

**CONTRACT FOR TRANSPORTATION SERVICES
BETWEEN *Alturas Preparatory Academy* AND *Mustang Transportation***

This Contract for Transportation Services (the "Contract") is entered into on **July 1, 2023** (the "Effective Date") between the **Alturas Preparatory Academy, Bonneville County, Idaho**, (the "School"), and **Mustang Transportation, of 965 E. Lincoln Road, Idaho Falls, Bonneville, Idaho** (the "Contractor").

RECITALS

- A. Under Idaho Code section 33-1510(2), the School advertised and bid the transportation services provided under this Contract, and the Contractor was the lowest responsible bidder meeting the specifications. **See Transportation Resolution 0001.**
- B. The School and Contractor desire to provide for the transportation of students in the School to and from school as set forth in this Contract.

AGREEMENT

NOW THEREFORE, in consideration of the recitals set forth above, which are incorporated into this Contract by this reference, and the mutual promises set forth in this Contract, the parties agree as follows:

- 1. Incorporation by Reference and Priority of Documents.
 - a. The following documents are attached to and incorporated by reference into this Contract as if set forth in full: 1. the advertisement for bids; 2. the bid by the Contractor; 3. the performance bond, if any; and 4. the notice of award.
 - b. Unless a different priority of documents is set forth in the advertisement for bids, a lower numbered document in this section shall supersede a higher numbered document to the extent necessary to resolve any conflict or inconsistency.
- 2. Definitions. Terms, whether capitalized or not, in this Contract shall have the meanings set forth below when used in the Contract unless the context requires otherwise:
 - a. "Base Compensation" shall mean:
 - i. The sum of all payments the parties estimate will be made to the Contractor pursuant to section 11 of this Contract for all Instructional Days in the current annual academic calendar.
 - b. "Closure" shall mean when more than fifty percent (50%) of all students enrolled at an educational facility served by Contractor are not physically attending class at the educational facility due to causes beyond the control and without the fault or negligence of the Contractor.
 - c. "Daily Rate" shall mean the Base Compensation divided by:

- i. The number of elapsed Instructional Days in the current annual academic calendar for which the School has paid the Contractor; or
 - ii. If no payments have been made to the Contractor in the current annual academic calendar, the number of Instructional Days in the prior annual academic calendar; or
 - iii. If no payments have been made to the Contractor in the current annual academic calendar and no payments for transportation services were made to any contractor in the prior annual academic calendar, the number of Instructional Days in the current annual academic calendar.
 - d. “Instructional Day” shall mean a day identified on the School’s established annual academic calendar as a day when students are present at a facility or a day designated by the School as a replacement or “make up” day for a day missed due to a Closure. An Instructional Day shall not include any Saturday, Sunday, or day identified on the School’s academic calendar as a day when students are not present at a facility such as a holiday or teacher training day.
3. Term and Renewal. This Contract shall commence on the Effective Date and expire on **June 30, 2028** for a total period of **five (5)** year(s), unless sooner terminated in accordance with the provisions of this Contract. The parties may renew this Contract one (1) time for a period not to exceed five (5) years upon a determination by the Board of Directors of the School, after renegotiation with the Contractor, that the terms of the renewal are satisfactory to the School.
4. Scope of Work. The Contractor shall perform the services and furnish the equipment and personnel as provided in the specifications (the “Transportation Services”), and shall do all things necessary or proper for the performance and completion of the work required by this Contract, in the manner and at the times provided in the bid and specifications.
5. Delegation of Authority. The School hereby delegates to the Contractor the necessary authority to supervise and control students on the buses operated by the Contractor while the students are aboard the buses or the buses are en route under such rules as are adopted by the School. However, this authorization shall not include the right to administer corporal punishment, nor the right to eject any offender under circumstances that may or are likely to result in injury or danger to the offender. The Contractor shall transport only those students designated by the School.
6. School Closure. The School shall inform the Contractor as soon as reasonably possible of a Closure. Upon notice of a Closure, the Contractor shall be paid under the Payment Schedule set forth under section **11** of this Contract.
7. Schedule Details. Prior to the start of each school year, the School shall furnish to the Contractor the data related to ridership for the upcoming year with any proposed changes in the scheduling and the Contractor will use said data to create the routes and stops for the review and approval of the School. The School may, at its discretion, request that the contractor make changes in the routes, time schedules, or designated stops

and eliminate or consolidate any route to meet changed conditions. However, the School shall make no change to any route, time schedule, or designated stop or elimination or consolidation of any route, except to meet unexpected or emergency conditions, until after the Contractor has been given an opportunity to confer with the School or its authorized representatives with respect to the change, elimination, or consolidation at least **five (5)** days in advance of the change, elimination, or consolidation. The contractor will not be required to make stops that the Contractor deems unsafe or illegal. The School shall make adjustments in the sums to be paid to the Contractor for any increase or decrease in mileage resulting from a change, elimination, or consolidation of routes or additional services for school-sponsored activities, as provided in the specifications. The School may, from time to time, establish policies to be observed by the Contractor in connection with provision of the Transportation Services, including starting times, bus stops, discipline on the buses, and any situations that may from time to time arise in the performance of the Contract.

8. Responsibility for Students. The Contractor shall be fully responsible for the care and supervision of students while they are being transported. The transportation of a student shall be deemed to have begun when the student prepares to board the school bus, and shall be deemed to have ended when a student has completed alighting from the bus at a reasonably safe place in which to alight in view of the circumstances then prevailing.
9. Compliance with Laws and Regulations. The Contractor and Contractor's drivers shall comply with the laws of the state of Idaho and all applicable rules, policies, or requirements of the Idaho Transportation Department, Idaho Public Utilities Commission, Idaho Department of Education, Idaho Board of Education, the School, and any other state or local unit of government. Furthermore, the Contractor's drivers must submit to a criminal history background check under Idaho Code section 33-130. The Contractor shall not assign a driver to provide transportation under this Contract whose criminal history background check shows the driver has been convicted of a felony crime enumerated in Idaho Code section 33-1208 or a misdemeanor or felony driving offense enumerated in Idaho Code sections 49-1301, -1302, -1401, or -1404 or title 18, chapter 80, Idaho Code.
10. Termination for Fiscal Necessity. The School is a government entity and it is understood and agreed that the School's payments under this Contract shall be paid from local tax revenue, state of Idaho legislative appropriations, funds granted by the federal government, or any combination of these sources. The School's Board of Directors retains full discretion to allocate tax revenue in the public budget setting process during each budget period covered by this Contract. The Idaho Legislature is under no legal obligation to make appropriations to fulfill this Contract. Additionally, the federal government is not legally obligated to provide funds to fulfill this Contract. This Contract shall in no way or manner be construed so as to bind or obligate the School or the state of Idaho beyond the term of any particular approved School budget, appropriation of funds by the Idaho Legislature, or beyond any federal funds granted to the School, as may exist from time to time. The School reserves the right to terminate this Contract in whole or in part (or any order placed under it) if, in its sole judgment, the School's Board of Directors neglects, fails, or refuses to approve a budget sufficient for the School to continue payments, the Legislature of the state of Idaho fails, neglects, or refuses to appropriate sufficient funds as may be required for the School to continue such payments, or requires any return or "give-back" of funds required for the School to continue payments, or if the Executive Branch mandates any cuts or holdbacks in

spending, or if funds are not budgeted or otherwise available (e.g. through repeal of enabling legislation), or if the School discontinues or makes a material alteration of the program under which funds were provided, or if federal grant funds are discontinued. The School shall not be required to transfer funds between accounts in the event that funds are reduced or unavailable. All affected future rights and liabilities of the parties shall thereupon cease within ten (10) calendar days after notice to Contractor of the occurrence of any of the events stated in this section. The School shall provide reasonable advanced notice to Contractor of any of the events stated in this section to permit the Contractor to contract with other third parties and the School shall permit and not penalize the Contractor for entering contracts with third parties prior to the termination of this Agreement. Further, in the event that funds are no longer available to support this Contract, as described herein, the School shall not be liable for any penalty, expense, loss of profits, or liability, or for general, special, incidental, consequential, or other damages resulting therefrom. At Contractor's request, the School shall promptly provide supplemental documentation as to such termination for fiscal necessity. Nothing in this section shall be construed as ability by the School to terminate for its convenience.

11. Payment Schedule.

On or before the **5th** day of each month of the School's annual academic calendar covered by this Contract, the Contractor shall submit to the School an invoice that shall include a detailed account showing the mileage **and fuel** furnished during the preceding month. On or before the **25th** day of the month in which the invoice is submitted, the School shall pay the Contractor the contract price for those services that it shall find to have been rendered, computed on the following schedule:

- **Daily rate consists of the combined three (3) route buses for one hundred and fifty (150) miles per day at a rate of seven dollars and eighty cents (\$7.80) per mile for approximately 141 school days.**
- **In the event school is canceled due to inclement weather or unforeseen circumstance prior to the start of routes, the contractor shall be paid 50% of the minimum daily rate.**
- **The School shall pay one-twelfth (1/12th) of the base compensation on the 1st of each month starting in July of the current school year. The final invoice and payment of the current school year will be adjusted to reflect actual miles. The School and Contractor may agree to change the billing method each year prior to July 1st.**
- **Emergency evacuation drills and all other mandatory training that the State of Idaho Pupil Transportation may require will be billed at \$55.00 per hour.**
- **Fuel adjustment will be billed each month at a rate of \$0.01 per mile for each \$0.05 change in fuel cost above or below \$4.00 per gallon.**
- **For each year of the contract, the school board and contractor may negotiate a cost of business increase prior to July 1st. The board and contractor shall consider the following items when negotiating the cost of business: The U.S. Consumer Price**

Index for all Urban Consumers, U.S. City Average; any changes to the state transportation funding formula; and changes in revenue due to enrollment.

- **Extracurricular or field trips will be billed at a minimum of \$250 or as calculated by the below schedule, whichever is greater:**
 - **Local trips-under 100 miles round trip.**
 - **Half day local trip (4hrs): \$5.00 per mile plus driver fee of \$150**
 - **Full day local trip (over 4hrs): \$4.50 per mile plus driver fee of \$200**
 - **Out of town trips-Over 100 miles round trip.**
 - **One-day trip: \$4.00 per mile plus driver fee of \$200**
 - **Overnight trip: \$4.00 per mile plus driver fee of \$250 per day**

12. Record Keeping. The School may audit, in such a manner and at all reasonable times as it deems appropriate after providing notice to the Contractor of not less than seven (7) days before the audit, all activities of the Contractor arising in the course of its undertakings under this Contract. The Contractor shall maintain books, records, documents, and other evidence of accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract as required by the School. The School shall have access to any of the Contractor's books, documents, or records that are directly related to this Contract. Access to records includes the right to review, audit, inspect, and make excerpts and transcriptions. The Contractor shall maintain all books, records, and other documents relevant to this Contract for three (3) years after final payment and any person duly authorized by the School shall have full access to and right to examine any of said materials during this period in accordance with the terms of this section. If an audit, litigation, or other action involving records is initiated before the three (3) year period has expired, the records must be retained until all issues arising out of such actions are resolved, or until a three (3) year period has passed, whichever is later.

13. Inspection. The School and State Transportation Department may inspect any and all buses used by the Contractor to fulfill the terms of this Agreement and their operation by riding as passengers or by other reasonable means.

14. Time of the Essence. Since the Contract concerns a necessary public service, the provisions of the Contract relating to the daily schedule and policies that may be established by the School regarding timing are of the essence to the Contract. Accordingly, the Contractor shall prosecute the work diligently to assure adherence to the schedules.

15. Assignment of Contract. The Contractor agrees not to assign this Contract, or any interest in the Contract, without the prior written approval of the School.

16. Failure of Operation. In the event that the Contractor fails to operate any route because of the failure of equipment or personnel, the School may deduct the amount of payment for the route from the following month's payment at the rate of the **daily miles, if applicable.**

17. Termination for Cause.

- a. The School shall have the right to declare the Contractor in default if:
 - i. The Contractor becomes insolvent;
 - ii. The Contractor makes an assignment for the benefit of creditors;
 - iii. A voluntary or involuntary petition in bankruptcy is filed by or against the Contractor;
 - iv. The Contractor fails to perform any schedule when notified to do so by the School;
 - v. The Contractor abandons the work;
 - vi. The Contractor refuses to proceed with the work when and as directed by the School;
 - vii. The Contractor, without just cause, reduces the Contractor's working force to a number that, if maintained, would be insufficient, in the opinion of the School, to carry out the work in accordance with this Contract;
 - viii. The Contractor shall sublet, assign, transfer, convey, or otherwise dispose of this Contract other than as specified in this Contract;
 - ix. A receiver or receivers are appointed to take charge of the property or affairs of the Contractor;
 - x. The Contractor has willfully or in bad faith violated any of the provisions of this Contract;
 - xi. The Contractor or Contractor's agents or employees violate any applicable laws;
 - xii. Any vehicles provided by the Contractor are operated in a manner that imperils the safety of the passengers; or
 - xiii. Any vehicles provided by the Contractor are not kept clean or in first-class mechanical condition.
- b. Before the School shall exercise its right to declare the Contractor in default, it shall give the Contractor an opportunity to be heard, on **thirty (30)** days' notice. At such hearing, the Contractor may at the Contractor's expense, have a stenographer present; provided, however, that a copy of the stenographic notes, if any, shall be furnished to the School.
- c. The right to declare the Contractor in default for any of the grounds specified or referred to in this section shall be exercised by sending the Contractor a notice signed by the chairman or secretary of the School's Board of Directors, setting forth the ground(s) on which each default is declared.
- d. If the School, after giving the Contractor notice and an opportunity to be heard, exercises its right to declare the Contractor in default, the School may terminate the Contractor's services.
- e. After the termination of Contractor's services for a default under this Contract, the School may employ another contractor or contractors to complete the terms of this Contract, and hold the Contractor responsible for any extra or added expense, loans, or damages suffered by the School. The rights of the School after termination shall be in addition to any and all other legal or equitable remedies permissible under law.

18. Report of Accident. Any accident involving student transportation shall be reported to the School as soon as is practicable and not later than **two (2)** hours from the time of the accident. A detailed written report must be submitted to the School as soon thereafter as possible, but not later than **two (2)** days after the date of the accident.
19. Indemnification. Contractor shall indemnify the School from any loss that it may sustain from any cause arising out of the performance or lack of performance of this Contract by the Contractor.
20. Severability. If any part of this Contract is declared invalid or becomes inoperative for any reason, such invalidity or failure shall not affect the validity and enforceability of any other provision.
21. Governing Law. This Contract shall be construed in accordance with and governed by the laws of the state of Idaho and any disputes arising under this Agreement shall be tried in the Seventh Judicial District Courts of Bonneville County.
22. Entire Agreement. The parties intend this statement of their agreement to constitute the complete, exclusive, and fully integrated statement of their agreement.
23. Notices. Any notice given in connection with this Contract shall be given in writing and shall be delivered either by hand or certified mail, return receipt requested, to the other party at the address stated below. Either party may change its address by giving notice of the change in accordance with this section.

To the School:
2300 E. 17th St.
Idaho Falls, ID 83404

To the Contractor:
965 E. Lincoln Rd. Ste #B
Idaho Falls, ID 83401

24. Additional Buses. If additional buses become necessary over and above those provided as a basic service, the Contractor shall furnish such additional buses and receive yearly additional remuneration according to section 11 of this contract. The Contractor shall be compensated for additional mileage pursuant to the provisions for determination of additional route mileage contained in the Contractor's bid.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their respective representatives duly authorized so to do on the date and year written below.

Alturas Preparatory Academy:

Mustang Transportation:

By _____

By _____

Its _____

Its _____

Date: _____

Date: _____

