the size or scope of its transportation needs beyond the 2018-2019 year; there will be no penalties assessed against the District in connection with increases or decreases in the numbers of buses or routes used year to year. At the Contractor's or District's request, rates shall be reassessed during December of each succeeding year.

The Contractor shall during the period hereinafter set forth, provide, maintain, and lease to the District the required number of school buses with drivers to transport conveniently, safely, and legally all students, including special needs students, and other persons designated by the District to be served under the provisions of this proposal. Further, the Contractor shall, during the period set forth herein, provide all equipment, apparatus, facilities, personnel, and materials necessary to the performance of this proposal or the resulting contract. Such transportation shall be provided for each and every day that school is convened, to include year-round school, if necessary, after school activity and extended day activities when directed by the District. Transportation will be provided in accordance with the bus routes and schedules prepared cooperatively by the Contractor and the District, with final approval by the District. The District is responsible for building the routes. The Contractor is responsible for utilizing computerized routing software based on information provided by the District. All routing is subject to approval by the District. The District reserves the right to revise or change any and all bus routes and the number of buses required thereunder to best suit its needs at any time before or during the school year. The Contractor's buses must have video systems, GPS and student tracking systems installed on all buses used in support of this contract at the selected Contractor's expense. The Contractor shall at their own expense repair and maintain all equipment as necessary during the duration of the Contract. The District will use the video, GPS and student tracking information to monitor safety and performance, as well as for monitoring student behavior. The Contractor shall, during the period of the contract, provide transportation for students or other authorized personnel as may be required by the District on field trips, excursions, athletic activities, or any other purpose designated by the District. In furnishing Pupil Transportation Services, the Contractor agrees to comply with and observe all of the provisions of the State of Washington Motor Vehicle Code and all other applicable federal, state, and local laws, rules, and regulations including to but not limited to those prescribed by the State of Washington, the Superintendent of Public Instruction, and any other governmental entity, and the Board of Directors of the District including WAC Chapter 392.144. The Contractor awarded the contract will have direct contact and take direction from District's Transportation Department designee(s).

- B. **Personnel:** Operational personnel are defined as those individuals directly involved in the control, supervision, and investigation of daily bus operations and procedures. The selected Contractor will be required to have at least one field supervisor per every 50 routes assigned. The extent and regional coverage of the District's transportation needs requires certain personnel availability to assure the safety and success of these functions. The District intends to review personnel position types and numbers with the Contractor recommended

Attachment C
Pupil Transportation Specifications

for award of a contract and arrive at a negotiated decision on personnel that will be incorporated into the final contract document.

- a. District Approval of Contractor's Primary Contract Manager for managing day to day pupil transportation services: It is the District's desire that the selected Contractor hire the best qualified person who has the requisite personnel and customer service skills needed to successfully manage the services provided to the District. The Contractor will provide the District with a resume for the proposed candidate for Manager of Pupil Transportation Services for the resulting contract. The District will interview this candidate and reserves the right to approve the candidate. In the event the District does not approve of the proposed candidate, the Contractor will be required to submit additional candidates for interview until an acceptable candid is identified.
- b. If at any time during the contract, the District is dissatisfied with the performance of the Contractor's Primary Contract Manager, the District will request that the Contractor develop and implement a 90 day improvement plan for this manager. If the District is still dissatisfied at the end of the 90 days, it may request that the manager be replaced.
- c. Monitors on Buses: Occasionally the District will request a monitor to ride a school bus for student or route related issues. If requested by the District, the Contractor is to hire and train persons coming in contact with students that are of stable personality, that value safety and are of the highest moral character. The District places upon the Contractor full responsibility to ensure such qualities in those persons. The Contractor will use the background check procedures of the Washington State Patrol and screened through a national FBI fingerprint check. (Fingerprinting will be provided by the District and reimbursed by the Contractor at cost)
- d. **Safety Training:**
 - 1) The Contractor shall develop and maintain a Safety Training Program as appropriate to ensure both existing and new drivers are aware of critical safety issues for CDL drivers and for people working with children. A Safety Training Program Manual and action plans will be submitted to the District for approval by August 15, 2018. The Manual is subject to approval by the District Transportation Director and must cover fatigued driving, distracted driving, cell phone use, texting, substance use, sexual harassment and discrimination, student to student sexual misconduct and boundary invasion.
 - 2) Contractor school buses shall be operated only by qualified trained and competent persons holding valid State school bus driver certification. Contractor shall provide drivers' training supervised by State Certified driver trainer(s). Driver trainer(s) shall participate in State conducted training workshops to be

Attachment C
Pupil Transportation Specifications

held prior to school opening and during the school year at no expense to the District. The Contractor shall ensure that all drivers are provided with current and situational training necessary to maintain driver awareness of safety, discipline and other relevant topics.

- 3) A rehearsal day (Dry Run Day) will be conducted prior to the opening of school (the exact date to be announced by the District). All routes will be operated as though it were the first day of school. Dry run includes all morning, midday, and afternoon routes at no charge to the District. During the year, dry runs shall also be completed when a new driver begins a route or a driver switches routes at no cost to the District.
- 4) Sign in sheets of drivers attendance at required safety meetings, together with the agenda of matters covered, shall be submitted to the District by the Contractor within ten days after each meeting which are scheduled at the discretion and expense of the Contractor. The District may require certain topics to be discussed or require specific training for bus drivers as needed. District staff shall be allowed to attend meetings. The Contractor is responsible for obtaining competent and appropriate trainers at no charge to the District. Drivers shall be required to attend a minimum of 6 hours of Contractor-provided safety training each year.
- 5) Driver trainers shall ride with every driver at least once each year to evaluate driving practices with respect to safety, mechanical operation, and conformance with applicable laws, rules and regulations and adherence to specified route schedules and methods of student management. Upon request the District shall receive the written evaluation of the driver's performance. The evaluations are to be completed on each performance on a Contractor provided form developed and preapproved by the District specifically for this purpose. In addition, the District may, at any time, have a representative ride with any driver of the Contractor for the purpose of observation to assure compliance with the terms and conditions of this agreement.
- 6) Mandatory In-service. In-service may be combined with District drivers. In-service trainings as directed by TPS on waiver days, predefined by calendar schedule through professional development website i.e., first aid CPR, Blood Borne Pathogens etc.
- 7) The Contractor shall provide necessary staff/driver personnel and equipment to conduct student emergency evacuation drills at times specified by the District as required by law.
- 8) The Contractor has responsibility for student management during the bus route. The driver shall adhere to published District criteria for student management in dealing with student behavior in or about the bus. The District will provide to

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Pupil Transportation Specifications

the Contractor "Student Incident Report" forms for drivers to complete when necessary. Drivers may not remove a student from a school bus. Should unmanageable student behavior occur during a route, the driver shall pull off the road and try to control the situation. Every effort should be made to take the student to his or her stop. If necessary, driver shall call dispatch for assistance from a field supervisor, and/or authorization to proceed to nearest school for assistance by a building administrator.

- 9) The Contractor has the responsibility to positively communicate with students, staff, and the public. Bus drivers and Contractor personnel are to provide good customer service at all times. Customers may be students, parents, school staff, or public citizens. The District expects Contractor employees to treat all customers politely, respectfully, and responsively. Bus drivers should strive at all times to be pleasant, courteous and cooperative with students, parents, school staff and the public. The bus driver is expected to positively communicate with students, staff, and parents and to work as team with the school staff. Failure to do so may result in liquidated damages.
- 10) Hours of Operation. The dispatch office must have management coverage while buses are on the road. A management person must be available during morning and afternoon requirements (6:00 AM to 6:00 PM).
- 11) The dispatchers and office assistants must be fully trained and consistently use the routing, GPS, video and student tracking software.
- 12) Training for Bus Drivers in Student Management: The District may provide trainers in the area of student management. Student management courses will be available and taught by District personnel. Contractor management and training staff will be expected to attend this training when it is provided. The Contractor is to pay all drivers' wages for classes attended by bus drivers. Every driver will be expected to take a student management class for a minimum of six hours each year. The District and Contractor will mutually develop a plan to ensure that all drivers are continually trained in the areas of student management and customer service.
- 13) Discipline Program: The Contractor shall employ and designate a full-time Safety and Discipline Officer who shall work with students, drivers, school personnel, and parents. It shall be the responsibility of the Safety and Discipline Officer to implement the Policies, Rules, and Regulations as provided by the District and as identified by the District. The Safety and Discipline Officer must be dedicated to these duties and that they not be performed as additional duties by other operating personnel or drivers. The safety officer is expected to contact parents and District staff relative to student behavior issues. The officer shall work cooperatively and positively with others. The officer will provide the District with a monthly summary report of any disciplinary actions taken.

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- 14) Evidence of non-compliance with the safety requirements necessary to lawfully perform services stipulated by the District may result in liquidated damages or termination of the resulting contract at the option of the District.
- 15) Bus inspection at completion of a Route. All drivers shall be instructed to complete a physical walk-through of the bus after each run is completed. This inspection is to determine if any students are still on board. If, after consultation with the District, the Contractor determines that a bus driver did not fulfill his/her responsibility, the Contractor will take appropriate action. This requirement is in addition to required pre-trip and post-trip bus equipment inspections that are required pursuant to WAC 392-145-041.

e. Driver Requirements:

- 1) The District places upon the Contractor full responsibility for student transportation as a specialized function, the essence of which is for students to be transported safely, regularly, promptly and without interruption or incident, and that the interests of the students take precedence over the interests of the Contractor, the Contractor's drivers and other personnel. It shall be the primary obligation of the Contractor to conduct its activities so that students will be assured of safe, continuous, reliable service. It is required that for the protection of students, drivers, and all other persons coming in contact with the students must be stable personality and sound moral character. Drivers and all other persons coming in contact with students must be able to communicate effectively orally and in writing. The District places upon the Contractor full responsibility for assuring such qualities in its personnel. The Contractor shall not allow any person to drive a school bus whose moral character and temperament is not of the highest level, or whose conduct might in any way expose any child to any impropriety of word or conduct whatsoever nor shall the Contractor allow any person to drive a school bus who does not meet the essential functions of the job, with or without accommodation.
- 2) Pursuant to RCW 28A.400.330, the Contractor shall prohibit any employee of the Contractor from working at a public school or on a school bus who has contact with children at school or on the bus during the course of his or her employment and who has pled guilty to or been convicted of any felony crime involving the physical neglect of a child under Chapter 9A.42 RCW, the physical injury or death of child under Chapter 9A.32 or 9A.36 RCW (except motor vehicle violations under Chapter 46.61 RCW), sexual exploitation of a child under Chapter 9.68A RCW, sexual offenses under Chapter 9A.44 RCW where a minor is the victim, promoting prostitution of a minor under Chapter 9A.88 RCW, the sale or purchase of a minor child under RCW 9A.64.030, or violation of similar laws of another jurisdiction. Failure to comply with this section shall be grounds for the District to immediately terminate the proposal.

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Pupil Transportation Specifications

- 3) The Contractor shall utilize for all drivers at the time of hire the background check procedures of the Washington State Patrol and be screened through a national FBI check. Fingerprinting will be used, with a complete Washington State Identification Fingerprint Card, to ensure positive identification and is the responsibility of the Contractor. Contractor shall utilize any other background check or criminal history information authorized by existing law or any amendments thereto. Fingerprinting will be completed by the District Human Resources Department. The Contractor is responsible for paying the District for these services. Contractor shall evaluate each proposed driver's results from the background check and fingerprinting with Driver Qualifications which shall be established by Contractor and approved by the District. Contractor shall submit proposed Driver Qualifications to the District no later than July 31, 2018. The District will provide approval of the Driver Qualifications by August 10, 2018. The Driver Qualifications shall specify the motor vehicle and criminal convictions that are directly related to the job of School Bus Driver and will preclude hiring or continued employment (e.g. DUI, reckless driving). Contractor shall not hire or continue to employ any driver who does not meet the agreed-upon Driver Qualifications. First Student will notify the District in writing within twenty calendar days of knowledge it may have of any disqualifying conditions or the filing of any criminal charge involving the conduct listed in WAC 392-144-103 against any authorized school bus driver.

- 4) After hire, annually Contractor shall evaluate each authorized school bus driver for continuing compliance with the requirements of WAC Chapter 392-144 and all other requirements under this contract. The District may audit the Contractor's records for compliance with these requirements at its discretion at any time during the Contract. This annual evaluation shall certify verification of the following:
 - a) That each authorized school bus driver's medical examination certificate expiration date, first-aid expiration date, driver's license expiration date and most recent school bus driver in-service training date has been updated in compliance with procedures established by the superintendent;
 - b) That each authorized school bus driver's abstract of driving record provided by the department of licensing has been reviewed and is in compliance with WAC 392-144-103;
 - c) That each authorized school bus driver has made an updated disclosure in writing and signed and sworn under penalty of perjury which updates the disclosure required in WAC 392-144-102(4); and
 - d) That each authorized school bus driver remains in compliance with the physical requirements of WAC 392-144-102(5).

- 2) The Contractor will conduct drug testing of all new hires. Random, reasonable suspicion and post-accident drug, and alcohol testing will also be conducted by the Contractor. The Contractor's drug testing program shall comply with Federal

Attachment C
Pupil Transportation Specifications

Highway Administration Drug and Alcohol testing requirements. Contractor shall provide proof of compliance with this program to the District upon its request.

- 3) All drivers will be required to wear identification badges, which include their picture and name. ID badges will be the responsibility of the Contractor.
- 4) School bus drivers are responsible to be appropriately attired and groomed while in the performance of their assignment. All drivers are to dress cleanly, neatly, and professionally.
- 5) Drivers employed by the Contractor shall satisfy all requirements for school bus licensing and certification and any other requirements of the State Superintendent of Public Instruction and District policies and regulations. Every driver shall be provided a copy of and shall be thoroughly familiar with all state and local rules and regulations pertaining to the operation of a school bus. In accordance with WAC Chapter 392-144 and 145, School bus drivers shall be provided training and a copy of school district rules and regulations pertaining to bullying, harassment, and for reporting sexual misconduct allegations.
- 6) The Contractor shall use its best efforts to hire school bus drivers and other personnel with previous school bus driving or school transportation experience or having good aptitude for training.
- 7) Drivers shall safely operate busses in compliance with all applicable rules of the road, safety best practices and WAC Chapter 392-145.
- 8) Contractor shall provide a regularly assigned driver to each route which includes after school activities. A regular driver, for the purpose of this proposal and resulting contract, shall be a driver assigned to a specific route(s). The District may negotiate exceptions with the successful Contractor. The Contractor should make every effort to route buses for both morning and afternoon routes utilizing the same driver.
- 9) The District retains the right to require a driver to be transferred between routes or removed from all District service or all work under a resulting contract whenever the best interests of the District, driver, or students may be served as determined by the Director of Transportation.
- 10) Persons who may be employed as substitute or standby drivers shall fully comply with all requirements pertaining to regular drivers. Substitute drivers include "cover", "on-call", "standby" and those drivers not assigned regular routes but drive as back-up when needed. Drivers from out of state will not be permitted to drive without District and State approval.

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Pupil Transportation Specifications

- 11) The District may, in writing, waive all or a portion of the requirements when the District, in its sole discretion, determines that there is a valid intervening reason why the requirements cannot reasonably and feasibly be met.
- 12) In the event the current Contractor is not awarded the resulting contract, the new Contractor will give first hiring preferences to existing employees. The entry level for a school bus driver shall not be lower than the rate established in the contract.
- 13) The Contractor shall at all times have assigned to its facilities a designated on-site manager who shall have the authority to act on behalf of the Contractor. An organizational chart, identifying the duties and responsibilities of sufficient numbers of personnel employed to effectively implement and operate the Transportation program shall be submitted at the time of the proposal.
- 14) The responsibility to determine which persons are to be hired and discharged rests entirely upon Contractor. The Contractor shall not enter into any agreement or arrangement with any employee, person, group, or organization, which will interfere with Contractor's ability to comply with the preceding personnel requirements. The District Transportation Director may, by written order to the Contractor cause the Contractor to remove from any or all jobs under the contract awarded any person who is deemed not appropriate in personality, character, or temperament to safely operate a school bus or perform other services affecting children and school bus operations.
- 15) A regular driver assigned minimizes operational and student management problems. The Contractor shall provide a regularly assigned driver to each route. Assignments shall not be an operational and/or office staff person. Drivers may be transferred between routes whenever the best interests of the District, driver or students may be served. The District may request that appropriate action be taken regarding driver assignments in the event of legitimate concerns for services under the contract resulting from this proposal. Determination of appropriate action, however, rests with the Contractor who shall be obligated to deal responsibly and responsively to such District requests. Whenever a change of driver occurs on a route, for whatever reason, the new driver will conduct a dry run of that route prior to commencement of transporting students at no cost to the District.
- 16) All drivers and all other personnel necessary to perform the responsibilities under this proposal and contract award must be hired and trained by August 10, 2018.

B. Equipment and Facilities: The District reserves the right to approve transportation facilities and equipment to be used to provide services to the District. The District requirements for facilities and equipment are as follows:

Attachment C
Pupil Transportation Specifications

- a. Bus parking and maintenance facilities for the Contractor must be situated to efficiently support routing needs of the District.
- b. The Contractor, while performing transportation services specified herein, shall operate from a centrally located facility within the boundaries of the District. The location and adequacy of the facility shall be subject to the approval of the District and may be changed only upon approval of the District.
- c. The Contractor shall identify, in writing, the location of the site for its bus yard at time of proposal opening. The Contractor shall furnish by August 15, 2018 a copy of the actual site lease or proof of site purchase. Failure to supply the requested site information per these specifications shall thereby forfeit its performance bond as liquidated damages unless waived by the District.
- d. A facility will be judged adequate if it efficiently provides (1) space to park and maneuver the number of buses assigned, (2) maintenance space and equipment, (3) space for management staff; all as required to assume continuity of prompt, efficient service, (4) parking spaces for all employees, and (5) classroom to train drivers.
- e. Buses to be used which are not owned by the District must:
 - 1) Meet school bus minimum specifications approved by the Washington State Superintendent of Public Instruction. All equipment shall be maintained in good appearance, mechanical and operating order at all times, so as to successfully pass required bus inspections.
 - 2) Average no more than eight years old nor be more than twelve years old during any period of the resulting contract. Age shall be determined by the date manufactured. All buses must meet all applicable Federal Motor Vehicle Safety Standards, and must qualify for the Washington State Superintendent of Public Instruction Depreciation Allocation (the "allocation Standards").
 - 3) All Contractor buses must have numbers (unique to each bus) clearly visible on all four sides of the bus, including one displayed next to the main entry door.
- f. Video cameras, GPS and student tracking systems on buses: The Contractor will have digital video cameras, a real time GPS tracking system, and a student tracking system for buses designated to be routinely used in support of District operations. The successful Contractor will be provided with access to both the video, the GPS and student tracking information (base stations provided by the District). The successful Contractor will be required to provide repair and routine/operational user maintenance of cameras, GPS and student tracking equipment, as well as ensuring this equipment is always in working order. All Contractor staff must be proficient in the use of all equipment. Note: In lieu of the District providing cameras and GPS equipment, the District may accept the Contractor's optional proposal and fee

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schedule for camera monitoring and services as specified in the Contractor's proposal response item 4.f) of Attachment D. Contractor is required to designate a staff member dedicated to responding timely to requests for video, GPS or student tracking information from the District's Public Records Manager or other departments, including but not limited to Legal, Human Resources and Safety/Security. These requests are time-sensitive and require response within 24 hours of receipt. Failure to preserve video or provide video to the District may result in fines, penalties or sanctions under the Public Records Act, a regulatory agency or court/arbitrator. Contractor will indemnify and hold harmless District for any failure to properly preserve video or timely provide video. Contractor will preserve video for 30 days, unless there is an incident or notification to preserve, then it shall be preserved for 6 years after investigation completed or matter resolved, whichever is later.

- g. Schedule: All buses on the state depreciation schedule should be exclusively used for District purposes and available for use at anytime during the contract period. The Pupil Transportation Service provided under the contract award, being in compliance with the Rules and Regulations of the Superintendent of Public Instruction, entitles the District to receive state transportation funds. All buses operated under a resulting contract shall be subject to WAC 392-142, Replacement and Depreciation Allocation. Therefore, the Contractor shall provide a list of buses proposed for this RFP specifying the make, model, manufacture date, and the rated passenger capacity, miles and type of each bus, including standby buses, used in the performance of a contract award.
- h. The Contractor shall:
 - 1) Maintain an inventory of spare buses for the period of the resulting contract equal to 10% of the buses required for daily operations. A spare bus is defined as a standby vehicle available for replacement of a regular, sports, extra-curricular, or field trip service bus because of breakdown, maintenance, emergency, etc.
 - 2) Operate at all times under the District contract with authorized State of Washington School Bus Operational Permit, Washington vehicle registration and licensing which shall be in the name of the District, and safety inspection decal affixed by the Washington State Patrol. Any changes to the fleet designated in this proposal must be approved by the District and reported to the State Superintendent of Public Instruction by the Contractor immediately.
 - 3) All Washington tax-exempt school bus license plates must be removed any time a privately owned school bus is used for any purpose other than service to the District. Any time a privately owned school bus is used for any purpose other than service to the District, it must display a trip permit on the front window, if exempt plates are displayed.

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- 4) The successful Contractor will be required to provide a cleaning and repair schedule to ensure that buses are kept clean and free of body damage, including minor dents, paint scrapes, and seat repairs of a cosmetic nature. Exterior must be cleaned monthly to retain a fresh, clean appearance. Back window are to be clean and maintained for visibility at all times.
- 5) Have the buses inspected once during the school year and once during the summer months by the Washington State Patrol in accordance with State regulations. At any time during the contract period, the District reserves the right to inspect any and all buses, the facilities for maintaining the buses, and the operational procedures utilized by the Contractor.
- 6) Have vehicle equipment installed or modified as required by a change in law, rule, or regulation of the State or Federal Government. The Contractor must provide seatbelts/harnesses as requested by the District, as needed at no charge to the District.
- 7) The Contractor will have two-way UHF radios capable of operating with the District. The District must be able to access radio communications at all times. The Contractor will be required use and maintain the radios in good working order. Radios, installation and repair shall be at the Contractor's expense. The Contractor's employees are to use said radio equipment for such purposes related to the scope of the resulting contract as the District may direct and under all rules and regulations promulgated by the District and the Federal Communications Commission (FCC).
- 8) The District reserves the right to approve a Contractor's school bus safety inspection and maintenance program. A draft of the Contractor's proposed school bus safety inspection procedures and preventive maintenance program must be provided for District review and analysis by July 31, 2018. Final programs are due to the District by August 15, 2018.
- 9) Evidence of non-compliance with regulatory requirements necessary to lawfully perform services stipulated by the District may result in the assessment of liquidated damages and/or termination of the resulting contract at the option of the District.
- 10) Equipment Inventory are the buses to be used in the performance of a resulting contract. No deviations from this list shall be made unless the Contractor receives prior approval from the District. The Contractor shall clearly identify standby buses. The proposal must include the completed inventory provided as a tabbed section of your proposal. Five of the total fleet buses must be wheelchair accessible for one wheelchair and available for use as needed to appropriately accommodate students.

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- 11) The Contractor shall provide written lists of presently owned buses or a letter from a manufacturer at the time a proposal is submitted and by May 15, in each succeeding year, assuring that the requisite buses will be available for District use at the bus facilities by August 15 of each year. The total number of buses by size will be as specified on the proposal pages. Buses shall meet specifications for school buses as required by the Superintendent of Public Instruction for the State of Washington.
- 12) Service Requirements: The primary purpose of this proposal is to acquire transportation services for students to and from school. Buses will also be utilized for field trips and other school related activities. The buses will be utilized to service the program requirements that the District determines to be in its best interest. During the resulting contract period, the District requirement for Pupil Transportation Service shall be as follows:
 - 13) Students are primarily picked up and dropped off at corners, except Special Needs students who are picked-up and dropped-off at home or day-care addresses. Drivers are provided routes and stop listings indicating time of pick up and/or drop off. The Contractor shall implement and enforce District administrative procedures applicable to this program. The District will specify these procedures in writing prior to the start of the school year.
 - 14) The District retains the right to determine which students are eligible for transportation between home and school. The successful Contractor must provide staff training on transporting Special Needs students and utilizing a wheelchair bus.
 - 15) The District and Contractor will establish a written procedure for implementing stop changes. The District retains the right to implement an "emergency change" to be effective immediately. Emergency changes will be at the sole discretion of the District.
 - 16) The District may conduct programs, which may require transportation of students between schools or other learning sites during the school day, hereinafter referred to as a shuttle service. The District reserves the right to reduce or discontinue shuttle service upon notice.
 - 17) Upon request by the District, the Contractor shall provide transportation for students and other persons authorized by the District for field trips, athletic trips, extracurricular trips, or other trips approved and assigned by the District.
 - 18) The District reserves the right to cancel any requested extra trip on any school day without penalty.

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Pupil Transportation Specifications

- 19) Route time as used for purposes of determining cost will be measured from the time the bus leaves the Contractor's facility destined for the scheduled pickup or delivery of students until the bus returns to the Contractor's facility from the trip. The District will not pay layover time in excess of thirty (30) minutes if the bus is able to return to the bus lot.
- 20) Route time does not include fueling, check-in, checkout, inspection, clean up, daily Bus Report (D.B.R.) preparation, or dry runs.
- 21) Payment for all layover time must be approved by the District. Layover time is defined as time between runs when a bus cannot be used to transport students because of school schedules.
- 22) The District will pay the Contractor for each route based upon the amount of time needed to complete the route. This amount of time, known as the route norm, shall be established jointly by the Contractor and District by the first week of October of each year the route norms take effect. The District reserves the right to vary route norms on a daily basis for each route and adjust each route norm based on student programming needs and changes. If an agreement cannot be reached in establishing a route norm for a particular route, the District has the right to establish the norm for that route. When route times exceed the established norm, such excess shall be explained on the D.B.R. Excess time charged to the District will be paid at sole discretion of the District. The District's decision regarding route norms will not be arbitrary or capricious. When students are released early due to conferences, day before the holiday, or students are scheduled to arrive late, the District will pay actual route times and route norms will not apply. The Contractor is to clearly document actual route time and submit said time to the District for payment. DBRs are to be available and submitted as requested by the District.
- 23) **Park Out Drivers** are allowed to park buses in between routes provided the buses are in an approved location. All drivers must be available to get information from the dispatcher for any emergency.
- 24) Computation of Payment for Service.
 - a) **Regular Pupil Transportation Service (2 hour minimum call out):** "To and from home" basic transportation is defined as one to three trips from the lot and return to the lot per day. Invoicing shall be based on the route norm.
 - b) **School Day Regular Pupil Transportation Service (Excess rate):** All time accrued in excess of the two-hour minimum call out for home to school or field or sports trips will be prorated to the closest five-minute increment as reported on the driver's DBR or route norm. If over three minutes, time shall be rounded to the next highest five-minute interval. If three minutes or under, the time shall be rounded down to the next lower five-

Attachment C
Pupil Transportation Specifications

minute interval. Time, which is accrued in excess of the Basic Daily Rate of two hours, shall be charged at the hourly rate schedule under Excess Hourly Rate.

c) **Invoices and Payment:** The Contractor shall submit monthly original invoices. The District shall make payment at the rate stated in the Contractor's contract for student transportation service rendered, based on monthly invoices submitted by the Contractor. The invoice shall give a breakdown of the number of routes and the number of hours, the applicable rates stipulated in the contract for such service, and the total amount claimed for such service. Invoices must be accurate. Payment will not be made on any invoices submitted with errors. Invoices containing errors will be returned to Contractor for correction. Spreadsheets must be included that are clear and concise. Some special programs must be billed separately as directed by the District.

d) **Rate Schedules for Services Ordered by the District or Student Groups:** On overnight (extended) trips on regular school days, the hourly rate shall be for time the bus is moving or waiting. Hours when the bus is not required; i.e., when released at the end of the day by the District official until the bus is again required the next day, are not to be charged to the District except, that for each full day between the first and last day of the trip, a minimum of eight driving and waiting hours will be paid by the District and that the same amount of layover per diem as stipulated will be paid by the District.

e) If any overnight (extended) trip is over both school days and non-school days, the hourly rates for each day will be determined based on the established school day and non-school day rate respectively, including layover per diem.

f) **Non-School Day Excess Rate:** The non-school day rate (time and driver layover per diem) shall apply to all special bus trips scheduled on days other than regular school days, i.e., school vacation days, Saturdays, Sundays, and holidays. All time shall be rounded to the closest five-minute increment as reported on the driver's DBR. If over three minutes, time shall be rounded to the next highest five-minute interval. If three minutes or under, the time shall be rounded down to the next lower five-minute interval.

g) **Holidays:** Holidays are stipulated as the Fourth of July, Labor Day, Veteran's Day, Thanksgiving Day, Christmas Day, New Year's Day, Martin Luther King's Birthday, Presidents' Birthday, and Memorial Day or as may be changed by the Washington State Legislature.

h) The District reserves the right at any time to reduce the total number of buses required by reason of changed conditions upon three days written notice.

i) **School Calendar Year/Other Days:** The number of buses shown in the rate schedule are those estimated to be required on most regular school days for approximately 180 days of school or as otherwise governed by the school calendar published for the ensuing school year. This may include year-round school and Summer school at the sole discretion of the

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Pupil Transportation Specifications

District. "Other" days are those days during the school calendar year when regular school is not in session. On such "other" days, the number of buses and type of service shall be on an as-requested basis. The maximum number of buses will be no greater than the number of buses used for regular school year transportation.

j) Notwithstanding any contrary statements in this Agreement or in any documents incorporated herein by reference, in the event any federal, state, local or other government body's (including District's) statutes, laws, rules, regulations, or requests materially impact Contractor's methods and/or costs in connection with the provision of services hereunder (e.g., changes in healthcare or other benefits requirements, changes in equipment requirements, changes in services requirements, changes in unemployment insurance benefit requirements, etc.) during the term of the Agreement, Contractor, upon written notice to District, may request a renegotiation of this Agreement which shall be conducted in good faith. Such renegotiations may include, without limitation, changes in rates, term, payment schedules, levels of service, and the types or number of vehicles to be used. Any modification to this Agreement resulting from such renegotiations shall become effective on a mutually agreed upon date.

C. Operations:

a. Routing / Customer Relations

- 1) The District shall have final authority to direct the routes, times, and locations of pick-up and delivery. The District shall furnish the Contractor with a list of the school days by program for which the transportation service is to be furnished with the understanding that the number and days shall vary depending on the program. A school calendar will be provided to the Contractor. In the event of changes in the school calendar, the District will provide an amended calendar as soon as practical.
- 2) The Contractor shall implement bus routes routed and issued by the District Transportation Department. The Contractor is responsible for having the knowledge for routing buses using Edulog Computerized software.
- 3) Buses will be scheduled to deliver students to all schools not more than twenty-five and not less than ten minutes prior to the start of class sessions or as requested by the District. Most students will be in transit less than 60 minutes, except upon approval of the District. The District will provide a schedule of class sessions for each school program to the Contractor by August 25 of each year. Individual school program start and close times are subject to modification hereafter at the sole discretion of the District. Except in emergencies, the Contractor will be given three work days of notice of such modification.

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Pupil Transportation Specifications

- 4) Student transportation requirements may vary throughout the school year, resulting in adding or deleting buses; and combining or splitting routes at the sole discretion of the District. The Contractor will be given three work days of notice.
- 5) The Contractor shall provide sufficient telephone service so that callers will not receive a busy signal and will be provided periodic updates on when their calls will be answered. The Contractor will provide good customer service, treat customers politely, be accommodating, and return phone calls to schools/parents within twenty-four hours. All management and field supervisors are to use cell phones and be available while buses are on the road. The Contractor shall provide to the District an after-hour cell number and person to respond immediately. The Contractor shall have call stacking, email and fax machines on site in Tacoma. The Contractor shall respond to written concern reports from the District within 24 hours of receipt. The Contractor shall provide and submit to the District accurate and complete information. In emergency cases, the Contractor will be asked to respond immediately to concern reports.
- 6) The District and the Contractor shall monitor all routes and student loads assigned to each bus, and shall adjust routes, and loads as directed by the District. The Contractor shall insure that routes are efficient and stops with no students are communicated to the District immediately.
- 7) The Contractor shall operate during inclement weather conditions unless routes are canceled by the District. The Contractor shall, in a timely manner, provide for appropriate equipment (chains and snow tires) and trained personnel, and shall implement District defined routes as necessary to operate under such conditions. The District shall not be obligated to accept or pay for service herein agreed to be furnished by the Contractor on those days that, by direction of the Superintendent or his/her Designated Representative, any District school(s) or programs closed for the health or safety of the pupils or for any other lawful reason, and such closure reduces in part or whole the normal transportation service. The Contractor will be required to assist in checking road conditions as directed by the District during inclement weather at no additional cost to the District. The District agrees to notify the Contractor as soon as possible (but no later than 6:00 AM) on such days of school closures. The District further agrees to notify the Contractor as soon as possible (but not less than one hour prior) of canceled field or sports trips for which a bus was specifically scheduled for this trip alone. If the District fails to give the Contractor adequate notification of school closure and/or canceled special trips, the District shall pay the Contractor, the driver(s) actual time or minimum call out time, whichever is less. The Contractor must provide documentation to support payment.
- 8) The bus driver shall not permit anyone other than an assigned student to be on the bus unless authorized to be on the bus by the District. Persons not assigned to ride on buses may be permitted to ride the Contractor's buses if previously

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Pupil Transportation Specifications

authorized by the District. These passengers shall be approved on a case-by-case basis and the District Transportation Office will coordinate advance approval and notice prior to such use of the Contractor's buses.

- 9) The District reserves the right to request either the detainment of the bus and driver at the activity site, or to release bus and driver for return at a specified time, whichever is the least cost to the District.
- 10) If the Contractor fails or refuses to furnish services specified in the resulting contract, after requested by the District in writing, the District may charter that service in the open market at the Contractor's total expense.

b. Report Requirements:

- 1) The Contractor shall provide the school and Transportation Office within four working hours student incident reports of lost students, behavioral, disciplinary, or health problems which arise during bus trips that may jeopardize the of safety of others. The Contractor must immediately report to the District any student not accounted for that was originally on a school bus. The Contractor will make every effort in cooperation with the District to locate the child. Contractor will immediately preserve all documents (including electronic documents) and video related to such incident.
- 2) The Contractor shall notify the District Transportation Director or designee immediately by telephone of any vehicle accident or injury, in accordance with District policies and procedures. The Contractor shall forward within twenty-four hours of each accident where injury is sustained a written report describing all details of such accident. All other accident reports shall be submitted within forty-eight hours of each accident and filed according to State law and regulations. Contractor will immediately preserve all documents (including electronic documents) and video related to such incident.
- 3) Contractor shall perform a post-incident safety review with any drivers involved in incidents identified above in paragraphs D.b.1 or 2. Such safety review shall include, at a minimum, a review of the Driver's qualifications, certifications, training and prior incidents. Contractor shall not continue to employ a driver that it knows (or should have known) to be a risk to student or public safety.
- 4) Pursuant to State of Washington requirements, the Contractor shall maintain and store a "Daily Bus Report" (DBR) each day for each bus operated under the resulting contract. This report shall include the following:
 - a) The DBR must be available when requested by the District at any time.

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Pupil Transportation Specifications

- b) Driver's complete pre-trip safety check in accordance with the State of Washington School Bus Driver's Handbook.
 - c) Total miles traveled, time in route, layover time, and number of students transported daily to and from high school, middle school, elementary school, and individual programs as separate groups.
 - d) Total miles, time, and student count for other trips ordered by the District.
 - e) Such other related student information that may be required by the State of Washington, such as the Superintendent of Public Instruction, or the District.
- 5) The Contractor shall provide Bus Driver Information Reports to the Transportation Office prior to the start of school and as required by the District. The report shall contain information such as, but not limited to, driver's name, date of birth, date of license issuance and expiration, state bus number and Contractor bus number to which assigned, and dates and types of training.
- 6) The Contractor shall notify the District and school(s) of all route service delays by telephone using the District's school messaging system, fax, or email immediately for any delays in excess of 10 or more minutes.
- 7) It shall be the responsibility of the Contractor to prepare for the District any and all reports required by the State. All information must be clear and accurate. Failure to comply may result in liquidated damages and the recovery from the Contractor of any state funds that are lost.

D. Information in Appendices: The following appendices are provided as information in separate download documents on the PublicPurchase bid page.

- a. Bell times - Appendix 1
- b. Route Report - Appendix 2
- c. Student Enrollment Data – Appendix 3
- d. Current Contractor Bus Inventory – Appendix 4
- e. Completed Field Trips Report - Appendix 5

E. Additional Requirements:

- a. District Transportation Policy and Regulations - Available under "Transportation" on the District web site at:
<https://www.tacomaschools.org/board/Pages/policies.aspx>
- b. OSHA/WISHA: Legal Compliance: In performance of the contract awarded, the Contractor shall comply in every respect with all codes, statutes, laws and regulations of the United States, the City of Tacoma, Pierce County, and the State of

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Pupil Transportation Specifications

Washington, and any other applicable governmental entities for the protection of health and safety of the children being transported. OSHA/WISHA: The Contractor agrees to comply with conditions and the provisions of the Federal Occupational Safety and Health Act of 1970 (OSHA) and the Washington Industrial Safety and Health Act of 1970 (WISHA), and the standards and regulations issued thereunder, and certifies that all items furnished and purchased under the resulting contract will conform to and comply with said standards and regulations. Contractor further agrees to indemnify and hold harmless the District from all damages assessed against the District as a result of Contractor's failure to comply with the Acts and the standards thereunder.

- c. **Performance Bond:** The successful Contractor will be required to furnish a performance bond by a surety company acceptable to the District in the full amount of the proposal and resulting contract plus sales tax.
- d. **Contractor Information:** The Contractor shall have had direct experience in operating a fleet of no less than seventy-five regular school bus routes for a minimum period of the last three consecutive years. The Contractor shall submit letters of recommendation from school districts receiving this service.
- e. **Audited Contractor Financial Statement:** As proof of its ability to perform all of the services required in the Pupil Transportation Services Specifications, the Contractor shall, if requested by the District, submit its audited financial statement.
- f. **Experience:** This proposal is not intended to provide the total student transportation service requirements for the District. The District will continue utilizing other forms of transportation such as District-owned buses driven by District-employed drivers, Pierce Transit, taxicabs, and/or charter bus Contractors. The following are minimum Contractor requirements:
 - 1) Firm must have three consecutive years of school bus transportation experience.
 - 2) References - Contractor must provide three school district references (satisfactory to the District).

G. Fueling of Buses

- 1) It is the responsibility of the CONTRACTOR to obtain all fuel products using the District's fuel Contract.
 - a. The Contractor must provide a list of all bus drivers and pin numbers for ordering of fuel cards to the District's fuel contract designee;
 - b. The Contractor must provide a contact for the District's fuel contract designee to assist with administration of fuel cards and any re-ordering needs.
 - c. All Contractor buses must have full fuel tanks prior to being brought into use under the Contract. Prior to a bus being removed from use, the Contractor may top off the fuel tank using the District's fuel contract.

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Pupil Transportation Specifications

- 2) CONTRACTOR'S fuel invoices shall be provided to the DISTRICT, as a part of the monthly transportation invoicing process and invoices shall reflect direct fuel costs incurred by the CONTRACTOR from the fuel supplier.
- 3) For purposes of invoicing the DISTRICT for the time required to operate daily home-to-school, special programs and other bus routes, CONTRACTOR will not be permitted to use or to calculate driver time incurred when fueling CONTRACTOR equipment.
- 4) Whenever any bus used by the Contractor in fulfillment of this contract is also used for other purposes, records shall be maintained by the contractor for such buses showing fuel used in the Districts service and fuel used in non-Districts service. The District may use GPS data to verify bus use and shall have the right to inspect any relevant records of the Contractor at any time to verify fuel usage. The Districts will use the current routing system (Edulog) or the GPS system (Zonar) as appropriate miles per route. For any excess miles not justified, the Contractor will reimburse the Districts for overpayment.

Contract Attachment D

Tacoma School District – RFP # B18012S, EXHIBIT A

First Student, Inc.
FORM PROPOSAL SUBMITTAL REQUIREMENTS
And
Executive Summary
Dated February 13, 2018

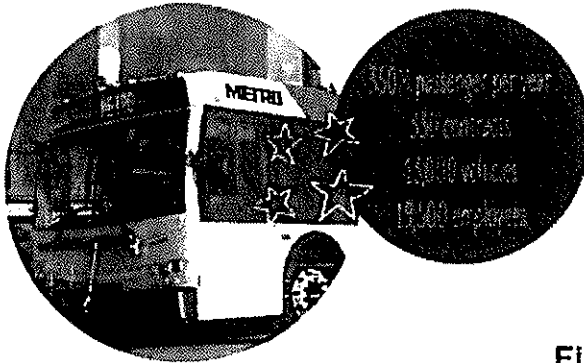
There are 5 response sections below that proposers are to complete. These are followed on this form by 3 references, each on a separate page. Complete all responses in MS Word and upload them to PublicPurchase prior to the bid due date/time.

I. Company

- a) Describe the organizational structure of the company, including any relationship with a parent, subsidiary, or affiliated company.

First Student, Inc. is a member of a family of companies that make up FirstGroup America, the largest provider of safe, reliable and sustainable ground passenger transportation services in North America. FirstGroup America is the North American operation of FirstGroup plc, a more than \$7 billion global transportation company, with a vision to transform travel by providing services that help create strong, vibrant and sustainable local economies. First Student is a corporation that was incorporated in Delaware in 1983.

Our broad transportation footprint gives us a breadth and depth of expertise across different regulatory and contractual requirements. You can be confident that whatever the specific challenge is, somewhere across our business we have already identified and implemented a solution. First Student's 470 locations provide the best start and finish to the school day for the students and families we serve. We offer large and small school districts tailored, cost-effective solutions spanning full-service transportation and management, special-needs transportation, route optimization, maintenance and charter services. First Student's corporate headquarters is located at 600 Vine Street, Suite 1400 Cincinnati, OH 45202.



100 passenger vehicles
 100 transit
 100 vehicles
 10,000 employees

First Transit

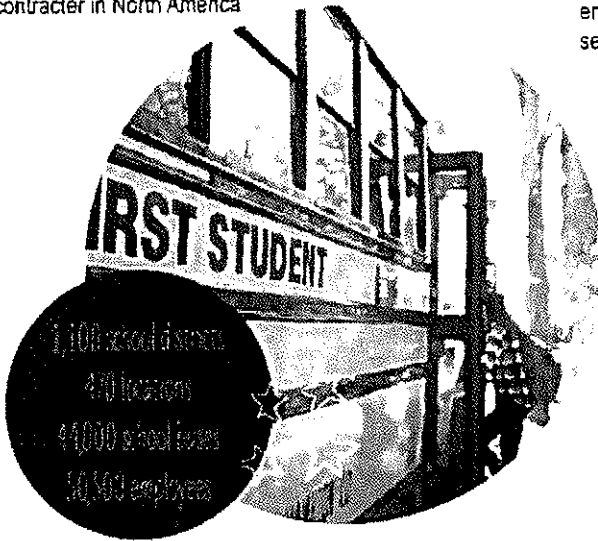
One of the largest private sector provider of public transit management and contractor in North America



100 vehicles
 100 employees

First Vehicle Services

A division of First Transit; FVS provides fleet maintenance and ancillary support services for public sector customers, including law enforcement, fire, and emergency and municipal services



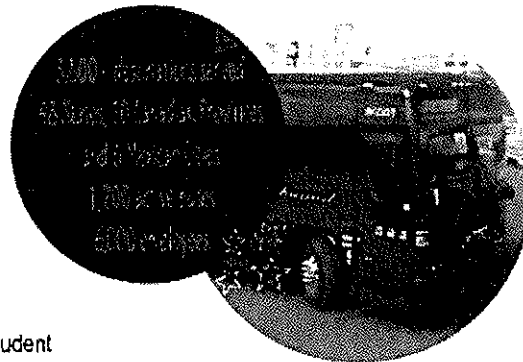
1,100 school districts
 470 locations
 44,000 school buses
 10,000 employees

First Student

The most trusted provider of student transportation, completing 5 million student journeys across the U.S. and Canada safely and reliably

Greyhound Lines

The only national operator of scheduled inter-city coaches in the U.S., Canada and Mexico



100 destinations
 68 lines in 13 states
 140 vehicles
 1,000 employees
 600 million passengers

b) Provide information regarding the company's financial strength and stability.

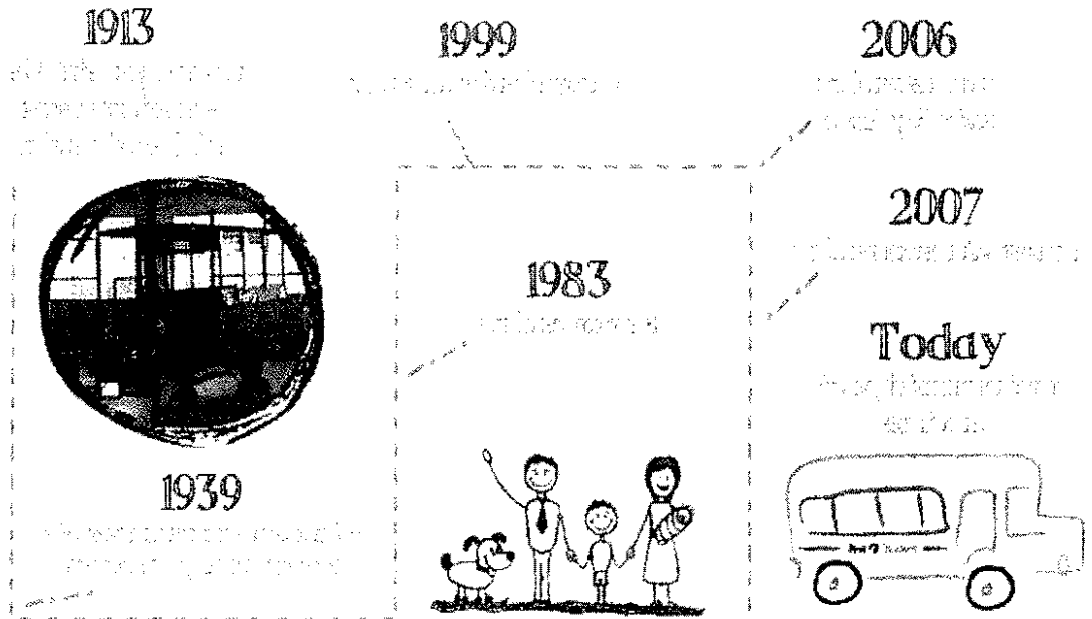
Please see attached letter of recommendation from our financial institution JP Morgan. This attachment is labeled "First Student - JPM Bank Reference Letter." Our trade and credit references are listed in the chart below.

TRADE AND CREDIT REFERENCES

INSTITUTION	ADDRESS	CONTACT	CONTACT INFORMATION
JP Morgan Securities LLC	383 Madison Avenue, 35th Floor New York, NY 10179	Eddie Sasson	(212) 622-4292 eddie.sassoon@jpmorgan.com
Bank of America	135 South LaSalle Street Chicago, IL 60603	Joe Lenzie	(312) 992-6355 joseph.lenzie@baml.com
Mercedes-Benz Financial Services USA LLC DBA: Daimler Truck Financial	36455 Corporate Drive Farmington Hills, MI 48331	Keith Courtney	(830) 215-4956
PNC Financial Service Group	201 E 5th Street, Locator B1-BM01-03-1 Cincinnati, OH 45202	Jeffrey Thiemann	(513) 651-8786 Jeffrey.thiemann@pnc.com
Wells Fargo Bank, Intl. London Branch	One Plantation Place 30 Fenchurch Street London EC3M 3BD	Martin Collard <i>Senior Relationship Manager Global Banking</i>	+44 0 20 7149 7658 Martin.collard@wellsfargo.com
Bridgestone Americas Tire Operations	PO Box 140990 Nashville, TN 37214	Brent Book	(615) 937-3625
Petro-Canada America Lubricants, Inc.	PO Box 586 Newtonville, NY 12128	Bruce Hyatt	(518) 782-0452
Mansfield Oil	1125 Airport Parkway Gainesville, GA 30501	Mark Ivers	(678) 207-5640

- c) Specify how long the company has been providing pupil transportation services, to include your experience in the state of Washington and/or surrounding area.

We have more than a century of experience providing safe and reliable student transportation. Our company history traces back to 1913 when Frank A. Patchett of the Patchett Bus and Transportation Company rallied together his limited resources to develop a transportation solution to address the challenge of rapid population growth in his hometown of Newman, California. Using a Ford Model-T frame, he attached bench seats, wood paneling and a roof to the truck's flatbed — a preliminary design that would go on to become the yellow school bus we know and love today. Patchett's bus, now known as First Student's "Number One" bus, is so significant and symbolic to the community that it is incorporated into the city's crest. Today, the City of Newman remains a valued member of the First Student family and our celebrated 104-year-old bus exemplifies the strength and longevity of our community relationships. Our solid reputation and record of performance demonstrates our ability to deliver on our promises. Please see in the charts below specifics regarding our length of experience regarding our contracts in surrounding states. We have over 30 years' experience in the state of Washington.



- d) Provide a statement of insurance, in the form of a letter from an insurance carrier that includes a commitment to provide insurance coverage for your company as specified in Section 6, paragraph 21.

Please see attached letter from our insurance carrier providing a statement of insurance. This attachment is labeled "Insurance Certificate" and "Cyber Liability Insurance."

e) Provide a list of school districts in the states of Washington, Oregon and Idaho that your company provides pupil transportation services.

WASHINGTON CUSTOMER LIST

First Student's customer lists and references are confidential and proprietary. Any distribution or copying of this material outside of review of this proposal should only be performed after obtaining written consent from First Student.

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Adna School District 179 Dieckman Rd., Adna, WA 98522	Jim Forrest Superintendent 360-748-0362	10	1992 to Present
Colville School District 217 S. Hoffstetter St., Colville, WA 99114	Pete Lewis Superintendent 509- 684-7850	33	1987 to Present
Riverside School District 34515 N. Newport Hwy, Chatteroy, WA 99003	Ken Russell Superintendent 509-464-8201	37	2007 to Present
Rochester School District #401 10140 Highway 12 SW, Rochester, WA 98579	Kim Fry Superintendent 360-273-9242	37	2012 to Present
Seattle Public Schools 2445 3rd Ave. S, Seattle, WA 98134	Kathy Katterhagen Director of Logistics 206-252-0579	384	1975 to Present
Steilacoom Historical School District 511 Chambers St., Steilacoom, WA 98388	Kathi Weight Superintendent 253-983-2200	24	1990 to Present
Tenino School District 301 Old Hwy 99 North, Tenino, WA 98589	Joe Belmonte Superintendent 360-264-3400	26	1992 to Present
Vashon Island School District 9309 SW Cemetary Rd., Vashon Island, WA 98070	Michael Soltman Superintendent 206-463-2121	12	1975 to Present

IDAHO CUSTOMER LIST

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Boise School District 8169 W Victor Road Boise, Idaho 83709	Lanette Daw Transportation Supervisor 208-854-4120	156	2015-Present

OREGON CUSTOMER LIST

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Amity School District 807 S Trade St Amity, OR 97101-2819	Jeff Clark Superintendent (503) 835-2171	7	2000-Present
Central Point School District 300 Ash St Central Point, OR 97502	Samantha Steele Superintendent (541) 494-6200	44	2011-Present
City of Corvallis PO Box 1083 Corvallis, OR 97339	Tim Bates Transit Coordinator (541) 766-6916	15	2000-Present
Coos Bay School District #9 1255 Hemlock Avenue Coos Bay, OR 97420	Bryan Trendell Superintendent (541) 267-3104	58	2004-Present
Corvallis School District #509J 1555 SW 35 th . St. Corvallis, OR 97333	Kim Patten Director of Facilities and Transportation (541) 757-5841	61	2000-Present
Dayton School District #8 1328 N 2Nd St Jefferson, OR 97352	Jason Hay Superintendent (503) 864-2215	9	2004-Present
Fern Ridge School District #28 88834 Territorial Rd Elmira, OR 97437	Gary Carpenter Superintendent (541) 935-2253	25	2002-Present
Gladstone School District #115 17789 Webster Rd Gladstone, OR 97027	Bob Stewart Superintendent (503) 655-2777	19	1994-Present
Gresham Barlow School District 10J 1331 Nw Eastman Pkwy Gresham, OR 97030	Mike Schofield Chief Financial Officer (503) 261-4567	120	2004-Present
Jefferson School District 1328 N. 2 nd St. Jefferson, OR 97352	Kent Klewitz Superintendent (541) 327-3337	17	1999-Present
Junction City School District #69 325 Maple St. Junction City, OR 97448	Kathleen Rodden-Nord Superintendent (541) 998-6311	28	1995-Present
Lane County School District #52 (Bethel) 4640 Barger Dr. Eugene, OR 97402	Chris Parra Superintendent (541) 689-3280	30	2006-Present
McMinnville School District #40 1500 NE Baker St. McMinnville, OR 97128	Dr. Mary Alice Russell Superintendent (503) 565-4000	37	2003-Present
Medford School District #549C 500 Monroe St. Medford, OR 97501	Brad Earl Chief Operations Officer (541) 842-3622	97	2001-Present

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Molalla River School District PO Box 188 Molalla, OR	Rick Gill Business Manager (503) 829-2359 x229	49	1997-Present
Neah-Kah-Nie School District #56 504 N. Third Ave. Rockaway Beach, OR	Paul Erlebach Superintendent (503) 355-2222	16	1989- Present
Newberg School District #29J 714 E. 6 th St. Newberg, OR 97132	Dr. Kym LeBlanc- Esparza Superintendent (503) 554-5000	62	2008-Present
North Lake Oregon School District #14 1000 Commerce Parkway Suite B Newberg, OR 97132	David Kerr Superintendent (541) 576-2121	8	2004-Present
North Marion School District #15 20256 Grim Rd. NE Aurora, OR 97002	Ginger Redlinger Superintendent (503) 678-7101	22	1989-Present
Oregon State University (OSU) 100 Adams Hall Corvallis, OR 97331	Diane Johnson Parking Systems Program Specialist Transportation Service (541)737-8420	4	2003-Present
Phoenix-Talent School District #4 PO Box 698 Phoenix, OR 97535	Brent Barry Superintendent (541) 535-1517	29	1997-Present
Pleasant Hill School District 36386 Highway 58 Pleasant Hill, OR 97445	Scott Linenberger Superintendent (541) 736-0701	16	2003-Present
Portland Public Schools PO Box 3107 Portland, OR 97208	Alain Briand Director of Transportation (503) 916-6901	218	1997-Present
Prospect School District #59 160 Mill Creek Drive Prospect, OR 97536	Doug Jantzi Superintendent (541) 560-3653	2	2006-Present
Riddle School District #70 401 First Ave. Riddle, OR 97469	Dave Gianotti Superintendent (541) 874-3131	7	1993-Present
Riverdale School District #51J 11733 SW Breyman Ave. Portland, OR 97219	Terry Brandon Superintendent (503) 262-4840	3	2008-Present
Rogue River School District 412 S. Sweigle Ave. Molalla, OR 97038	Paul Young Superintendent (541) 582-3235	15	2003-Present

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Roseburg Public Schools 1419 NW Valley View Dr. Roseburg, OR 97470-1798	Gerry Washburn Superintendent (541) 440-4142	71	2016-Present
Santiam Canyon School District #129J 111 E. Main St. Falls City, OR 97344	Todd Miller Superintendent (503) 897-2321	5	1989-Present
South Umpqua School District #19 558 SW Chadwick Ln. Myrtle Creek, OR Special Needs ESD 6755 NE Columbia Blvd. Portland, OR 87218	Tim Porter Superintendent (541) 863-3115 Alain Briand Director of Transportation (503) 916-6901	26 22	2005-Present 2008-Present
Three Rivers School District PO Box 160 Murphy, OR 97533	Dave Valenzuela Superintendent (541) 862-3111	88	2005-Present
West Linn-Wilsonville SD 3J PO Box 35 West Linn, OR 97068	Dr. Kathy Ludwig Superintendent (503) 673-7028	88	2007-Present
Willamette ESD 2611 Pringle Rd SE, Salem, OR 97302	Dave Novotney Superintendent (503) 588-5330	3	1990-Present
Willamina School District 324 SE Adams Willamina, OR 97396	Carrie Zimbrick Superintendent (503) 876-1501	16	2012-Present
Winston- Dillard SD 116 620 NW Elwood Winston, OR 97496	Kevin Miller Superintendent (541) 679-3000	16	2012-Present
Woodburn School District #103 965 N. Boones Ferry Rd. Woodburn, OR 97071	Chuck Ransom Superintendent (503) 981-9555	55	1990-Present

CUSTOMER REFERENCES

First Student's customer lists and references are confidential and proprietary. Any distribution or copying of this material outside of review of this proposal should only be performed after obtaining written consent from First Student.

SCHOOL DISTRICT	CONTACT	FLEET COUNT	LENGTH OF SERVICE
Colville School District 217 S. Hoffstetter St., Colville, WA 99114	Pete Lewis Superintendent 509- 684-7850	33	1987 to Present
Rochester School District #401 10140 Highway 12 SW, Rochester, WA 98579	Kim Fry Superintendent 360-273-9242	37	2012 to Present
Vashon Island School District 9309 SW Cemetary Rd., Vashon Island, WA 98070	Michael Soltman Superintendent 206-463-2121	12	1975 to Present

2. Drivers

- a) Describe your plans for hiring and retaining drivers if your company is awarded a Contract with the District. Include an explanation of how you will maximize your company's ability to maintain the same driver on the same routes consistently throughout a school year.

The students we serve are at the heart of all we do at First Student; we look for potential employees who not only know their community but also clearly share this core value. Our most successful efforts involve recruiting from a targeted group of job seekers, specifically, veterans, spouses of our active military men and women, retirees and stay-at-home mothers. Employee referral bonuses have also been effective in getting everyone involved in building a driving team supportive of students and each other.

RetirementJobs.com named FirstGroup America a "Certified Age-Friendly Employer" — meaning we make a special effort to improve age and experience diversity in the FirstGroup workforce. FirstGroup also partners with RecruitMilitary.com to provide transitioning veterans and military spouses with employment opportunities.

Talent Acquisition Team

A major component of a First Student location manager's role is to understand the cycle of his/her workforce needs — retention trends during the start-up period, variation of vehicle and driver needs related to seasonal activities, and other unique service expectations. To be successful, each location manager must be extremely knowledgeable of the local job market in addition to leading our teams toward delivering safe and dependable service every day. That is why we make certain they are never alone in their recruiting efforts.

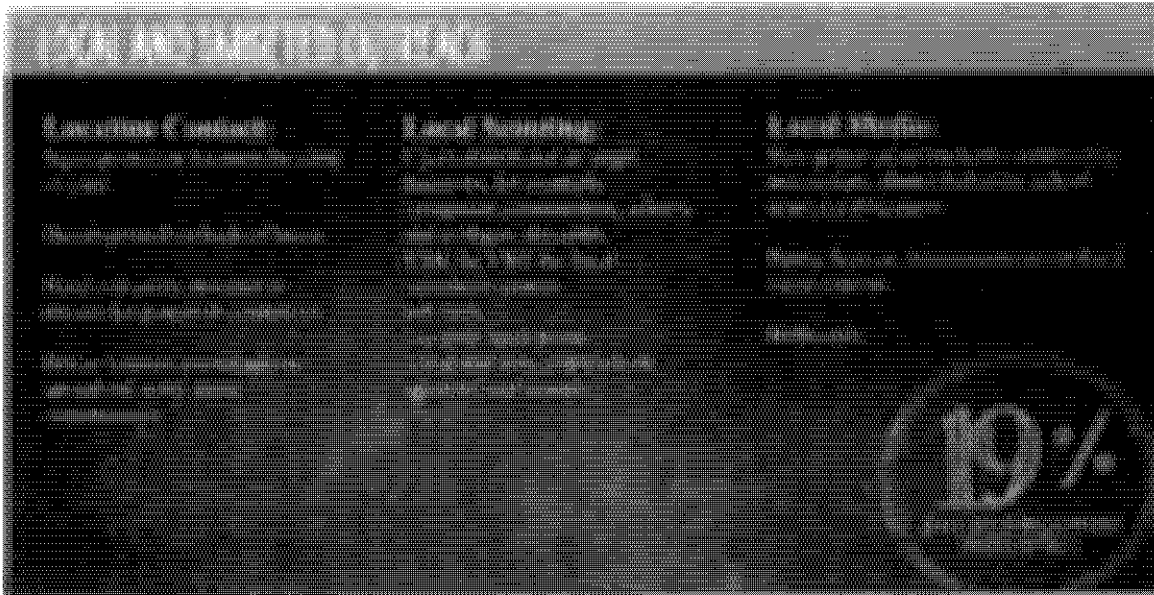
First Student's talent acquisition team provides an unmatched level of recruitment support. This team of six specialists — one who focuses solely on technician recruiting and outreach — works with our local teams and the region human resources managers to keep the process moving.

The role of a talent acquisition specialist includes the following:

- Managing online job boards
- Supporting hiring events (producing promotional pieces, modifying advertising copy, providing giveaways and verifying labor law and equal opportunity employer compliance)
- Monitoring submissions and ensuring applicants are contacted by locations within 48 hours
- Assisting applicants through the process as needed

Local Driver Recruitment Action Plan and Toolkit

First Student's school year start-up process includes the formation of a local driver recruitment team and creation or update of the location's recruitment action plan for the year. The action plan is led our location manager who works with his/her trained location recruitment team to implement the plan as well as track the status of goals, tasks and events. We support these local efforts with the assistance of a central talent acquisition specialist.



Applicant Tracking System

Transportation employers are all competing for skilled and dependable drivers. Finding and attracting the right applicants requires time, expertise and resources. First Student's Applicant Tracking System enables a streamlined, full-cycle recruitment process — monitoring vacancies, sourcing, interviewing and placing. Our central talent acquisition team monitors submissions on our Applicant Tracking System and conducts pre-screening. Centralizing a portion of the process allows managers to focus on local recruitment channels and contacts within the community.

In addition to centralizing the more standard phases of the process, the system controls recruitment costs by negotiating single contracts with national and local vendors.

Know What's Working

The Applicant Tracking System generates a series of reports that help our teams understand what is working. The talent acquisition specialists are able to research where our applicants are coming from exactly, allowing recruitment efforts to be directed and redirected wisely.

Metrics used to measure the effectiveness of our recruitment strategy include:

- Time from offer to hire
- Completed applications to hired ratio
- Time to fill

Keep Candidates Moving

First Student works hard to be an employer of choice and that means being responsive and communicative. Tools within the Applicant Tracking System keep applicants informed of where they are in the process, and they enable our teams to keep the process moving before a great candidate is lost.

The following are some of the ways we strengthen communication with candidates:

- Completion status monitored by talent acquisition specialists to conduct follow-up calls
- Automated alerts and notifications sent directly to applicants
- Self-selection of interview date and time made by applicants

Data-Driven Recruitment Campaigns

We reinforce our driver staffing efforts in job markets with persistent workforce challenges by bringing together our talent acquisition and marketing and communications expertise. An integrated recruitment campaign, which leverages paid, earned and owned media, is then tailored to local market needs and opportunities. Our cross-functional teams are also able to help locations strategically re-allocate resources based on recruitment and local media data analysis. This ensures our recruitment efforts are cost-effective and productive.

Promoting from Within

Our strongest employees and managers have entered the company through various roles. Many of our location managers and central support staff, for example, began their tenure with us as drivers. We believe giving our most talented team members the opportunity for career growth and advancement within the business is what makes First Student an industry leader.

HIRING QUALIFIED EMPLOYEES

Screening and Selection Process

The screening and selection process is made up of several steps:

- Candidate completes application
- Location manager reviews application
- Pre-screen interview, as appropriate
- In-person interview, with review of:
 - Job description
 - Minimum Hiring Standards
 - Local and state mandated equal employment information
- Conditional offer of employment
- Background checks
- Pre-employment drug test
- Physical exam
- First Student Physical Dexterity Performance Test
- Job offer is given and accepted
- On-boarding and new hire training
- Driver/monitor training
- Candidate takes CDL test and obtains CDL license (drivers only)

Employment Qualifications

Employment and Residency History

- Employment history verification for prior five (5) years
- Residency history verification for prior seven (7) years

Driving History Check

- Must be 21 years of age or older unless otherwise specified by contract (drivers and monitors only)
 - Participants in our technician development program must be at least 18 years of age
- Must possess a valid driver's license in the state or province of residency (drivers only)
- Must have three (3) years of licensed driving experience (drivers only)

- No more than two (2) moving violations or two (2) minor accidents in past three (3) years (drivers only)
- Must have ability to obtain a Commercial Driver's License (CDL) as required by position

Criminal Background Check

- The applicant's entire conviction history is viewed holistically
- A DUI/DWI conviction may potentially disqualify a candidate from employment
- A criminal misdemeanor conviction involving child abuse, neglect, endangerment, possession or distribution of illegal substances, use or possession of weapons, violence or sex-related offenses, obstruction of justice, false reporting, or false information may potentially disqualify a candidate from employment

Illegal Substances Exam

- No positive result or refusal of a pre- or post-employment, random or reasonable suspicion drug/alcohol test

Physical and Physical Dexterity Exam

- Qualified applicants must be able to pass a U.S. Department of Transportation physical exam (driving positions only) and a First Student Physical Dexterity Performance Test (drivers and monitors), which verifies an applicant's "fitness for duty" and ability to operate bus controls and conduct an evacuation, including opening emergency exits to carry or drag an incapacitated child out of the bus to safety.

Employee Records and Reporting

First Student's CBCU conducts background checks and manages the drug/alcohol screening process. This unit ensures that 1) we are applying company hiring standards consistently throughout our locations and 2) our reviews are compliant with federal, state and local laws. With an internal team to manage verifications, our locations can focus on other aspects of the staffing process such as interviewing and hiring.

Our CBCU reviews any potentially disqualifying record, discrepancy or new finding before it is passed on to a committee of adjudicators who confirm the individual meets or exceeds hiring standards.
Criminal Record Checks

To verify that applicants are suitable for employment at your district, the CBCU runs a series of criminal background checks. Our CBCU also conducts periodic record checks required or requested by your district or state. We automatically disqualify applicants with any of the following open or felony convictions:

- Illegal substances: manufacture, cultivation, distribution
- Illegal substances: possession or use of, including drug paraphernalia
- Molestation
- Murder, manslaughter, vehicular homicide
- Rape
- Sexual or indecent exposure
- Weapons: any unlawful use, possession or discharge (includes firearms)
- Warrants: open or pending
- DUI/DWI

Motor Vehicle Report Review

We require the location manager or designee to order and review an MVR annually for all drivers. New violations or collisions are reviewed for compliance with any company or school district regulation or policy. Each driver must then complete, sign and date a Certificate of Violations listing all moving traffic violations and collisions within the past 12 months. New driver applications are reviewed thoroughly to

make sure applicants meet the standards of our company as well as your district. These standards include the following minimum criteria:

- Minimum of three (3) years licensed driving experience
- Must be at least 21 years old
- No more than two (2) moving violations or two (2) minor accidents in past three (3) years

We also examine MVRs for any pattern of unsafe driving behaviors exhibited by a continual accumulation of minor infractions

Reference and Social Security Verification

In addition to the required MVR and Criminal Reference Checks, we work with HireRight, one of the world's largest providers of employment screening services, to complete Employment Verification and Social Security checks on all applicants. These additional checks help validate employment records and experience. The Reference Check takes place after the Department of Motor Vehicle Records Check and Criminal Records Check are completed. HireRight conducts thorough previous employment reference checks on all new trainees. Reference check findings are submitted for review to our CBCU to ensure non-compliant records are not overlooked and to determine the appropriate course of action.

EMPLOYEE RETENTION AND ENGAGEMENT

We offer benefits and incentives designed to attract and retain a part-time workforce. Our employees gain personal fulfillment from helping students make a safe and positive transition between home and school. We do whatever we can as an employer to make sure our people know we value their commitment and their voice. One way we make sure our employees know they are valued members of the First Student Family is by conducting employee satisfaction surveys to learn how we can do better as a company.

Benefits and Incentives

Our wage and benefits package for drivers and monitors is designed to provide attractive and competitive compensation tailored for a part-time workforce, while at the same time being sensitive to cost considerations. We offer a host of flexible features including medical and dental coverage with low co-payments, free life insurance, and savings and retirement options. First Student complies with all State of Washington and City of Tacoma paid time off ordinances.

Health Benefits

We provide a range of options to meet a variety of unique needs, allowing our employees to focus on what matters most — safeguarding your students and delivering value to your district.

These health benefits may include, but are not limited to, the following:

- Medical insurance with prescription coverage
- Dental insurance
- Vision insurance
- Life insurance
- Voluntary supplemental insurance
- We pay for all state/company required physicals, drug and alcohol screens

In the event of changes in local, state or federal laws, regulations or specifications; tax rates; increases in insurance or surety premiums; or any other legal or regulatory changes during the term of the contract, including but not limited to any interpretation, implementation or expansion of the Patient Protection and Affordable Care Act or the American Health Care Act or any related progenies which causes any of First Student's operating costs hereunder to increase at a rate in excess of the rates quoted in First Student's

Response Pupil Transportation Services Tacoma School District agrees that the rates shall be adjusted to reflect such increases.

Additional Driver Advantages

Some of the other advantages of being a First Student driver include:

- Additional income opportunities through First Student Charter Bus
- 401K retirement plan
- Employee discount program on cell phone service (Sprint, AT&T, Verizon), hotels, travel accommodations, cars, jewelry, computers, electronics and events

Awards and Recognition:

- Service awards
- "Driver of the Year" awards
- Opportunities to represent First Student and FirstGroup America in local, regional and national competitions

Local Programs and Events:

- Special "Thank You" lunches and potluck dinners throughout the year
- Yearly holiday party
- School bus safety week activities and special meals
- Regional contests for DriveSMART campaign; winners can receive prizes and the location receives national recognition with publications and location banner

SAME DRIVER ON SAME ROUTE

We value the importance of drivers being consistent and on the same route each day. When drivers select routes, it is expected we keep them doing the same route for the entire year. By keeping drivers on the same routes the bus driver has an opportunity to get to know the students by name and also form bonds with the students. This helps with student behavior and helps the bus driver become an authoritative figure to the students. Students and parents become more comfortable when they see the same familiar driver coming to pick up the students. If for some reason a driver is unable to make a route, we will pull extra drivers or staff who do not have routes to provide the service. It is our intention to have drivers provide the same route unless an unforeseen circumstance arises.

- b) Describe how during the period of contract performance your company would motivate drivers to provide excellent and timely service. In addition, describe how the manager and office staff provide the district with excellent customer service, including timely and accurate communications.

ADVANCING OPERATIONAL DISCIPLINE

We provide tools and resources to help our location managers focus on the specific needs of their operations and plan more effectively. These include integrated technology systems; performance measurement feedback tools; and technical assistance accessed through a single point of contact. We value on time performance and our goal is to have every bus to school on time. We have many tactics for making sure every bus is on time for their routes. We start off with a daily line up of drivers/ routes to make sure every person is checked in, and every route is covered. The Dispatcher is responsible for making sure every driver is present and route is covered even when a driver is unavailable. Along with that drivers are to report to work within plenty of time to ensure that pre-checks are done and the bus is ready and safe to ride and any mechanical issues another bus can be made available to drivers or fixed without affecting their trip time. Achieving the highest standards throughout Tacoma School District's student transportation system is our shared goal. We believe this is accomplished by working collaboratively to plan, deliver and evaluate the service we are providing to the district, students and families. This ensures our key staff understand how to communicate route assignments, changes, delays and emergencies effectively. We focus on building strong partnerships with school district personnel because the best service is the result of open and ongoing communication. Our goal is to listen to the needs of our customers and work side-by-side when tackling issues or exploring opportunities. We will have a phone system dedicated to take the calls of parents and district concerns. We will have a manager always available to take calls from the district as well as providing the district with a cell phone number for direct access to a manager.

Performance Management

First Student will work with your district to establish contract-specific Key Performance Indicators (KPIs) and update them as requested. These metrics function as a management tool, and they hold our teams accountable for performance as defined by our service objectives.

To help our location drive continuous improvement through data-driven decision making, we provide tools to help our location manager extract actionable insights from system reports. This allows our leadership to have focused and informed conversations with staff about safety and service performance.

Operations Support Team

Our Central Operations Support Team, made up of specialists in data integrity, analytics and transportation technology, is an extension of your local transportation team. Each First Student location is assigned a dedicated operations analyst to serve as the point of contact for direct and timely support in key areas of operations: routing, dispatch and reporting, FOCUS™ (First Student's operations software) and customer-facing technology.

Operations Advisory Team

We are actively drawing insights from our locations across North America to maximize the true value of our company scale — the experience and expertise of our team members. The First Student Operations Advisory Team is a focus group of front line managers who engage in bi-monthly conference calls with company leadership around company initiatives and management tools. This team helps to identify and address pain points; develop well-timed roll-outs; and ensure clear direction is given to our locations

- c) Describe your company's personnel management practices, to include safety, driver training, performance monitoring, uniforms, vacation time, sick leave, compensation rates, and other compensatory programs.

DRIVER SAFETY & TRAINING

First Student's safety leadership program is rooted in behavioral science. The program was designed in consultation with Aubrey Daniels International (ADI) – a world leader in behavior-based performance management - to develop employees who are personally dedicated to safety. Our safety practices have recently earned FirstGroup America a place among a select group of companies in the National Safety Council's Campbell Institute™, which contributes Environment, Health and Safety research and thought leadership across industries.



Two critical components of the program include the following:

- **Daily Touchpoints** are daily planned interactions safety managers and location managers have with team members. They are focused around safety critical behaviors that reinforce safe working habits.
- **Debrief Sessions** provide opportunities for management peers to learn from one another. We conduct weekly meetings to share successful examples of touchpoints and best practices with a primary focus on refining coaching techniques.

SAFETY COMPLIANCE ASSESSMENTS

First Student's Safety Quality Assurance (SQA) specialists perform regular safety compliance assessments of our locations. Using a standard assessment tool, our SQA specialists evaluate location compliance within the following topic areas:

- OSHA requirements
- Facility inspections
- DOT requirements
- Protecting sleeping passengers
- Training/safety meetings
- Injury prevention programs
- Driver files
- GPS unit spot checks

The output of our compliance assessments is a Safety Action Plan, which outlines by category any necessary steps needed for improvement. Each of our 470 locations receive a minimum of one safety compliance assessment every year. Locations also use a self-audit tool at regular intervals throughout the year to ensure they are reinforcing safety practices.

Standard Operating Procedures

Safety meetings are held to refresh our drivers in areas that were part of their initial training and any trends that the company is experiencing. These meetings also cover seasonal issues and/or regulatory compliance, and updates on safety/injury prevention issues.

100% attendance is required at all safety meetings. This includes staff and technicians that are licensed to drive a school bus. In some locations, make-up meetings are required to achieve 100% of the employees. We track our employee's participation by distributing an attendance sheet at each meeting.

First Student's Standard Operating Procedures (SOP's) for safety policies and procedures are made available for download through our company's online portal. Some examples of SOP's include Emergency Action Planning, Backing Company Vehicles, Drug and Alcohol Testing and transmitting Daily Radio Safety Messages.

PARTNERING FOR STUDENT SAFETY

School districts, students, parents and communities are invaluable partners in our comprehensive safety program. We build strong relationships with key stakeholders so we can provide effective school bus safety training for students as well as targeted awareness campaigns for communities.

Applying Consistent Rules and Expectations

We recognize the school bus ride is a continuation of the classroom in many ways. First Student coordinates our training and procedures with school-wide student behavior policies and processes, so our driving teams are applying rules and managing expectations with clarity and consistency. In addition to our training and procedures, we incorporate and participate in all state, local and district student behavior programs.



Misconduct Reporting

While our driver training emphasizes positive reinforcement, there may be times to consider disciplinary action in order to maintain safety and order on the bus. When deemed necessary, drivers will report infractions to First Student management, who will then notify your district according to district policies. When our staff, drivers and school personnel work as a team, the result is a cohesive and effective student behavior program. *First Student's proprietary program FirstACTS® is a powerful web-based communication tool that helps districts easily and efficiently manage student conduct tracking on the school buses. We can provide additional details should the district have interest in this technology.*

First Student Safety Dog Bus Tour

The Safety Dog Bus Tour is a fun way to engage students in a conversation about safety. First Student's very own mascot, Safety Dog, visits communities to help spread the word about school bus safety. First Student can also arrange Safety Dog visits with your district during the school year. In his time with First Student, Safety Dog has visited homecoming events, PTA board meetings, safety round-table discussions and other community-wide gatherings. In preparation for a Safety Dog visit, we work with district officials on event promotion and media guidance.



To learn more, please visit: <http://www.firststudentinc.com/why-first-student/safety-dog>

PROFESSIONAL DRIVER DEVELOPMENT PROGRAM

We expect our drivers to meet or exceed all driving qualifications as outlined by local, state and federal regulations. To accomplish this, the First Student driver training program is customized to the specific experience level of each individual driver. Please see attached "Skills Training Guide 2017 & FS Professional Driver Program- 2017" for our complete driver training program.

Classroom Training Hours:

Orientation: 3.0 hours

Classroom: 13.5 hours

Final Exam: 1.0 hours

Skills Stations: 7.0-10.5 hours

OTR: 14-16 hours

Final OTR Evaluation: 1.0 hour

Classroom Sections

Section 1: Welcome & Introductions

Section 2: Intro to the School Bus

Section 2-A: Mirror Grid and Mirrors

Section 3: Advanced Driving Techniques

Section 4: Driving Fundamentals Part I

Section 5: Driving Fundamentals Part II

Section 6: Railroad Crossing Procedures

Section 7: The School Bus Stop

Section 8: School Bus Security

Section 9: Influencing Students

Section 10: Student Safety Training

Section 11: Emergency Procedures



Skills Station Training

After First Student candidates complete our classroom training sections, they transition to behind-the-wheel training in the local bus yard or practice area. Here the candidate begins applying classroom knowledge in a practical, controlled environment. Candidates learn how to position themselves for maximum ergonomic range of motion and adjust mirrors for maximum visibility. They also learn where the blind zones around a bus are and how to effectively compensate for them.

First Student requires drivers to achieve competency in certain skills prior to driving with student riders. We measure a candidate's success by his/her ability to perform driving skills as well as his/her ability to verbally explain the steps being used to demonstrate full competency.

The trainer must observe the candidate completing each exercise at least 3 times to move to the next activity.

Driver trainers must evaluate the candidate on the:

- performance of smooth, controlled and consistent actions completed without striking any of the course cones; and
- accuracy and completeness of the candidate's commentary while performing the exercise.

Skills Station Training Overview

Skill Station #1: Introduction to the School Bus

- Brake System Introduction

- Gauges/Dash Warning Lights
- Emergency/Safety Equipment
- Emergency Exits
- Specialized Equipment (e.g. wheelchair lift and safety devices, child safety restraint system, etc.)
- Light System
- School Bus Inspection Procedure
- Child Search Procedure
- Post-Trip/Shut-Down Procedure
- Fit the Driver to the Bus
- Mirror Adjustment
- Mirror System
- Mirror Views

Skills Station #2: Smith System Commentary Drive

- Following Distance

Skills Station #3: Driving Fundamentals – Part 1

- Forward/Reverse Driving/Stop Line
- 100 Foot Lane
- Over-the-Hood Reference Point: 20 Feet
- Overhead Clearance: 30 Feet
- Backing Reference Point
- Centering Reference Point
- Go/No Go
- Pivot Point, Tail Swing and Off-Tracking
- Forward Serpentine
- Reverse Serpentine

Skills Station #4: Driving Fundamentals – Part 2

- Turning Point
- Right Turn
- Left Turn
- Parallel Parking
- Reverse Parking/Turnaround

Skills Station #5: Railroad Crossing Procedure

- Railroad Crossing Procedure GO
- Railroad Crossing Procedure No Go
- Angled Railroad Crossing Procedure

Skills Station #6: Student Loading/Unloading

- School Bus Stop, Loading and Unloading Skills
- Loading at School Bus Stops-Not at Schools
- Unloading at School Bus Stops

Skills Station #7: Emergency Procedures and Equipment

- 1-hour on-the-bus demonstration of emergency procedures and equipment

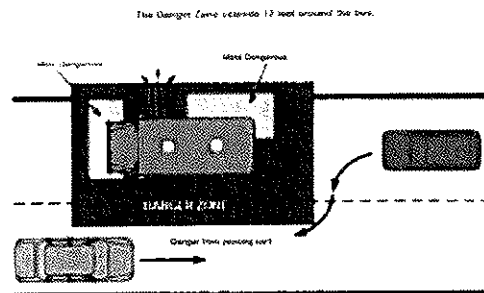


Figure 1 Sample skill station set up for student loading and unloading from the First Student Trainer's Guide

Go/No-Go

Candidates must complete maneuvers in a variety of "real world" skill station designs. That includes situations in which the candidate will not be able to safely complete the maneuver. By doing so, we introduce the candidate to the concept of Go/No-Go. This teaches drivers how to use the Smith System Keys to gather information needed to make a safe decision concerning clearance. The trainer coaches the candidate as he/she thinks about the options for avoiding an unsafe situation. Teaching new drivers how changing conditions may affect a way a he/she operates better equips new drivers to see changes sooner. That also helps drivers to avoid the more common turning and maneuvering collisions and the more serious collisions, such as those happening during right and left turns.

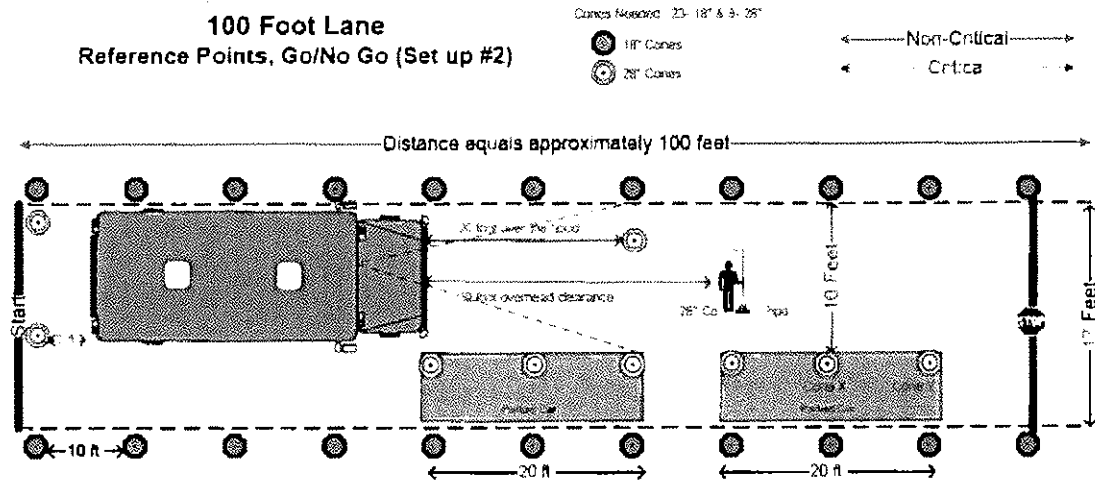


Figure 2 Sample skill station set up for Go/No Go situations from the First Student Trainer's Guide

Continuing In-Service Training

In addition to meeting all federal, state and local driver-training requisites, First Student drivers participate in in-service refresher training meetings, including our annual back-to-school kick-off session. Our central Safety Service and Support specialists work with our region and local teams to identify training topics based on emerging trends. These are identified by analyzing company safety data and focusing on the critical few behaviors linked to preventable incidents.

Certified driver instructors teach our refresher courses. Our drivers must participate in a minimum of five and a half (5.5) hours of refresher safety training each year, including the one and half hour (1.5) annual

kick-off training; the number of hours required for refresher in-service safety training will meet or exceed a school district's requirements.

Our refresher training and awareness programs include:

- Bus evacuation
- Responding to emergency situations
- Railroad risk assessment
- Intersection risk assessment
- Smith System of Advanced Driving Techniques

Dress Code

First Student maintains an Employee Handbook regarding appearance, safety guidelines, customer service, and other performance expectations. The following is an excerpt of First Student's dress policy

First Student employees will present a neat and clean appearance, appropriate for the job assigned. A neat and clean appearance commands more respect from student passengers and will help maintain better discipline.

Items that are not acceptable as proper dress on the job include:

- Shirts or blouses without sleeves below the shoulder, such as tank tops, halter-neck tops, etc.
- Shirts and slacks that have a "torn off" look.
- Clothes with holes, tears, or un-repaired damage.
- Sandals, clogs, platforms, or any footwear other than fully enclosed flat heeled shoes (no more than ¾ inch).
- Footwear must be appropriate for the weather conditions.
- Any clothing displaying wording or slogans which do not represent First Student's image and employee principles.
- Short-shorts.
- Body fit clothing, i.e., spandex and muscle shirts.
- Loose or hanging clothing, jewelry or other accessories that could become caught on vehicle equipment or moving parts of the vehicle.



WAGE AND BENEFITS

Our wage and benefits package for drivers and monitors is designed to provide attractive and competitive compensation tailored for a part-time workforce, while at the same time being sensitive to cost considerations. We offer a host of flexible features including medical and dental coverage with low co-payments, free life insurance, and savings and retirement options. First Student complies with all State of Washington and City of Tacoma paid time off ordinances.

d) Does your company have a written driver performance incentive program?

Yes ___ No X

If Yes, please provide a copy with your submittal.

We offer various programs to recognize and reward our drivers. It is important to recognize our drivers and show we care and appreciate all the work they do for us. Every year awards and recognitions are given out to drivers who have shown exceptional service. Some of these awards and recognitions are: Service awards, "Driver of the Year" awards, and Opportunities to represent First Student and FirstGroup America in local regional and national competitions. These are huge honors and we want the drivers to know what they do is very important. They transport the most precious cargo every day. We also like to hold programs and events at the local level like special "Thank you" lunches and potluck dinners throughout the year, yearly holiday party, school bus safety week activities and special meals, regional contests for DriveSMART campaign; winners can receive prizes and the location receives national recognition with publications and location banner. We also have a weekly newsletter that is sent out to everyone in the company to recognize drivers who have saved lives, helped in their community, and lived by the First Student motto. Everything they do is important and the job could not be done without them.

e) Does your company have a written driver training program?

Yes X No

If Yes, please provide a copy with your submittal.

Please see attached "Skills Training Guide 2017 & FS Professional Driver Program- 2017 for our complete driver training program.

f) Outline and explain your policy for using staff as alternate drivers.

We have included a very competitive driver compensation package that will attract and retain a full complement of drivers. Should we have the need to utilize staff as alternate drivers, we will do so. In addition, we will cover driver absenteeism with standby drivers, driver trainers, drivers from other locations, along with administrative staff and management, if necessary.

g) It is the Districts expectation that driver compensation will be consistent with wages for similar work in the Pierce County area. Provide a complete outline of the driver salary schedule that you are planning to implement if selected for this contract.

The following chart shows an outline of salary schedules for year one for drivers based on their years of service.

	Year 1
YOS	CY19
New Hire	
1	18.00
2	18.25
3	18.50
4	18.75
5	19.00
6	20.50
7	21.00
8 or longer	21.50

3. Pupil Transportation Services Performance

- a) Describe your staffing plan for this contract that will facilitate accomplishment of the requirements outlined in Section 5 of the RFP.

LOCAL MANAGEMENT AND SUPPORT STAFF

We value the connection Tacoma School District current transportation management and support staff have with the school community and the District. First Student's primary goal is to retain staff who meet our hiring qualifications and contractual requirements. Upon contract award, our recruiting team posts job openings both internally and externally to fulfill our service commitments and build an effective transportation team.

The following management and key personnel make up our proposed local team:

- Location Manager
- Assistant Location Manager
- Operations Supervisor / Dispatcher
- Operations Supervisor / Dispatcher
- Router
- Dispatcher
- Shop Manager
- Shop Technician
- Shop Technician
- Shop Technician



Location Manager

Stacy Roberts

Our location manager is responsible for (LM) directing locations in completing weekly and monthly reporting and annual budgeting. She develops staff work assignments and conducts staff meetings and employee meetings to keep all employees up-to-date on operating agendas and changes. She oversees the interviewing, hiring and training of drivers and mechanics in accordance with company hiring guidelines; acts as liaison between First Student and various governing bodies, client institutions and clients in her coverage area; and she functions in a public relations capacity between schools, students and parents.

Location Manager Stacy Roberts has been with the company since 1992. She has over 16 years of Location Manager experience. She is responsible for overseeing the daily operations at the Tacoma Charter Services Center in Tacoma, WA.

Stacy began her career as a Laidlaw driver back in 1990. She successfully moved up from Location Assistant Manager to Location Manager in Seattle back in 2002. She has been managing many First Student locations in the West such as Seattle, Helena, Bozeman and now relocated back to Tacoma.

Assistant Location Manager

Our Assistant Location Managers are a constant reflection of our company's commitment to safety and customer service. The Assistant Location Manager is responsible for assisting the Location Manager in supervising daily operations, monitoring performance, identifying safety issues, and resolving conflicts.

Specific assistant location manager responsibilities include, but are not limited to, the following:

- Ensures home to school routes are covered in a timely and efficient manner
- Interfaces with drivers regarding concerns and performance issues
- Investigates client complaints and coordinates resolutions

- Ensures achievement of on time performance goals
- Monitors driver safety and makes Injury Prevention (IP) contacts with drivers to identify and resolve safety issues
- Assist Contractual Manager with review and resolution of union grievances
- Ensures dispatch staff assigns spare drivers and buses as required to provide on-time coverage of routes
- Audits and corrects athletic trip invoices based on company guidelines

Router

Routers are a constant reflection of our company's commitment to safety and customer service. The Router is responsible for establishing efficient routes, maintains driver routes, and consults with school officials regarding bus routes.

Specific router job duties include:

- Ensures that routes are established as efficiently as possible
- Maintains routes for efficiency and accuracy
- May work with software programs to establish routes for drivers and school district
- Verifies accuracy of driver's route times and stop times
- Demonstrates and promotes a safe environment at all times
- Assists the Contract Manager in establishing standard hours accuracy report
- Meets with school officials as needed to keep routes current and accurate
- May maintain on a spreadsheet driver miles and amount of time for drivers billing preparation
- May drive bus routes as needed

Dispatcher

Dispatchers are responsible for bus routes, bus readiness and driver assignments. They are much more than merely members of the operating staff; they are the control center providing the critical link between the transportation department and our drivers. Through their courteous and helpful attitudes, listening skills, professionalism, operational and problem solving abilities, our dispatchers show they are "team players" with a "can-do" outlook who remain poised under pressure - traits which are critical to this position. They significantly contribute to your success by effectively communicating and responding to the adaptive nature of our day-to-day business.

Specific dispatcher job duties include:

- Oversees all routes and scheduling of buses
- Counsels and coaches drivers and monitors
- Handles heavy phone and radio traffic
- Takes all scheduling and driver complaints, report to Operations Supervisor/Contract Manager
- Serves as primary communication liaison with major contracted customer
- May handle charter reservations, billing, or driver payroll
- Provides solutions to drop-off and pick-up problems
- Handle back-up driver duties or perform miscellaneous clerical duties as needed
- Completes assignment of special projects
- Assists with supervision of day-to-day operations

Safety Manager

While our location manager sees to the location's overall safety performance, the safety manager's major responsibility is to carry out the activities of the safety program, including coordination with Tacoma School District's safety and student behavior initiatives. He/she administers driver certification and training compliance, prepares and submits accident-related files, and organizes safety meetings. Our safety supervisor works with our region safety manager, terminal manager and maintenance supervisor to

ensure safety provisions are in-place and being adhered to with shared accountability. He/she performs analysis and works with the location team to develop recommendations for improvement.

Specific safety manager responsibilities include, but are not limited to, the following:

- Administering driver hiring and compliance process
- Providing direction and guidance to location trainers
- Developing and monitoring contents of classroom training to ensure compliance
- Teaching classes as required
- Scheduling and conducting recertification and retraining
- Investigating incidents, accidents, and work-related injuries including accident investigation, accident reports, accident files, accident register, and following up with the claims office and adjusters as necessary
- Providing post-accident counseling with drivers and retraining drivers as necessary
- Preparing and submitting accident-related compliance forms, maintaining files, and entering in DMO, or otherwise submitting data to appropriate person or organization
- Planning, scheduling and conducting monthly safety meetings based on region and company safety and safety training goals and objectives
- Assisting and participating in Safety Action Team meetings
- Setting up regular accident review committees to determine if accidents were preventable and responding to appeals from drivers
- Providing assistance and training to drivers and attendants on passenger management and other safety related issues
- Performing driver road checks of driver performance
- Provides various reports and analyzes, including safety trends
- Developing cost saving recommendations
- Working with area general manager and location manager to carry out or cascade division or group wide activities and actions
- Verifying location compliance with new driver training/experienced driver training standards and conducting quality assurance

Operations Supervisor

Our Operations Supervisors are a constant reflection of our company's commitment to safety and customer service. The Operations Supervisor monitors driver and monitor performance, identifies safety issues and operation inefficiencies.

Specific operation supervisor responsibilities include, but are not limited to, the following:

- Ensure routes are covered in a timely and efficient manner
- Reviews charter work entries for accuracy
- Investigates client complaints and coordinates resolution
- Interfaces with drivers and monitors about their concerns and performance issues
- Monitors driver safety and participates in safety meetings
- Collects and completes daily, weekly and monthly reports
- Implements management policies and practices

Shop Manager

Our shop manager is responsible for maintaining the overall reliability and performance of Tacoma School District vehicles. He/she oversees compliance with regulatory requirements and company policies, trains and supervises shop staff, schedules fleet maintenance and keeps dispatch informed of vehicle availability. Our shops deliver the highest level of maintenance service for optimum vehicle safety using

today's leading technologies, rigorous inspection and repair procedures and experienced teams of certified professionals.

Specific shop manager responsibilities include, but are not limited to, the following:

- Managing preventive maintenance (PM), diagnostics and repairs on all vehicles in the fleet
- Overseeing evaluation and repairs of all defects noted on the Driver Vehicle Condition Reports (DVCR)
- Scheduling PM efficiently according to prescribed mileage intervals and prioritizing workload and vehicles requiring service
- Verifying proper repair on all work performed and utilizing automated management tools to analyze costs, quality and productivity
- Administering warranty claims and ensuring that all manufacturer campaigns are complete
- Ordering, stocking and managing parts inventory and seeking responsive, cost-effective suppliers
- Ensuring compliance and reporting all waste stream disposals in accordance with all state and federal regulations
- Confirming shop safety rules are followed in accordance with all OSHA regulations and company policies
- Ensuring general cleanliness and caring for our shop and surrounding grounds and securing all tools, equipment and technology necessary for effective maintenance
- Directing and evaluating individual technician productivity and the quality of maintenance work
- Providing continuous training and guidance as needed to ensure strong technical competency and skills in each technician's respective field of maintenance expertise

Technician

Diesel Technicians responsibilities require the level of knowledge and skills necessary to diagnose and repair buses. This individual must have the ability to effectively work and communicate with employees and customers. Requirements include daily safety inspections, minimal reworks, and maintaining production standards.

Specific diesel technician job duties include:

- Repairs and maintains school buses and school bus equipment.
- Test drives repaired equipment.
- Oils and greases vehicles; changes filters.
- Notifies supervisor of potentially dangerous equipment and corrective action taken.
- Performs all other duties as assigned.

TRAINING AND PROFESSIONAL DEVELOPMENT

Our local management and office staff receive training customized to the specific needs of the location serving Tacoma School District. Through our eLearning portal, First America University, personnel can complement their site-based training by pursuing further professional development through self-directed learning plans.

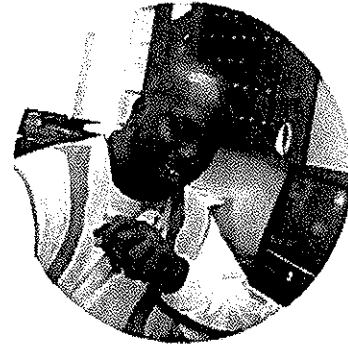
Location Manager On-Boarding

All new location managers participate in a 3-day training held at First Student's corporate headquarters. The table below describes the training curriculum.

Location Manager On-Boarding Day 1, 2024 Training Modules	
1	WELCOME TO FIRST Introduction to First Student
2	OPERATIONAL PRINCIPLES Understanding the business and its goals
3	MANAGEMENT & OPERATIONAL EMPLOYEE Understanding the roles of management and employees
4	SALES Understanding the sales process
5	MARKETING Understanding the marketing process
6	TRAINING & DEVELOPMENT Understanding the training and development process
7	FINANCIAL MANAGEMENT Understanding the financial process
8	HR MANAGEMENT & COMPLIANCE Understanding the HR process and compliance
9	LEGAL COMPLIANCE Understanding the legal process and compliance
10	COMMUNITY RELATIONS AND CUSTOMER SERVICE Understanding the community relations and customer service process
11 ONBOARDING DAY ONE	

Dispatcher Training

Parents, school staff, drivers and other members of the transportation team rely heavily on dispatch staff as the center of communication. Our training and development team offers professional development sessions to build a service-oriented team — one that can manage complexity while forming trusting relationships along the way.



Following are training topics, which are expanded upon in our eLearning modules:

- Internal and external customer service excellence
- Independent management of conflict resolution
- Effective management of driver's teams
- Engagement and driver motivation
- Desktop skills
- Time management, priorities and organization

INTERNAL AND EXTERNAL COMMUNICATION

During the service transition process, our area general manager and director of business development are responsible for establishing proactive communication systems and maintaining communication with Tacoma School District administration. Once operations are fully active, our location manager is your main contact for all daily service matters.

The communication planning process could include, but is not limited, to:

- meeting with Tacoma School District's administration to align on service expectations;
- establishing protocol for regular meeting frequency, emergency notification, late bus notification, parent communication, etc.; and
- agreeing to a standard issue resolution process.

Expert District Communications Support

First Student's communications staff works closely with your transportation department and our location to construct student transportation messaging. Our team can offer a broad range of support — from guidance in developing and implementing a comprehensive communications strategy to direct assistance with creating clear and effective announcements, news releases and event promotions.

Media Relations

Whether issuing good news or managing crisis communication, First Student offers counsel and/or full assistance with media relations matters. We work in close partnership with Tacoma School District as needed to develop appropriate messaging and disseminate breaking news affecting Tacoma. Our team monitors the First Student Media Line so we are accessible to newspaper, radio and television media 24 hours a day, seven days a week.

Promotion and Engagement

To help boost your outreach efforts in key areas, such as safety awareness, bus ridership or other transportation related topics, First Student offers a variety of materials and resources as well as direct support:

- Awareness and educational materials (i.e. back-to-school toolkit, "Love the Bus" month toolkit, first time rider tips, etc.)
- Event promotion items (i.e. flyers, media alerts, safety certificates, coloring books, etc.)

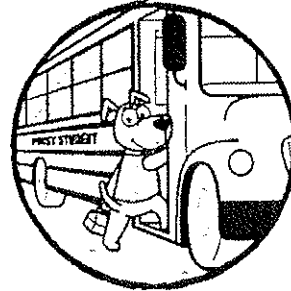


- Templates and tools for local project planning and community outreach
- Partnership on school bus programs

Parent Resources and Toolkits

We provide parent resources covering several safety and ridership topics, such as:

- School bus safety tips and safety features
- First time rider
- Bullying information
- Pedestrian safety
- Distracted walking
- Winter safety tips



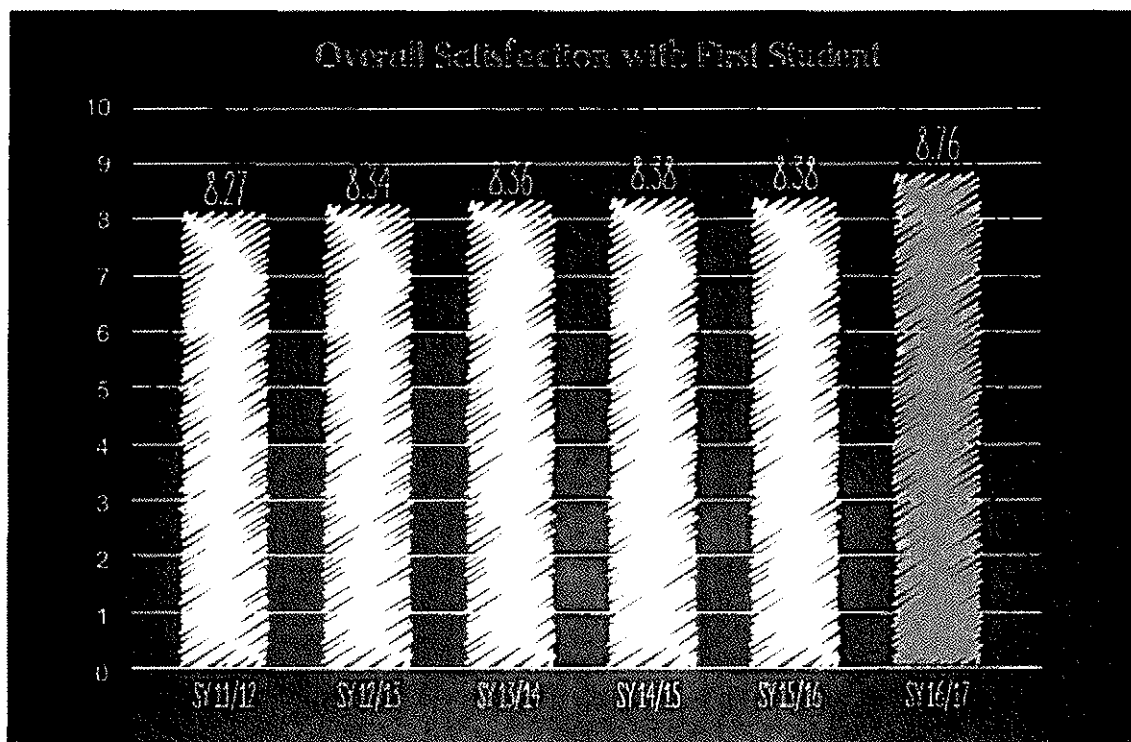
From the American Public Works Society
 the Department of Public Works, 2010

CUSTOMER FEEDBACK METHOD

By building relationships with our customers, we gain important feedback that helps to shape the future of our business. Our method for measuring customer satisfaction and identifying specific areas of improvement is our annual customer survey.

First Student contracts with an independent, professional research company to conduct our customer satisfaction survey. The survey covers start-up, daily operations and driver/monitor performance. At times, we conduct additional focus groups or advisory panels to dig deeper into topic areas.

The table below shows the average customer satisfaction scores from 2012-2017 as measured by our customer survey. In 2016/17, overall satisfaction with First Student increased to an average of 8.76 on a scale of 1 to 10.



- b) Describe how your company plans to meet the requirements for sports and extra-curricular events and the requirements for school field trip events outlined in Section 5 of the RFP without adversely impacting the performance of other required services.

First Student has retained our facility in Tacoma and successfully operated it as a Charter Center. We have more than enough room to continue operating it as a Charter Center and serve the Tacoma School District. This will be a huge benefit to the District as we have over 100 extra buses available to serve the District's extra-curricular needs. In addition, we plan to purchase 4 more type D 84 passenger type D buses with full pass-through storage for athletic team trips and other extra-curricular trips. We also have the flexibility of having extra drivers to provide services for these trips. We intend to have all routes covered whether it be school or sports to ensure the safe and timely arrival of the students. Our location is strategically located to serve Tacoma Public Schools and will be able to transport children when scheduled and will be available when trips are required. Our goal is to always have a surplus of driver's ready for their routes and ready to take on extra routes if need be.

- c) Indicate what your standard response time will be for responding to District or parental inquiries.

Our intent is to respond to the District or parental inquiries as soon as possible. Sometimes this involves looking into the facts before responding or after as a follow-up. We expect our response to inquiries to be within 24 hours. Our highly experienced manager in Tacoma and substantial staff add to our ability to respond timely. In addition, our customer-centric approach encourages open dialogue, proactive problem resolution, optimized efficiency and delivery of the values and benefits you expect. A strong partnership is built on a foundation of trust, respect and mutual benefit. We develop solid relationships and commit to delivering exceptional service – to your students, parents and your community – each and every day. Our partnerships involve an active and collaborative exchange of ideas and suggestions which result in long-term partnerships, enhanced interactions with students and parents, and additional support for you and your community. As your student transportation partner, we are committed to your success.

- d) Describe the involvement of your company's senior staff in the successful conduct of the requirements of this contract if selected for this contract.

SENIOR STAFF INVOLVEMENT

Our initial focus is on hiring supervisory personnel to oversee the facility and operations set-up. With support from our region management team, we plan and manage hiring and training, carry out safety practices, establish communication plans, order equipment and oversee maintenance/environmental compliance procedures. A team of local managers, region management staff and corporate team members lead the process; each person is assigned tasks associated with his/her area of expertise.

- Location manager (main district contact): Stacy Roberts
- Area general manager: Greg Newman
- Region safety manager: Kevin Orzechowski
- Region finance director: Cynthia Dailey
- Region human resources director: Kim Mingo
- Region maintenance manager: David Chatfield
- Director of business development: Tim Wulf

Chief Operating Officer

Paul Osland

Chief Operating Officer Paul Osland joined FirstGroup America in 2016. He is responsible for all regional operations of First Student, with a focus on improving operational discipline and compliance down to the location level.

Paul brings more than 25 years of leadership and operations experience across industries that include telecommunications, broadband construction, general construction, logistics and transportation. He most recently served as Chief Facilities Officer for Chicago Public Schools (CPS), a \$6-billion-dollar educational enterprise serving 400,000 students in more than 600 schools. Prior to being named Chief Facilities Officer, Paul served as Executive Director of Transportation for CPS.

Paul holds a Bachelor of Arts degree in economics from DePauw University and post-graduate executive development studies in marketing and finance from the University of Chicago.

Senior Vice President, Operations

Kim Worster

Our senior vice president (SVP) is responsible for all operations in his/her region. The SVP oversees the full regional staff, providing senior leadership that directly supports our locations. Her/she is in continuous communication with his/her region team, ensuring the success of our partnership with your district, while guaranteeing our organization-wide standards of safety, fiscal responsibility, credibility and customer service.

Senior Vice President Kim Worster has more than 20 years of experience in senior operational and financial roles, including leading operations, finance, accounting, insurance/risk, information technology and mergers and acquisitions. Additionally, Kim has more than 15 years of project experience in regional, national and international transportation/logistics organizations.

Kim was Chief Operations Officer for Canada and Eastern US at National Express Corporation, and held positions as Chief Financial Officer for Northstar Passenger Services and Chief Financial Officer for Cole Integrated Systems. Kim is a CPA and has a Bachelor of Commerce degree from McMaster University.

Area General Manager

Greg Newman

Our area general manager (AGM) is an experienced senior manager that provides an additional layer of oversight to multiple locations in a select geographic area. The AGM acts on behalf of the Senior Vice President (SVP), providing more frequent contact with employees and customers. Working collaboratively with the entire region staff, the AGM provides continuous monitoring of all areas of our operations; he/she leads and develops action plans with the location managers addressing any location performance gaps.

Area General Manager Greg Newman oversees the overall performance across 19 locations and 954 First Student buses in Washington & Alaska. He also represents First Student in all contract and labor negotiations in those parts of the states. As area general manager, Greg works with our Washington & Alaska location managers to ensure they have the guidance and resources they need to provide safe, dependable student transportation.

Greg joined First Student in 2017. He brings 7 years of experience in student transportation, including customer service, safety, contract negotiations, human resources, community leader and leadership development. He specializes in building strong management teams, performance excellence, putting solid processes in place and creating a culture of safety within his locations. Prior to First Student, Greg served as Director of Operations and Regional Manager at Durham. During that time he was responsible for overseeing the daily operations for over 100 locations in

the Eastern United States and Canada.

Greg attended college in Louisiana at Southeastern Louisiana University. He recently received his Green Belt in Six Sigma and is currently studying for his Black Belt. He also works with the SBOP organization which works with schools across the U.S. to stop bullying.

Region Safety Manager

Kevin Orzechowski

Our region safety manager (RSM) provides leadership, guidance and the necessary tools to implement safety processes at the local level. The RSM leads by example so that all team members adhere to the highest standards in safety.

Senior Director of Safety Kevin Orzechowski oversees the safety management and performance of First Student's locations in the western half of the United States and Canada. His responsibilities include risk management, loss reporting and loss reduction plans, regulatory compliance and frontline location support.

Kevin joined First Student with the 2007 acquisition of Laidlaw Educational Services and has been in the student transportation industry for 26 years. He has worked with all levels of management, sharing the safety message and leading by example. During his tenure with Laidlaw, he was responsible for safety, risk, and compliance with federal, state, customer, and regulatory compliance. He designed and implemented safety programs to ensure safe operation of vehicles throughout the region and educated and informed his locations on OSHA regulations and compliance. During this time, Kevin achieved numerous certifications including being an instructor for supervisory drug and alcohol awareness training, labor management, and crisis communications training.

His involvement with National Student Transportation Association (NSTA) includes 20 years of serving on, and now leading, the International Skills Competition Judging Committee. He is also involved with National Safety Council. Kevin was honored with a 2015 NSTA Golden Merit Award.

Kevin graduated with honors from the Richard J. Daley College in Chicago. He is also a Certified Be Safe Leadership Trainer through The Aubrey Daniels Institute.

He serves his community by volunteering for the Illinois Special Olympics Duck Derby.

Region Maintenance Manager

David Chatfield

Our region maintenance manager (RMM) provides leadership, guidance and the necessary tools to implement an effective preventive maintenance and bus repair program at all operating locations in the region. The RMM provides expert support to location managers and shop managers on First Student standard maintenance operations. He/she conducts an annual detailed inspection of covered shops to support the creation of improvement action plans and monitors location progress.

Region Maintenance Manager David Chatfield oversees regional maintenance operations in the Northwest region which includes 25 maintenance locations and over 2,100 vehicles in three states.

David has more than 20 years of experience in fleet maintenance. He began his career with Ryder Transportation in 1994 as a technician in the Seattle area. David soon moved up to the service manager role in Canby where he was responsible for the safety and financial budget of 64 school buses. David joined First Student as the service manager and diesel technician for our Tigard/Tualatin locations. In this role he oversaw the maintenance and budget for 77 school buses and 15 school district vehicles.

David has a degree in diesel technology from Wyoming Technical Institute. He is ASE Master Certified in school bus maintenance.

Region Finance Director

Cynthia Dailey

Our region finance director (RFD) provides payroll, billing, A/P, A/R software and systems guidance for our location manager and administrative staff. The RFD audits monthly billing and payables for accuracy and assists our locations with annual budgeting and cost control.

Region Finance Director Cynthia Dailey designs and maintains monthly sales reports, forecasting and revenue projections for 61 locations throughout Washington, Oregon, Alaska, Montana, Minnesota and Idaho as well as 23 locations in Western Canada. She also prepares and maintains budgets; this includes research of financial information, development of worksheets, macros, links and monthly analysis

Cynthia joined First Student in 2001. Prior to this role Cynthia has held several financial positions such as production manager and financial analyst. She has also managed her own business as a financial reporting consultant. She has extensive experience with numerous financial programs including Excel, Insights, JD Edwards, PeopleSoft, and Hyperion system.

Cynthia earned her Bachelor of Science in analysis/statistics and her Master of Arts in industrial technology from San Francisco State University in California.

Region Human Resources Manager

Kim Mingo

Our region human resources manager provides expertise in all areas of employee relations including hiring and retention, employee discipline, training and development.

Senior Director of Field Labor Relations & Human Resource, Kim Mingo leads the West region team of human resource professionals and labor attorneys in providing labor and employee relations guidance and counsel to the operation management teams. Kim works with our region operations management teams to negotiate and administer the company's labor contracts within the region. She maintains a positive working relationship with all unions in the region and provides day-to-day advisory services to field operations management with respect to labor relations and employment law issues. She also assists and makes recommendations in planning and development, recruitment, training, employee relations, labor relations, and compensation within the region.

Kim joined First Student in 2008. She has 31 years of experience in employment and labor law. Prior to joining First Student, Kim was employed as the Manager of Employee Relations for CenturyLink, a national telecommunications company. Before CenturyLink, she worked for Consolidated Freightways, Inc. as Corporate Employment and Labor counsel.

Kim is admitted to practice law in Washington and Oregon and before the United States District Court for the District of Oregon and the Western District of Washington. She is a member of the Washington State Bar Association and the Oregon State Bar, Labor and Employment Section.

Kim holds a Bachelor of Science in political science and a Juris Doctorate degree.

4. Buses

- a) Describe how your company will meet or exceed the minimum equipment and facility requirements outlined in Section 5 of the RFP.

Our facility sits on approximately four (4) acres and is centrally located close to the heart of Tacoma and the main freeways. The shop is 114' x 84' totaling 9,576 square feet. It consists of four (4) service bays, a parts room, bulk fluid storage and tire storage. There is an additional space of 108' x 54' totaling 5,832 square feet. It is used mainly for parking and storage but can be utilized as an additional service bay when necessary. Reception area 15x20, 6 private offices 3 large 10X20 (one is currently used as training room) three smaller 10x10 private offices, dispatch 10x30 room with window and counter for drivers, and a drivers area 18x35 for sitting and eating etc. Small kitchen area with frig and sink, restrooms with 3 stalls each and 2 sinks. 20 car staff and visitor parking and employee parking of 50 (there is much space unused).

- b) Attach a spreadsheet listing of the buses proposed by size to meet the District's requirements, to include make, model and year of each bus. Also, include written lists of presently owned buses or a letter from a manufacture assuring that the requisite buses will be available for District use at the bus facilities by August 15, 2018. Buses must meet the specifications for school buses as required by the Superintendent of Public Instruction for the State of Washington.

We are ordering 114—78 passenger type C buses for Tacoma. These buses will meet all specification requirements of the Tacoma School District and the Superintendent of Public Instruction for the State of Washington. All buses will be new. Our intent is to order 109- 78 passenger Type C buses and 5 with wheelchairs.

Please see attached entitled "Letter of Intent-Tacoma Public Schools 110+4 Type C," "Letter of Intent-Tacoma Public Schools 114 Type C-2018," "Tacoma Public Schools_Tbb_ Letter of Commitment" for letters assuring the requisite buses will be available to district.

- c) Describe the bus preventative maintenance and cleanliness program that your company will follow under the contract, to include the frequency for service and cleanliness tasks such as oil changes, fluid checks, wiper blade replacement, and bus washing.

Our industry-leading preventive maintenance practices are designed to optimize each piece of equipment's service interval. We base scheduling on 1) usage profile, 2) manufacturer's recommendations, 3) timing of regulatory agency inspections and 4) proven best practices. Additionally, we take into consideration the specific skills and expertise found within our local maintenance team.

PM-B Inspections Every 3 months	PM-C Inspections Every 6 months	PM-D Inspections Every 12 months	PM-E Inspections Every 24 months
Includes all 100+ points of inspection in standard PM inspection, plus an additional 150 points of inspection including: <ul style="list-style-type: none"> ▪ Tires/wheels ▪ Air system ▪ Under-vehicle ▪ Air conditioning ▪ Lubrication and oil change ▪ Bus interior and exterior ▪ Indicator lights/systems ▪ Add-on technology ▪ Safety equipment 	Includes all points of inspection in PM-B, plus: <ul style="list-style-type: none"> ▪ Fuel filter replacement 	Includes all 150 points of inspection covered in PM-B and PM-C inspections plus an additional 15 points of inspection including: <ul style="list-style-type: none"> ▪ Engine oil sample ▪ Freeze protection level ▪ External transmission filter ▪ Auto transmission cable ▪ Wheel bearings ▪ HVAC systems ▪ Heater systems 	Includes all inspection points covered in PM-B and PM-D inspections plus an additional 3 points of inspection including: <ul style="list-style-type: none"> ▪ Automatic transmission fluid ▪ Power steering fluid ▪ Coolant filter

During all standard PM inspections, our technicians review six inspection categories and determine any adjustments and lubrications necessary for each class of equipment as well as any issues that require additional attention for follow-up repair.

All categories are a part of every PM inspection and feature more than 100+ items that include, but are not limited to, the following:

- Tire pressure, condition and alignment
- Primary and secondary brakes
- Engine
- Transmission
- Instruments and accessories
- Safety equipment
- Radiator and belts
- Valve stems and caps
- Fan assemblies and cooling system
- Steering and brake fluids
- Battery and related attachments
- Steering components

d) Describe how your company will take care of body repair requirements.

A pre-trip inspection is a required task for each bus run. Inspections are conducted using electronic verified inspection reporting to generate an electronic inspection report on more than 40 critical safety components. We devote an entire driver-training module to pre- and post-trip inspections so buses with critical defects are identified and immediately withdrawn from service. If defects are found, our service manager or technician-in-charge will determine if the repair can be completed on the spot or deferred until trip completion. We will not release unsafe vehicles for use. If immediate repair is required, we notify dispatch to issue a replacement bus. We perform vehicle repairs in response to accidents, driver concerns and defect identification. When diagnosing specific repair needs, our team takes into consideration age, mileage and cost to repair criteria consistent with industry standards.

e) Describe your approach for having spare buses available to support the resulting contract.

We will have all required fleet plus the 10% spare with multiple charter buses available in Tacoma to use as spare buses. These will be there for extra support for the District. We would have the buses we currently use for charter available, plus 30 extra drivers we have at the facility to support if needed.

f) Describe the systems/equipment that will be installed on buses:

- 1) Video cameras
- 2) GPS
- 3) Student tracking system
- 4) UHF radios

STANDARD EQUIPMENT ON OUR SCHOOL BUSES

First Student school buses are equipped with industry-leading safety features and communications systems needed to deliver safe, consistent service. We install a comprehensive set of safety equipment on all our buses: GPS, two-way radios, Child Check-Mate System®, Theft-Mate Security System™ and crossing control arms.

Global Positioning Systems (GPS)

First Student installs Global Positioning Systems (GPS) devices on all buses. With GPS, we are able to integrate technology systems and platforms for more efficient planning and management, higher quality communication and greater operational transparency. We use GPS systems to capture near real-time transmission of vehicle subsystem data, driver performance and route event information.

Two-Way Narrowband Radios

First Student buses are connected by two-way radios permitting dispatchers and drivers to circulate information regarding road conditions, traffic delays and route detours. This also allows dispatchers to respond to parent inquiries sooner and with greater accuracy. Our two-way radios and supporting equipment comply with the Federal Communications Commission's (FCC) narrowband mandate.

Child Check-Mate System®, Theft-Mate™ Security System

First Student installs the Child Check-Mate System on all buses to remind our drivers to conduct a search for unattended children. Each time our drivers complete a run, they walk the entire length of the bus and search each seat before deactivating the Child Check-Mate System alarm. If the driver does not complete this task, the system will sound a secondary alarm. To add a layer of protection for our passengers, staff and property, First Student installs the Child Check-Mate System with the Theft-Mate™ Security System. The motion-activated alarm system detects and deters unauthorized entry with voice messaging alerts and flashing lights.

Crossing Control Arms

All First Student buses include a crossing control arm unless prohibited by state or province law. The flexible crossing arm extends to direct children toward the driver's line of sight.

Safety and Injury Prevention Features

At First Student, we believe safety is a partnership with schools, students, parents, communities — and equipment manufacturers. We work with industry leaders to ensure our vehicles are equipped with the most effective safety features available to student transportation providers.

Passengers: Bus Entry and Exit Support

- Pebble-stop treads and yellow or white nosing on step treads to avert slips and falls on the stairwell
- Yellow textured hand rails, decreasing the likelihood of slips in the stairwell
- Three-piece rubber floor



Drivers: Workplace Injury Prevention

- Orange reflective seat belts
- Suspension seats for greater comfort and lumbar support
- Electric arm doors to decrease repetitive stress injuries

Vehicles and Pedestrians: Movement Alert and Signal Devices

- LED lighting (stop/tail, license plate, side/direction, ID, clearance and interior and warning)
- Stop-arm sign
- Side marker lights to alert people who are not able to see the front or rear turn signals or may be in the blind spot of a bus
- Backing alarm to signal those in the danger zone when a bus is backing up

AVAILABLE TECHNOLOGY OPTIONS

While our main objective is addressing the specific needs you have today, we are also your partner in bringing Tacoma School District's fleet and technology goals to fruition. The following are some of First Student's technology offerings.

Digital Camera System

Seon is First Student's preferred source of GPS-ready and Wi-Fi enabled camera technology. They are the world's leading manufacturer of video surveillance systems for new and aftermarket buses and motor coaches. Trusted by 4,000+ school districts and 180,000+ systems in the market, Seon has a reputation for quality and reliability and is ranked consistently as the world's top provider of mobile video surveillance equipment on school buses by IHS Group, an independent electronics research firm.

"First Student is moving forward with us and we're excited that they want to push the boundaries

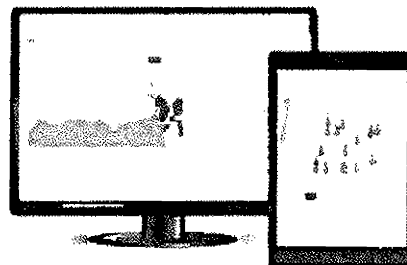
FirstView™ Bus Tracking and Parent Communication Platform

The FirstView™ Product Suite by First Student brings together GPS, electronic routing software and First Student's operations platform, FOCUS™, to provide enhanced communication and visibility into your transportation system. The suite consists of the FirstView™ District Dashboard and the FirstView™ Parent App.

FirstView™ District Dashboard

A smooth start and finish to the school day depends how well communication systems keep teachers, principals, parents and transportation staff on the same page. And with all the activity in a school building requiring communication between staff and school officials, information accuracy and mobility are key. The FirstView™ District Dashboard can be incorporated as a stand-alone product and easily accessed via desktop or tablet for clear, mobile access to your entire transportation system. In addition to helping manage daily communication needs, the platform gathers accurate, system-wide transportation data for administrative-level decision making.

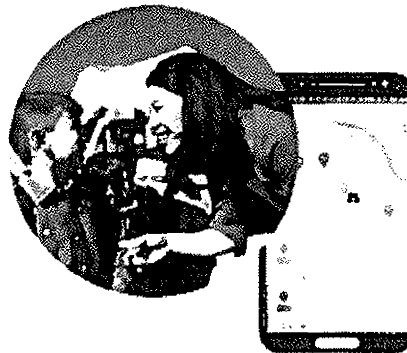
- **Tracking:** View when buses will arrive at schools and stops in real-time
- **Reporting:** Access Planned vs. Actual, On-time Performance and Route Replay results
- **Messaging:** Push custom notifications to FirstView™ subscribers
- **Visibility:** Drill down to analyze school-, route-, stop- and student-level information
- **Security:** Control user access and app security
- **Customization:** Configure settings to the exact information needs of your district personnel



FirstView™ Parent App

The FirstView™ parent app gives parents direct access to the status of their child's bus. Whether deciding the best time to meet at the stop, or seeking detailed delay notifications, FirstView™ gives parents and students the information they need to plan their day and stay connected. Our app was developed in collaboration with parents/caregivers and district officials, so all features and capabilities were designed to meet the specific communication needs of these school community members. The app can be accessed from any smartphone or desktop and includes in-app ability to provide feedback for future updates.

- **Live Tracking and Predictive Stop Arrival Times:** Shows location and direction of a student's bus, stop times for the day and times for school arrivals and departures.
- **Custom Alerts and Messages:** Set up push or email alerts for when a student's bus is a chosen distance or number of minutes away from the stop. Alerts provide messages about delays and the reasons for and an estimated length.
- **Additional User Notifications:** Main users of the FirstView™ Parent App can connect three additional email accounts to receive email alerts.



FirstACTS® Student Conduct Tracking

FirstACTS® (Active Conduct Tracking System) is a powerful web-based communication tool that helps you easily and efficiently track student conduct on school buses. Designed to improve reliability and speed, FirstACTS® delivers driver notifications directly to the school, tracks the school's actions and provides a response back to the driver. This platform offers a range of reporting capabilities and tools to assist in tracking specific actions by driver, student, school or bus. Student incident histories can be searched, and trends and patterns can be identified and addressed.



- Secure 24/7 access
- Student conduct reporting for school transportation departments
- Sends conduct incident referrals via email to the school or discipline administrator
- Tracks actions taken and provides timely feedback for location managers
- Creates PDF or HTML conduct incident reports for parents (bi-lingual capability available)
- Generates statistical reports for school transportation administrators, transportation providers, school bus drivers and disciplinary staff
- Exports student discipline information directly to a district's student information system
- Allows video clips to be added to a report

g) Identify the location of the site intended to be used by the Proposer for its bus yard if awarded the Contract.

In accordance with your Request for Proposal, First Student leases the following transportation facility. We will be operating out of student charter center which is located at 1128 St. Paul Ave. Tacoma, WA 98421.

5. Pricing Requirements (Updated during contract negotiations, 07-09-2018)

School Routes. Pricing will be related to performance in the contract resulting from RFP B18012S. This will be accomplished by including incentives and/or disincentives for performance in the contract. A call-out is equal to dispatches up to two (2.0) hours. Additional services are defined as field trips, sports and activity trips, extended route times, or other dispatches requested by the District. Changes of the number of routes will be effective on the normal route change days as established by the district transportation department. Changes in the number of school year calendar days will be governed by the school calendar published for the ensuing school year. Complete the two pricing tables:

Assume the entry wage rate for a bus driver will not be lower than \$20.00 per hour

Price Element	I. School Year of 178 Calendar Days	III. School Year of 180 Calendar Days
a. Price per call-out based on 40 - 49 routes per day	\$353.86	\$353.86
Price per hour for additional services based on 40 - 49 routes per day	\$35.73	\$35.73
b. Price per call-out based on 50 - 59 routes per day	\$333.83	\$333.83
Price per hour for additional services based on 50 - 59 routes per day	\$35.73	\$35.73
c. Price per call-out based on 60 - 69 routes per day	\$314.93	\$314.93
Price per hour for additional services based on 60 - 69 routes per day	\$35.73	\$35.73
d. Price per call-out based on 70 - 79 routes per day	\$297.10	\$297.10
Price per hour for additional services based on 70 - 79 routes per day	\$35.73	\$35.73
e. Price per call-out based on 80 - 89 routes per day	\$280.28	\$280.28
Price per hour for additional services based on 80 - 89 routes per day	\$35.73	\$35.73
f. Price per call-out based on 90 - 99 routes per day	\$276.72	\$276.72

Price per hour for additional services based on 90 - 99 routes per day	\$35.73	\$35.73
g. Price per call-out based on 100 - 109 routes per day	\$273.71	\$273.71
Price per hour for additional services based on 100 - 109 routes per day	\$35.73	\$35.73
h. Price per call-out based on 110 - 119 routes per day	\$271.25	\$271.25
Price per hour for additional services based on 110 - 119 routes per day	\$35.73	\$35.73
i. Price per call-out based on 120 + routes per day	\$271.25	\$271.25
Price per hour for additional services based on 120 + routes per day	\$35.73	\$35.73

Sports and Extra-Curricular Activity Events. The District has identified a need for an average of 12 drivers/buses per school day for sports and extra-curricular to and from trips (events) for middle and high school students. Propose a call-out price for these events assuming that the drivers/buses are not available for PM school routes and that each event will require three (3) hours.

- a. Price per call-out based on 12 events per day: \$ 129.00 per 3 hour callout
- b. Per hour price for additional services per hour: \$ 43.00

School Field Trip Events. The District has identified a need for an average of four (4) drivers/buses per school day for field trip events. Propose a call-out price for these events assuming that the drivers/buses are not available for AM and/or PM school routes and that each event will require five (5) hours.

- a. Price per call-out based on 4 events per day: \$ 215.00 per 5 hour callout
- b. Per hour price for additional services per hour: \$ 43.00

Lease option pricing. In the event the District has a need for additional buses, please propose the following bus lease and mileage rates: The buses would be driven by district employed bus drivers.

- a. \$ 33.25 hour and mileage rate \$ 1.20/mile

- b. \$ 120.00 day and mileage rate \$1.20/mile
- c. \$ 600.00 week and mileage rate \$1.20/mile
- d. \$ 2,800.00 month and mileage rate \$0.00/mile

FUEL NOTES

Our rates stated above exclude the cost of fuel in anticipation of District reimbursement. The District should anticipate to use approximately 190,900 gallons of diesel annually for Home to School and approximately 47,500 gallons annually for School Field Trip Events.

OPTIONAL ADD ON CHARGES

First View	Additional	<u>\$2.00</u> per bus per day
3 Video Cameras	Additional	<u>\$1.06</u> per bus per day
GPS/Zonar	Additional	<u>\$0.59</u> per bus per day

Tacoma School District No. 10 – RFP #B18012S

Customer Reference Form (1 of 3)

Using the format outlined below, please provide *three* client references your company has done business with within the last two years, which you provided the same services you are proposing. The contact person named should be familiar with the day-to-day management of the contract with the respondent and be willing to respond to questions regarding the type, level, and quality of service provided by the Respondent.

Company/Organization: Rochester School District #401

Contact Name: Kim Fry Title: Superintendent

Address: 10140 Highway 12 SW

City: Rochester State: WA Zip: 98579

Telephone Number with area code: 360-273-9242

Email Contact: kfry@rochester.wednet.edu

Internet Address: <https://www.rochester.wednet.edu/>

Describe in one page or less the services provided for this customer:

Home to school bus service servicing approximately 2,300 students. A letter of recommendation is attached.

Tacoma School District No. 10 – RFP #B18012S

Customer Reference Form (2 of 3)

Using the format outlined below, please provide three client references your company has done business with within the last two years, which you provided the same services you are proposing. The contact person named should be familiar with the day-to-day management of the contract with the respondent and be willing to respond to questions regarding the type, level, and quality of service provided by the Respondent.

Company/Organization: Colville School District

Contact Name: Pete Lewis Title: Superintendent

Address: 217 S. Hoffstetter St.

City: Colville State: WA Zip: 99114

Telephone Number with area code: 208-854-4000

Email Contact: pete.lewis@colsd.org

Internet Address: colsd.org/

Describe in one page or less the services provided for this customer:

Home to school bus servicing approximately 1,800 students from PK-12. A letter of recommendation is attached.

Tacoma School District No. 10 – RFP #B18012S

Customer Reference Form (3 of 3)

Using the format outlined below, please provide *three* client references your company has done business with within the last two years, which you provided the same services you are proposing. The contact person named should be familiar with the day-to-day management of the contract with the respondent and be willing to respond to questions regarding the type, level, and quality of service provided by the Respondent.

Company/Organization: Vashon Island School District

Contact Name: Michael Soltman Title: Superintendent

Address: 9309 SW Cemetary Rd.

City: Vashon Island State: OR Zip: 98070

Telephone Number with area code: 206-463-2121

Email Contact: msoltman@vashonsd.org

Internet Address: <https://www.vashonsd.org/>

Describe in one page or less the services provided for this customer:

Home to school and SPED bus servicing approximately 1,500 students. A letter of recommendation is attached.

EXECUTIVE SUMMARY

Tacoma School District's mission is to provide a comprehensive educational experience that is rigorous, individualized and enables students to contribute to a changing and diverse world.

Our mission enables your mission.



A student's journey throughout the school day has an impact on student achievement and well-being; in many ways, the school bus is an extension of the classroom. At First Student, we foster a caring mindset and performance excellence among our teams, providing the best start and finish to the school day. *Caring for students today, tomorrow, together.*® is our shared mission. In the end, for both of us, it's about the children and inspiring them to lead successful, productive lives.

focus on excellence – Our Northwest team

While you may have worked with our company in the past, you have not partnered with the new First Student. Over the past several years, we have improved our processes and re-energized our focus on the critical issues that make our customers successful. We work harder and smarter to support our district partners' success.

As mentioned in the cover letter, we are thrilled with our new Senior Management Team in the Northwest. Kim Worster, Senior Vice President for the Northwest, has brought us a wealth of experience from the senior management position at Durham. Her vision and values have already substantially impacted our Northwest team.

"I have been in the school transportation industry for 18 years and have built my reputation with a focus on safety, customer service, and developing high performing teams. I recently joined First Student, the premier student transportation provider in the industry, as the company's vision and values around safety, customer service, people, accountability and setting the highest standards align with my own. I am excited to be part of an outstanding team of individuals and look forward to many years of supporting my people, working with my customers and, most importantly, delivering children safely to school each and every day."

- Kim Worster, Senior Vice President Northwest

One of Kim's first changes was a New Area General Manager for Washington State. Greg also came to us with an impressive senior management background from Durham.

"My teams are committed to delivering world class customer service where safety always comes first. We do this by providing complete customer transparency with proactive communication to the customer, daily coaching on KPIs with the drivers and a commitment to performance excellence that focuses on developing the management skills of our operational leaders. We will exceed your expectations and deliver a standard of performance that other districts will want to model."

- Greg Newman, Area General Manager Washington

Commitment to our Customers

In addition to Kim and Greg, we have our Region offices located right here in Washington State. The Region office includes crucial management who are actively involved with our local teams to insure continuous quality service and safety. Kim and Greg are also both very customer centric. They make themselves available to meet with our customers on a regular schedule. This drives our focus beyond customer satisfaction to customer success.

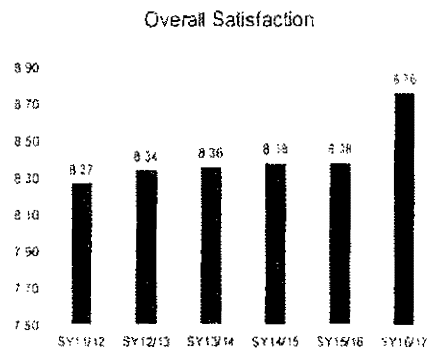
First Student has more than a century of experience providing safe and reliable student transportation. We focus our efforts on your transportation operation so that your students can happily engage in their education and cultivate a love for learning, hard work and the community. This means working with you to provide solutions for your needs just as we have done with other nearby school districts. As the most chosen and trusted student transportation service provider in North America, the First Student team safely and reliably carries more than five million children to and from school each day.

First Student serves 1,100 school districts and operates over 470 locations across North America. That enables our teams to leverage a vast knowledge base to deliver industry leading best practices in student transportation management. Our mission is to help students start and finish their school day in a state of well-being because we are more than just a service provider – we are a vital partner in the educational experience.

We have extensive experience in full-service student transportation management, special-needs transportation, route optimization and scheduling, and charter services. When you contract with First Student, you gain global expertise powered by local resources. That is part of the reason 95% of our customers say they would recommend First Student to another school district.

First Student's Focus on Excellence

- implemented best practice teams to drive continuous success.
- streamlined operations and management so our Sr. Region leadership has more direct interaction and knowledge of location operations.
- elevated customer satisfaction scores – in the 2016/2017 school year, our customers rated us the highest in history.
- launched DriveSMART to support green initiatives and fuel efficiencies.
- dedicated an expert team of safety, maintenance, human resources and finance managers at the regional and corporate levels to support our local teams. This adds greater value and benefit to your operations.



Dedication to safety: Always front of mind, safety is our way of life. Towards this, First Student

has:

- a safety ranking 2X better than the industry average.
- added more safety measures to new buses, including pebble-stop treads, yellow/white nosing on step treads, yellow textured hand rails, LED lighting at the top of each bus, side marker lights, electric arm doors, suspension seats and more.
- a central safety team who continually reviews and improves our Professional Driving Development Program Skills Station Curriculum. Providing "real world" skill station designs equips our drivers to see, monitor and react more effectively, avoiding common issues, and more serious collisions such as those that occur while turning.
- safety practices that have earned FirstGroup America a place among a select group of companies to receive the National Safety Council's Green Cross Safety Award.



Accountability for Performance: To ensure we do the right things to drive success for our partners, we:

- developed technology that provides near real time reporting on all our buses, providing the ability to quickly respond to customer inquiries and track on-time performance
- assembled a centralized Operations Support Team to provide straightforward management tools that distill data from multiple systems and reports into representative Key Performance Indicators (KPIs). This enables our location managers to prioritize and focus on activities that directly impact service effectiveness and quality adopted a "lean" principle and technician training to attain the National Institute for Automotive Service Excellence (ASE) Blue Seal rating at our locations.
- developed a web-based Applicant Tracking System (ATS) system with a streamlined, full-cycle recruitment process for monitoring vacancies, sourcing, interviewing and placing. Our centralized Talent Acquisition Team researches the tools, events and locations driving our applicants, allowing recruitment efforts to be redirected wisely. Our location retains the decision on whether candidates are a good fit and maintains constant communication to keep them engaged in the process.

addressing your Challenges

Achieving the highest standards throughout Tacoma School District's student transportation system is accomplished by working collaboratively to understand, plan, deliver and evaluate the service we are providing to your district, students and families.

First Student will provide a comprehensive school transportation solution to overcome Tacoma School District's challenges:

- **A Full Complement of Drivers and Local Resources:** First Student has a facility in Tacoma with seasoned management and staff. We know the Tacoma driver market and that is why we have proactively been paying our drivers more than the incumbent – please see the wage comparison below. We plan to hire all current existing drivers who are in good standing with the District and meet our qualification and needs.
- **Management Stability:** First Student will be a true partner for your entire transportation operation. This means doing what we say. If we commit to provide drivers to cover routes, we will make that happen. If we commit to replace buses according to the agreement, we will. With an experienced management team and location-based leadership, you can rest assured your transportation needs will be met with professionalism, reliability and management stability at all times.
- **Better Communication:** Communication is key to a successful transportation operation. We pride ourselves on our communication strategies we put in place with our customers. We will

ensure operational visibility and data transparency is maintained at all times with all stakeholders at Tacoma School District.

- **First Student is the School Bus Industry's Leader in Safety:** Safety is a way of life at First Student and is incorporated into the daily actions of over 50,000 employees working to deliver the best start and finish to the school day. That is why our safety record is twice as safe as the industry average, and we are the only school transportation company to receive the National Safety Council Green Cross for Safety®, the highest award for safety in North America.
- **New Buses with Higher Capacity for Greater Efficiency:** We will be providing 114 all new buses with far more capacity than the current fleet. 109 buses will be 78 passenger and 5 will be the same overall size but will also have wheel chair lifts. The current fleet has less than 10 buses with this capacity. In addition, we have technological enhancements to Tacoma School District, including a system for reporting of discipline issues.
 - Our Standard Operating Procedures make use of the latest technologies to manage routing, dispatch, maintenance, payroll, driver safety and compliance. We equip all of our school buses with GPS vehicle tracking (to be added after award). Our GPS system provides near-real-time location information for all equipped buses, automatic alerts for buses with excess speeds and/or excess idling, infrastructure to determine best routes and to verify actual versus planned routes. We provide this data so you have transparency into your operation.
 - First On-board Component Utilization System (FOCUS)™ is First Student's proprietary operations platform. Because every First Student vehicle is equipped with Global Positioning System (GPS) units (to be added after award), the web-based program makes it possible for our location to correlate driver, vehicle and route-level data. As the hub of operations, FOCUS™ enables dispatchers to assign routes and monitor activity, technicians to load tasks in the work schedule, safety managers to verify pre- and post-trip inspections, and payroll staff to verify staff hours. FOCUS™ dramatically increases our ability to respond quickly to Tacoma School District's inquiries with accuracy.
 - The ride from home to school and back again is an important part of the school day. While administration and transportation personnel put forth their best efforts to prevent incidents, sometimes they occur. FirstACTS® (Active Conduct Tracking System) is a powerful web-based communication tool that helps you easily and efficiently manage the process of tracking student conduct on your school buses. FirstACTS® is the only system with the functionality to connect the school community — the driver, school administration and parents — to identify, communicate and quickly resolve student behavior management concerns.

FIRST STUDENT'S PROPOSAL HIGHLIGHTS

We are providing a full-service, "turnkey" transportation services proposal for Tacoma School District, which includes: operations management, bus drivers and bus attendants, dispatch, recruiting, safety and training, and the maintenance of all school transportation vehicles. First Student will also be responsible for bus replacements throughout the contract.

Alternate Proposal of Propane Buses

Please pay special attention to our Alternate proposal of Propane Buses. Many administrations and Board Members have received the added benefit to bring clean efficient propane buses to their communities. There are many counties on the West Coast who have established laws prohibiting diesel school buses for the health of the children and their communities.



Facility

First Student proposes utilizing our exiting Tacoma location, located at 1128 St. Paul Ave. Tacoma, WA 98421.

While the facility is well equipped and impressive, our Tacoma team is most impressive. They are already in place and ready to serve the Tacoma School District. We have kept this facility over the years with the primary goal of serving the Tacoma School District once again. We turned the facility into a Charter Center serving extra-curricular needs and charters for the Tacoma School District and other organizations. This means we will have additional resources of people and buses to take care of the needs of the Tacoma School District.



This facility sits on approximately four (4) acres and is centrally located close to the heart of Tacoma and the main freeways. The shop is 114' x 84' totaling 9,576 square feet. It consists of four (4) service bays, a parts room, bulk fluid storage and tire storage. There is an additional space of 108' x 54' totaling 5,832 square feet. It is used mainly for parking and storage but can be utilized as an additional service bay when necessary.

It additionally holds a 15x20 reception area and 6 private offices (3 large 10X20 offices and 3 10x10 private offices), 10x30 dispatch room with window and counter for drivers, and a 18x35 driver's area for sitting, eating and gathering. There is also a small kitchen area with a refrigerator and sink. Other areas include restrooms with 3 stalls each and 2 sinks, and 20 car staff and visitor parking and 50 car employee parking.

Driver Compensation and Driver Morale

First Student understands the driver market in Tacoma. We have continuously served the

Tacoma area and our wages have been higher than the incumbent's wages. That is why we are better capable to cover all routes so the District does not have to.

The right compensation means attracting and retaining professional drivers. It also means higher morale and commitment from our drivers. Our driver compensation package is more competitive than what is currently offered by the incumbent.

We have included our proposed wages in the table below. We are certainly interested in hiring all current transportation employees who are in good standing with the district and meet our standards and needs.

	<u>First Student Wages</u>	<u>Durham Wages</u>
1 year	18.00	\$16.25
2 years	18.25	\$16.54
3 years	18.50	\$16.85
4 years	18.75	\$17.17
5 years	19.00	\$17.54
6 years	20.50	\$18.22
7 years	21.00	\$19.27
8 years	21.50	\$20.33

Our wage and benefits package for drivers and bus attendants is designed for a part-time workforce. It offers attractive and competitive compensation, while at the same time being sensitive to cost considerations. We will continue to offer a host of flexible features including medical and dental coverage with low co-payments, free life insurance, and savings and retirement options.

First Student acknowledges the tenure and dedication of the current transportation professionals who currently serve the Tacoma School District as employees of the incumbent. We will offer jobs to all current contractor employees who are in good standing with the district and meet all of our hiring criteria.

Future Driver Labor Market

First Student recognizes the changes in the driver labor market and we have made the necessary corrections. While we are confident we have the right wages in place today, it is impossible to predict events years from now which may impact the driver labor market. We suggest simple language that leaves the doors open for both of our organizations to consider working together to find the right solutions should that circumstance emerge.

The following is language another district adopted with this in mind: *"The District is aware driver labor is a dynamic transportation expense due to multiple factors. As such, the District understands the importance of working together to keep a full complement of drivers while controlling costs. If labor conditions exist that necessitate a change in driver salary schedules, the District and Contractor may negotiate a reasonable adjustment to cover the increase in driver labor costs."*

Service Enhancing Fleet and Technology

Tacoma School District buses will be equipped with the latest technology to ensure safe and consistent service. This means the district will achieve maximum benefit from a state-of-the-art fleet, while the students and community will appreciate the benefit of new buses.

Our proposal includes the following:

- 109 – Type C Conventional Diesel 78 passenger buses – Thomas Built Bus
- 5– Type C Conventional Diesel 72 passenger plus 1 Wheelchair – Thomas Built Bus

- Zonar® Global Positioning Systems (GPS) devices (to be added after award)
- Child Check-Mate System® and Theft-Mate™ Security System on all buses
- Digital video recorders with two cameras (to be added after award)
- FOCUS™ – First Student's customer interface for vehicle tracking
- FirstACTS® web-based communication tool for school administrators and the transportation department to manage and track student conduct (www.firstacts.com)

First Student's buses are not "just another yellow school bus." Through our long-term partnership with Thomas Built Buses, we have developed a superior school bus specification that enhances passenger safety, vehicle reliability and reduces the total cost of ownership. These features not only improve the overall performance of the vehicles, they allow us to pass on significant procurement savings to our customers.

From brighter LED lighting to heavier duty undercoating, some of the more notable features on our new buses include:

- Bright yellow, textured handrails which reduce student slips and falls entering the bus
- One-piece rubber flooring reduces moisture encroachment from the passenger compartment which can reduce the life of the plywood subfloor
- Stainless steel stepwells and enhanced undercoating eliminate corrosion that leads to significant repair cost late in the vehicles lifecycle
- Upgraded, climate specific charging and electrical systems
- Our comprehensive technology suite which includes Zonar® GPS vehicle tracking with Electronic Vehicle Inspection Reporting – preinstalled at the factory

Depreciation Bonus of New Buses – Money Back to the District

We will be providing an ALL NEW FLEET of buses. In addition to obvious benefits of new buses, this means more State Depreciation dollars will go back into your classrooms. Our estimate is that the District will receive \$915,000 per year (\$8,025 per bus times 114 new buses) in State Depreciation funding for this new fleet. This is substantially more dollars than with the existing, older, fleet.

Routing and Routing Consulting

The Tacoma School District will maintain responsibility for all routing services, to include all software, hardware and licenses. We understand, appreciate and respect keeping routing in-house. At the same time, we want to make available our routing division, First Planning Solutions. Districts who have their own in-house routing operations don't always have the extra capacity for needed studies or optimization.

Several factors affect transportation planning: community profile and expectations, enrollment guidelines, geographic context, school programs, transportation rules and state/local policies. First Student is unique in the industry as we are the only transportation provider with an internal team of routing specialists, First Planning Solutions (FPS). FPS has been in operation for nearly 25 years. The team has navigated challenges and improvement opportunities in a breadth of system scenarios. They provide a range of services to school districts seeking to optimize routing systems and operations.

- We work with state-of-the-art route optimization software packages designed for school districts with diverse budgetary, demographic, geographic and operational needs.
- In addition to new system set-up and implementation, our routing capabilities include efficiency analysis, route to actual ridership and time and capacity analysis.

- Our team operates a help desk staffed by routing software experts who are available to assist with troubleshooting, technical issues and system upgrades.

Special Routing Services Offer

As a direct benefit of our partnership with Tacoma School District, First Student would like to offer the services of First Student's routing department, First Planning Solutions (FPS). FPS is made up of specialists in route planning and state-of-the-art routing software. They have been in operation for over 25 years and bring wide-ranging expertise in routing system deployment and optimization.

We applaud the District for requiring higher capacity 78 passenger buses. Combined with optimized routing, the additional capacity offers tremendous opportunity to transport more children per bus. This means potential efficiency to reduce the number of routes.

- **FPS will provide 110 hours of routing support services to Tacoma School District – a value of over \$15,000.**
- These support hours, which will be available between October 1 and March 31 of the school year, can be used for a Time and Capacity Optimization Study.
- FPS will dedicate the hours to analysis of the current database to determine the overall efficiency of the system. This analysis will determine the degree to which the available minutes between bell times and available seats on buses are used.
- Based on this analysis, the district may be able to reduce billing hours or consolidate runs and eliminate one or more buses.

Why is this Routing Services Offer so significant...SAVINGS

While we expect to drive ongoing savings through operational efficiencies, route reductions immediately free up significant budget dollars. Those savings repeat year after year, as long as the route efficiency is maintained. For instance, Tacoma School District spends around \$60,000 for each of its route buses. **Eliminating just five routes frees up over \$300,000 in important budget dollars** that your administrators can funnel back into classroom resources.

Why don't other vendors do this type of analysis and offer this same type of service? They can't. First Student has committed significant resources to being the industry experts in electronic routing services.

Contract Start Date

First Student needs approximately 120 days from contract signing in order to interview the current staff, conduct the necessary background checks and hire and train sufficient personnel to operate the routes. Under this scenario, we can meet the RFP-listed estimated start date of 09/01/2018.

This is the Start of Something More

We know changing a transportation provider is not easy. We view the transition process as an important opportunity to build trusting relationships with your district, our employees and your community — these relationships are the key to our mutual success. Together with your district officials, we will combine your local knowledge with our talented staff and expertise in running effective transportation operations.

Expert Management Team Backed by Global Resources

Student transportation entails a great deal of complexity and requires effective communication flow. You want a transportation partner that can provide these services with professionalism and responsiveness, and First Student will deliver.

Operations Plan – Management and Key Personnel

The following is our proposed operations team:

1. Location Manager
2. Assistant Location Manager
3. Operations Supervisor / Dispatcher
4. Operations Supervisor / Dispatcher
5. Router
6. Dispatcher
7. Shop Manager
8. Shop Technician
9. Shop Technician
10. Shop Technician

Full-time employees will receive our full-time benefits program which includes: healthcare, dental insurance, life insurance, vision plan, accidental death and dismemberment insurance, 401K retirement/savings plan, paid vacation and sick days, and employee training and development programs. Employees may participate in some of the cost of these programs. A corporate support team, made up of seasoned, knowledgeable professionals, will always be available to support and provide guidance and oversight to the local First Student location supporting Tacoma School District. This network of resources and expertise allows our staff to share information, experience and best practices.

Your Dedicated Location Manager

Our location manager, Stacy Roberts, will be your designated contract administrator. With 16 years of experience as a Location Manager for First Student, Stacy will be responsible for leading the Tacoma School District's student transportation program toward service excellence and continuous improvement. Supported by Area General Manager Greg Newman, Stacy will ensure your needs are consistently met, issues are satisfactorily resolved, and additional training and resources are made available as needed to take service to the next level.

Service Transition

We are confident that the transition of Tacoma School District to First Student will be smooth and successful. We already have the facility and many of the team in place and ready to serve the Tacoma School District.

The transition period of managed service is an important opportunity to build trusting relationships which are key to our mutual success. Our transition plan addresses staffing key personnel, new driver hiring and training, facility occupancy, maintenance shop organization, fleet and equipment procurement, route operations, community relations, back-to-school start up and key performance metrics.

A regional and corporate support team, made up of seasoned, knowledgeable professionals, will always be available to support and provide guidance and oversight to the local First Student location supporting Tacoma School District. This network of resources and expertise allows our staff to share information, experience and best practices.

- Senior Vice President – Kim Worster

- Area General Manager – Greg Newman
- Region Safety Manager – Kevin Orzechowski
- Region Maintenance Manager – David Chatfield
- Senior Finance Director – Cynthia Dailey
- Region Human Resources Manager – Kim Mingo
- Director of Business Development – Tim Wulf

Examination and evaluation are important facets of every transition plan. During plan development, we will work with you to determine Key Performance Indicators (KPIs) — benchmarks that determine the parameters of your service and give us standards by which we're held accountable. We will meet with Tacoma School District's officials as often as needed during the transition process to ensure your satisfaction with our service.

First Student Is the Right Choice for Tacoma School District

First Student is the undisputed leader in partnering with school districts to provide safe and reliable transportation to our children, and this is a responsibility our company takes as its core mission. We expertly operate and optimize student transportation solutions to the needs of our customers.

- **You are counting on a smooth transition – we will deliver.** We have successfully conducted more contractor transitions than all our competition combined.
- **We want to hire all existing transportation staff.** As mentioned, we are paying a competitive wage for drivers. We generally retain around 90% of the current drivers when the district transitions to First Student.
- **First Student's safety record is the best in the business.** Starting with rigorous background checks and extensive driver training, we lead the industry in safety performance, and are in fact twice as safe as the industry average.
- **We are a local company with many resources close to your district.** First Student has a strong local network of buses and drivers to ensure continuous and reliable service to Tacoma School District. We operate more than 560 school buses in the state of Washington. We have a facility in Tacoma that is currently fully operational with a seasoned staff.

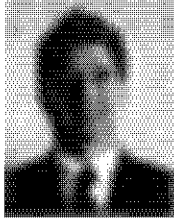
Our mission at First Student truly is: *Caring for students today, tomorrow, together.*® We welcome the opportunity to serve the Tacoma School District.

In Conclusion

We understand that you have several challenges with your current incumbent, and we have the solutions to help you get past these challenges. We believe that our proposal is compelling both financially and operationally. We look forward to working with you to create a plan that works

uniquely for Tacoma School District, and therefore, developing a long-term partnership between our two companies for many years to come.

Should you have any questions please contact:



Tim Wulf
Director of Business Development
206-235-3554
Jim.Woods@FirstGroup.com



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