

THIS AGREEMENT WILL BE POSTED ON CPS INTERNET WEBSITE

**PARA TRANSIT AND SMALL VEHICLE STUDENT
TRANSPORTATION SERVICES AGREEMENT**
[SCR Medical Transportation, Inc.]

This PARA TRANSIT AND SMALL VEHICLE STUDENT TRANSPORTATION SERVICES AGREEMENT ("Agreement") is entered into as of the 8th day of April, 2013 ("Effective Date") by and between the Board of Education of the City of Chicago, a body politic and corporate, commonly known as the Chicago Public Schools (the "Board" or "CPS") and SCR Medical Transportation, Inc. an Illinois corporation ("Vendor").

RECITALS

A. The Board desires that Vendor render certain para transit student transportation services to the Board's Student Transportation Services ("STS") for students enrolled in the following CPS programs:

- Special Education (ambulatory and non-ambulatory) attending CPS facilities within the City of Chicago,
- Alternative School Programs,
- Special Education (ambulatory and non-ambulatory) attending non-CPS facilities in and around the City of Chicago,
- Students in Temporary Living Situations, and
- Other Programs as may be authorized by the Board's Executive Director of Transportation.

B. Vendor has demonstrated expertise in providing such services, has represented that it has the requisite knowledge, skill, experience and other resources necessary to perform such services and is desirous of providing such services for the Board.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties hereby agree as follows:

1. **Incorporation of Recitals:** The matters recited above are hereby incorporated into and made a part of this Agreement.

2. **Term and Option to Renew:**

A. **Term:** This Agreement is for a term commencing on the Effective Date and terminating on the last day of the school year as determined by the Board in June 2016 ("Term"), unless terminated sooner as provided herein.

B. **Options to Renew:** The parties shall have two (2) options to renew for a 1-year period each.

3. **Scope of Services:** Vendor agrees to provide the para transit student transportation services, including vehicles, equipment, materials and labor as set forth on Exhibit A ("Services"), in accordance with the terms and conditions of this Agreement. "Services" means, collectively, the services, deliverables, duties and responsibilities described in Exhibit A of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement. The Board retains final authority with respect to all Services related decisions. The Board may, from time to time, request changes in the scope of Services during this Term. Any such changes must be documented in writing and signed by an authorized representative of each party hereto. Any material changes, including any increase or decrease in Vendor's fees, shall be subject to Board approval and documented by a written amendment to this Agreement signed by both parties.

4. **Maximum Compensation, Invoicing and Payment:**

- A. **Maximum Compensation.** During the Term of this Agreement, the compensation to be paid by the Board to the Vendor, and the schedule and method of compensation, is set forth in the "Pricing for Services Section" included in the Scope of Services, a copy of which is attached hereto and incorporated herein as Exhibit A. The total maximum compensation payable by the Board to the Vendor for these Services, inclusive of any reimbursable expenses, may not exceed the amount authorized by Board Report 13-0403-PR10 as it may be amended. The Board is not required or obligated to pay, and will not pay, for any provision of Services not in compliance with this Agreement. Compensation shall be based on actual Services performed during the Term and the Board shall not be obligated to pay for any Services not in compliance with the Agreement. In the event of early termination of the Agreement, the Board shall only be obligated to pay the fees incurred up to the date of termination. In no event shall the Board be liable for any costs incurred or Services performed after the effective date of termination as provided herein.

All reimbursable expenses, if any, must be specifically identified in the Scope of Services. Except for reimbursable expenses specified in the Scope of Services, there shall be no additional reimbursement for expenses. All reimbursable expenses shall be in accordance with the maximum rates set forth in the Board's Policy on Reimbursement for Work-Related Expenses adopted on December 16, 2009 (09-1216-PO4) as amended from time to time. Vendor must submit original receipts and proof of payment that is acceptable to the Board for any and all claimed reimbursables at the time of invoicing. Canceled checks, debit, or credit card statement copies are considered as proof of payment. It is understood and agreed that the Board shall have the right to deny payment of any invoiced expense that is not substantiated by a paid receipt or some other proof of payment that is acceptable to the Board.

- B. **Invoicing and Payment.** Invoices for Services rendered are prepared monthly by Vendor and submitted to STS electronically within fifteen (15) calendar days of the end of each calendar month in accordance with the schedule and requirements issued by the STS. The monthly invoice must identify all Services provided during the previous calendar month, must reference the Board Report number appearing on the signature page of this Agreement, must reference the applicable purchase order, and must include such supporting documentation as the Board's Executive Director of Transportation may request from time to time ("**Regular Invoice**"). All routes operated and Services provided during the billing period shall be identified on the Regular Invoice in accordance with the procedures established by the STS. Any billing not conforming to specified requirements will be returned. Payment will be made only for Services provided during the billing period. All payments of Vendor-invoiced amounts are subject to offset and reduction by the Board in accordance with the Liquidated Damages provisions in Section 21 of this Agreement. The Board shall process payments in its normal course of business. If Vendor has more than one contract with the Board, separate invoices must be submitted for each contract. Copies of Regular Invoices must be sent to: Chicago Public Schools, Accounts Payable, P.O. Box 661, Chicago, Illinois, 60690-0661.

Each route sub-contracted must be identified, route by route, on the invoice for payment. The primary Vendor must submit invoices for all routes assigned and operated, including all sub-contracted routes. Nothing in this section creates any obligation on the part of the Board to pay or to see to the payment of any sums to any subcontractor.

The Board shall not be obligated to pay for any Services not in compliance with the Agreement and the Scope of Services. All invoices are subject to audit and review by the Board, the Inspector General of the Board ("**Inspector General**"), the Grantor and their duly authorized representatives.

Notwithstanding the foregoing, the Board reserves the right to generate the invoices for Services under this Agreement.

5. Performance Bond, Surety Company:

- A. **Performance Bond.** Vendor, at its own expense, shall furnish performance security in the form of a bond in an amount sufficient to insure the fulfillment of the Agreement within seven (7) business days following the Effective Date of the Agreement. Upon the Effective Date of the Agreement, and annually thereafter during the Term of the Agreement (and any renewals thereof, if any), Vendor shall enter into and file with the Board, a performance bond covering the entire contract year. The performance bond shall be a fifty percent (50%) performance bond. If for any reason Vendor provides twenty-five percent (25%) more Services than the amount of Services upon which Vendor's performance bond was originally computed, Vendor shall furnish the Board with an increase rider to its performance bond for the balance of performance security due hereunder. Vendor shall provide the increase rider within fourteen (14) calendar days of request by the Board.

The Board reserves the right to identify and require alternate performance security requirements during the Term of this Agreement. The CPO will notify Vendor in writing of any such alternate performance security requirement approved by the Board and the terms related thereto. Notwithstanding the foregoing, all performance bid provisions herein are subject to the requirements of the Board, as well as local, state and federal laws and regulations.

- B. **Surety Company.** In order to comply with Section 5.A hereinabove, Vendor must use a responsible surety company listed on the *U.S. Treasury List of Approved Sureties*, with an *AM Best* rating of A+ Class VII or better, and licensed to do business in the State of Illinois to issue and sign bid bonds, and the performance bonds of the type required hereunder by the Board. In the event that a surety is downgraded during the term of a bond and no longer appears on the *U.S. Treasury List of Approved Sureties* or is down-rated by *AM Best*, Vendor shall promptly supply the Board with a replacement bond issued by a surety that meets the surety qualification requirements stated herein.

6. **Standards of Performance:** Vendor shall devote, and shall cause all of its staff, agents and subcontractors, if any, to devote, such of their time, attention, best skill and judgment, knowledge and professional ability as is necessary to supply all Services effectively, efficiently, and consistent with the best interests of the Board and to the satisfaction of the Board's Chief Procurement Officer. Vendor shall retain and utilize sufficient staff to assure the most effective and efficient supply of Services and shall utilize, as required by law or by this Agreement, individuals licensed or certified in the State of Illinois and/or City of Chicago to provide Services. Vendor shall use efficient business administration methods and supply the Services in the best way and in the most expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are supplied at a reasonable cost to the Board and that Services supplied by other entities or persons in connection with this Agreement are efficiently and cost-effectively delivered. Vendor acknowledges and accepts a relationship of trust and confidence with the Board and agrees to cooperate with the Board, and all other persons or entities which may be retained by the Board, in supplying Services to further the best interests of the Board. Vendor also agrees to meet with Board representatives whenever necessary to promptly resolve any problems that occur relative to the administration of the Agreement.

7. **Non-appropriation:** Expenditures not appropriated by the Board in its current fiscal year budget are deemed to be contingent liabilities only and are subject to appropriation in subsequent fiscal year budgets. In the event no funds or insufficient funds are appropriated and budgeted in any subsequent fiscal period by the Board for performance under this Agreement, the Board shall notify Vendor and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification shall be made to Vendor except that no payment shall be made or due to Vendor under this Agreement beyond those amounts appropriated and budgeted by the Board to fund payments under this Agreement.

8. **Events of Default:** Events of default ("**Events of Default**") include, but are not limited to, any of the following:

- A. Any material misrepresentation by Vendor in the inducement of the Agreement or the provision of Services;
- B. Breach of any agreement, representation or warranty made by Vendor in the Agreement;
- C. Default by Vendor under any other agreement Vendor may have with the Board;
- D. Assignment by Vendor for the benefit of creditors or consent by Vendor to the appointment of a trustee or receiver or the filing by or against Vendor of any petition or proceeding under any bankruptcy, insolvency or similar law; or
- E. Failure of Vendor to supply the Services required hereunder in accordance with the terms and conditions of the Agreement, including, but not limited to, the following:
 - i. Action or failure to act which affects the safety or welfare of students or Board staff;
 - ii. Failure to perform in accordance with terms, conditions, and specifications of this Agreement;
 - iii. Failure to supply any portion of the Services herein at the time fixed for performance and in the manner specified herein;
 - iv. Failure to supply the Services with sufficient personnel and equipment or with sufficient material to ensure the supply of Services due to a reason or circumstances within Vendor's reasonable control;
 - v. Failure to supply the Services in a manner satisfactory to the Board, or inability to supply the Services satisfactorily as a result of insolvency or filing for bankruptcy;
 - vi. Failure to promptly re-supply Services that were determined by the Board to be defective or failing to meet the scope of Services within a reasonable time;
 - vii. Discontinuance of the supply of the Services for reasons not beyond Vendor's reasonable control;
 - viii. Unauthorized action by Vendor to subcontract, encumber, assign or transfer the Agreement, either in whole or part other than as specified in the Agreement; or
 - ix. Failure to comply with any term of this Agreement, including but not limited to, the provisions concerning insurance and nondiscrimination, and any other acts specifically and expressly stated in this Agreement constituting an event of default.

9. **Remedies:** The occurrence of any Event of Default which Vendor fails to cure within fifteen (15) calendar days (or such other period as the Board's Chief Procurement Officer may authorize in writing) after receipt of notice given in accordance with the terms of the Agreement and specifying the Event of Default or which, if such Event of Default cannot be reasonably cured within said cure period after notice, Vendor fails to commence and continue diligent efforts to cure in the sole opinion of the Board, may permit the Board to declare Vendor in default. Whether to declare Vendor in default is within the sole discretion of the Board's Chief Procurement Officer. Written notification of an intention of the Board's Chief Procurement Officer to terminate the Agreement, in whole or in part, shall be provided and shall be final and effective upon Vendor's receipt of such notice or on the date set forth in the notice, whichever is later. When a notice of an intention to terminate is given as provided in this Section, Vendor must discontinue all Services, unless otherwise directed in the notice, and must deliver to the Board all materials prepared or created in the performance of this Agreement, whether

completed or in-process. Upon the giving of such notice as provided in the Agreement, the Board may invoke any or all of the following remedies:

- A. The right to take over and complete the supply of Services or any part thereof, by contract or otherwise as agent for and at the cost of Vendor either directly or through others. Vendor shall be liable to the Board for any excess costs incurred by the Board. Any amount due Vendor under this Agreement or any other agreement Vendor may have with the Board may be offset against amounts claimed due by the Board;
- B. The right to terminate this Agreement, in whole or in part, as to any or all of the Services yet to be supplied effective at a time specified by the Board;
- C. The right to suspend the supply of Services during the fifteen (15) day cure period if the default results from Vendor's action or failure to act which affects the safety or welfare of students or Board staff;
- D. The right to specific performance, an injunction or any other appropriate equitable remedy;
- E. The right to receive from Vendor any and all damages incurred as a result or in consequence of an Event of Default;
- F. The right to money damages;
- G. The right to withhold all or part of Vendor's compensation under this Agreement; and
- H. The right to use an Event of Default as a basis to deem Vendor non-responsible in future contracts to be awarded by the Board.

The Board may elect not to declare Vendor in default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the Board and that if the Board permits Vendor to continue to supply the Services despite one or more Events of Default, Vendor shall in no way be relieved of any responsibilities, duties or obligations under this Agreement nor shall the Board waive or relinquish any of its rights under this Agreement, at law, equity or statute.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall be construed as a waiver of any Event of Default or acquiescence thereto, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

10. Early Termination, Suspension of Services: The Board may terminate this Agreement in whole or in part, without cause upon thirty (30) days written notice.

After notice is received, Vendor must restrict its activities and those of its subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed.

Vendor must include in its contracts with subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the Board arising from termination of subcontracts after the early termination of this Agreement.

Vendor shall not be entitled to make any early termination claims against the Board resulting from any subcontractor's claims against Vendor or the Board to the extent inconsistent with this provision.

The Board may, upon fifteen (15) calendar day's written notice, request that Vendor suspend supplying Services in whole or part. Vendor shall promptly resume supplying Services upon written

notice from the Board and upon such equitable extension of time as may be mutually agreed upon, in writing, by the Board and Vendor. Responsibility for any additional costs or expenses actually incurred by Vendor as a result of remobilization shall be determined by mutual agreement of the parties.

11. Assignment/Subcontracting:

- A. Assignment: This Agreement shall be binding on the parties and their respective successors and assigns, provided however, that Vendor may not assign this Agreement or any obligations imposed hereunder without the prior written consent of the Board.
- B. Subcontracting Procedures: Vendor may not subcontract any Services or routes awarded under this Agreement without the prior written consent of the Board, which consent shall be at the sole and absolute discretion of the Board.

Vendor is responsible to the Board for the performance of its subcontractors under this Agreement. Subcontracting does not release the Vendor from any responsibilities or requirements stated in this Agreement or any written or oral instructions given by STS. Vendor shall ensure that its subcontractors agree to and comply with the terms, conditions and requirements of this Agreement including, but not limited to, all city, state and federal laws and regulations. The Board will not grant approval of a subcontractor if the Vendor fails to furnish the Board with sufficient information and documentation to determine a subcontractor's operational readiness and agreement to comply, and its actual compliance with, the provisions of this Agreement.

- 12. Notice of Legal Action:** Vendor must notify the Board immediately in writing when any legal action is taken against the Vendor which might preclude or prevent the Vendor from meeting or might affect the Vendor's ability to meet all obligations under this Agreement or when the Vendor is involved in any bankruptcy or related action.

13. Confidential Information, Dissemination of Information, Ownership, Survival:

- A. Confidential Information: In performance of this Agreement, Vendor may have access to or receive certain information that is not generally known to others ("**Confidential Information**"). Vendor shall not use or disclose any Confidential Information or any finished or unfinished, documents, screens, reports, writings, procedural manuals, forms, source code, object code, work flow charts, methods, processes, data, data studies, drawings, maps, files, records, computer printouts, designs, equipment descriptions, or other materials prepared or generated as a result of this Agreement ("**Work Product**") without the prior written consent of the Board. Vendor shall use at least the same standard of care in the protection of the Confidential Information of the Board as Vendor uses to protect its own confidential information, but in any event such Confidential Information shall be protected in at least a commercially reasonable manner.
- B. Dissemination of Information: Vendor shall not disseminate any Confidential Information or Work Product to a third party without the prior written consent of the Board. Vendor shall not issue publicity news releases or grant press interviews related to this Agreement, except as may be required by law or with the prior written consent of the Board. If Vendor is presented with a request for documents by any administrative agency or with a *subpoena duces tecum* regarding any Confidential Information or Work Product which may be in Vendor's possession, Vendor shall immediately give notice to the Board and its General Counsel with the understanding that the Board shall have the opportunity to contest such process by any means available to it prior to submission of any documents to a court or other third party. Vendor shall not be obligated to withhold delivery of documents beyond the time ordered by a court of law or administrative agency, unless the request for production or subpoena is quashed or withdrawn, or the time to produce is otherwise extended. Vendor shall cause its personnel, staff and subcontractors, if any, to undertake the same obligations regarding

confidentiality and dissemination of information as agreed to by Vendor under this Agreement.

- C. **Ownership:** Vendor agrees that, to the extent permitted by law, any and all Work Product shall exclusively be deemed "works for hire" within the meaning and purview of the United States Copyright Act, 17 U.S.C. 101§ *et seq.* To the extent any Work Product does not qualify as a "work for hire," Vendor irrevocably grants, assigns, and transfers to the Board all right, title, and interest in and to the Work Product in all media throughout the world in perpetuity and all intellectual property rights therein, free and clear of any liens, claims, or other encumbrances, to the fullest extent permitted by law. All intellectual property, Confidential Information, and Work Product shall at all times be and remain the property of the Board. Vendor shall execute all documents and perform all acts that the Board may request in order to assist the Board in perfecting or protecting its rights in and to the Work Product and all intellectual property rights relating to the Work Product. All of the foregoing items shall be delivered to the Board upon demand at any time and in any event, shall be promptly delivered to the Board upon expiration or termination of this Agreement within three (3) business days of demand. In addition, Vendor shall return the Board's data in the format requested by the Board. If any of the above items are lost or damaged while in Vendor's possession, such items shall be restored or replaced at Vendor's expense.
- D. **Freedom of Information Act:** Vendor acknowledges that this Agreement and all documents submitted to the Board related to this contract award are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.40. Vendor further acknowledges that this Agreement shall be posted on the Board's Internet website at www.cps.edu.
- E. **Survival:** The provisions of this Section shall survive the termination or expiration of this Agreement.

14. Representations and Warranties of Vendor: Vendor represents and warrants that the following shall be true and correct as of the Effective Date of this Agreement and shall continue to be true and correct during the Term of this Agreement and any renewal thereof:

- A. **Compliance with Laws:** Vendor is and shall remain in compliance with all applicable federal, state, county, and municipal, statutes, laws, ordinances, and regulations relating to this Agreement, as amended from time to time, including, but not limited to, the Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, the Drug-Free Workplace, the Illinois School Student Records Act, the Family Educational Rights and Privacy Act, the Protection of Pupil Rights Amendment and any others relating to non-discrimination. Further, Vendor is and shall remain in compliance with all Board policies and rules, as may be amended from time to time. Board policies and rules are available at <http://www.cps.edu/>;
- B. **Licensing/Certification:** Vendor is appropriately licensed/certified under Illinois law to engage in the type of business conducted under the scope of the professional license and the Agreement, and Vendor shall not engage in any business for which a professional license is required by law and for which Vendor, its employees, agents, or subcontractors, as applicable, are not appropriately licensed.
- C. **Good Standing:** Vendor, each of its members, if a joint venture or limited liability company, and each of its subcontractors, if any, have not been deemed by the Board's Chief Procurement Officer to be in default under any other agreement with the Board during the five (5) year period immediately preceding the Effective Date of this Agreement, and have not been debarred under the Board's Debarment Policy during the three (3) year period immediately preceding the effective date of this Agreement;

- D. Authorization: In the event Vendor is an entity other than a sole proprietorship, Vendor represents that it has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of Vendor is duly authorized by Vendor and has been made with complete and full authority to commit Vendor to all terms and conditions of this Agreement which shall constitute valid, binding obligations of Vendor;
- E. Financially Solvent: Vendor warrants that it is financially solvent, is able to pay all debts as they mature, and is possessed of sufficient working capital to supply all Services and perform all obligations under this Agreement;
- F. Gratuities: No payment, gratuity, or offer of employment was made to or by Vendor, any of its members if a limited liability company or joint venture or, to the best of Vendor's knowledge, to any subcontractors, in relation to this Agreement or as an inducement for award of this Agreement. Vendor is and shall remain in compliance with all applicable anti-kickback laws and regulations;
- G. Contractor's Disclosure Form: The disclosures in the Contractor's Disclosure Form (or any ratification thereof) submitted by Vendor are true and correct. Vendor shall promptly notify the Board of any material change in the information set forth therein, including, but not limited to, change in ownership or control, and any such change shall be subject to Board approval, which shall not be unreasonably withheld;
- H. Criminal History Records Search: Vendor represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check ("**Records Check**") conducted on any and all employees, agents and subcontractors who may have direct, regular contact with CPS students under the Agreement in accordance with the Illinois School Code (105 ILCS 5/34-18.5); the Sex Offender and Child Murderer Community Notification Law, created under Illinois Public Act 94-219, eff. August 2005; and the Child Murderer/Violent Offender Against Youth Notification Law, created under Public Act 94-945. Such complete Records Check consists of the following:
- fingerprint-based checks through the Illinois State Police (ISP) and the FBI,
 - check of the Illinois Sex Offender Registry (IL-SOR), and
 - check of the Violent Offender Against Youth Registry (see below).

The purpose of the Records Check is to confirm that none of these persons have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the Sex Offender and Child Murderer Community Notification Law, or the Child Murderer/Violent Offender Against Youth Notification Law, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Vendor understands and agrees that it shall not allow any of its employees, agents or subcontractors to have direct, regular contact with a CPS student until a Records Check has been conducted for such person and the results of the Records Check satisfies the requirements of 105 ILCS 5/34-18.5 and the requirements of the Acts and Laws referenced in the preceding paragraph, as amended from time to time.

It is understood and agreed that Vendor's non-compliance with this Section 14.H will constitute a material breach of this Agreement, and the Board also will have the right to withhold payments due hereunder until Vendor remedies such non-compliance to the Board's reasonable satisfaction, or take any other action or remedy available under this Agreement or by law.

- I. **Research Activities and Data Requests:** Vendor acknowledges and agrees that in the event Vendor seeks to conduct research activities in any Board school or use Board student data for research purposes, Vendor shall comply with the Board's Research Study and Data Policy adopted on July 28, 2010, as may be amended from time to time. Vendor acknowledges and agrees that it may not begin any research activities or obtain data for research purposes without the prior written consent of the Board's Director of Research or her designee;
 - J. **Ethics:** No officer, agent or employee of the Board is or will be employed by Vendor or has or will have a financial interest, directly or indirectly, in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the Board's Ethics Policy (11-0525-PO2), adopted May 25, 2011, as may be amended from time to time, which policy is incorporated herein by reference as if fully set forth herein;
 - K. **Prohibited Acts:** Within the three (3) years prior to the effective date of this Agreement, Vendor or any of its members if a joint venture or a limited liability company, or any of its or their respective officers, directors, shareholders, members, managers, other officials, agents or employees (i) have not been convicted of bribery or attempting to bribe a public officer or employee of any public entity and (ii) have not been convicted of agreeing or colluding among contractors or prospective contractors in restraint of trade, including bid-rigging or bid-rotating, as those terms are defined under the Illinois Criminal Code.
 - L. **Network Systems Usage:** Vendor's use of the Board's Routing System shall be in accordance with procedures and guidelines established by STS and only for purposes of meeting the vendor's routing requirements under this contract. The vendor shall maintain virus protection software approved by the Board on all computer terminals used to access the Routing System and shall institute other necessary protections to ensure that the Board's Routing System is not infected with a virus or other disabling device due to vendor's use of the Routing System.
 - M. **Satisfactory Safety Rating:** If Vendor holds a license or operation authority from the Illinois Commerce Commission or Federal Motor Carrier Safety Administration, the safety rating issued to Vendor in accordance with such license or operating authority is listed as 'Satisfactory'. Vendor shall immediately notify the STS if Vendor receives a 'Conditional' or 'Unsatisfactory' safety rating.
- 15. Independent Contractor:** It is understood and agreed that the relationship of Vendor to the Board is and shall continue to be that of an independent contractor and neither Vendor nor any of Vendor's Staff shall be entitled to receive Board employee benefits. It is further understood and agreed that the Board shall not be responsible for, nor incur any liability for, any State or Federal withholding or other taxes or for FICA or State unemployment insurance for Vendor, its agents, employees or subcontractors, and the payment of any such taxes incurred or due by Vendor shall be the sole responsibility of Vendor. Vendor agrees that neither Vendor, nor its Staff shall represent themselves as employees or agents of the Board. Vendor shall provide the Board with a valid taxpayer identification number as defined by the United States Internal Revenue Code including, but not limited to, a Social Security Number or a Federal Employer Identification Number.
- Any driver under lease, contract or other written contract with Vendor to operate a vehicle hereunder shall be deemed Vendor's subcontractor for purposes of this Agreement, and such arrangement shall be subject to the Agreement's provisions relating to subcontractors.
- 16. Indemnification:** Vendor agrees to indemnify and hold harmless the Board, its members, employees, agents, officers and officials, from and against any and all liabilities, taxes, tax penalties, interest, losses, penalties, damages and expenses of every kind, nature and character, including without limitation, costs and attorney fees, arising out of, or relating to, any and all claims, liens, damages, obligations, actions, suits, judgments, settlements or causes of action of every kind, nature and character, in connection with or arising out of the negligent or willful acts or omissions of Vendor or its Staff under this Agreement.

In addition, Vendor will indemnify, hold harmless, and defend the Board from any claim, demand, cause of action, debt or liability (including reasonable attorneys' fees and expenses) that the Services infringes, misappropriates, or otherwise violates any intellectual property (patent, copyright, trade secret or trademark) rights of a third party.

Vendor shall, at its own cost and expense, appear, defend and pay all attorney fees and other costs and expenses arising hereunder. In addition, if any judgment shall be rendered against the Board in any such action, Vendor shall, at its own expense, satisfy and discharge such obligation of the Board. The Board shall have the right, at its own expense, to participate in the defense of any suit, without relieving Vendor of any of its obligations hereunder. The Board retains final approval of any and all settlements or legal strategies which involve the interest of the Board.

However, if Vendor, after receiving notice of any such proceeding, fails to promptly begin the defense of such claim or action, the Board may (without further notice to Vendor) retain counsel and undertake the defense, compromise or settlement of such claim or action at the expense of Vendor, subject to the right of Vendor to assume the defense of such claim or action at any time prior to settlement, compromise or final determination thereof. The cost and expense of counsel retained by the Board in these circumstances shall be borne by Vendor and Vendor shall be bound by, and shall pay the amount of any settlement, compromise, final determination or judgment reached while the Board was represented by counsel retained by the Board pursuant to this paragraph, or while Vendor was conducting the defense.

To the extent permissible by law, Vendor waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any losses, including any claim by any employee of Vendor that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2nd 155 (1991)). The Board, however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, any other statute or judicial decision.

The indemnities set forth herein shall survive the expiration or termination of this Agreement.

17. **Non-Liability of Board Officials:** Vendor agrees that no Board member, employee, agent, officer or official shall be personally charged by Vendor, its members if a joint venture or any subcontractors with any liability or expense under the Agreement or be held personally liable under the Agreement to Vendor, its members if a joint venture or any subcontractors.
18. **Board Not Subject to Taxes:** The federal excise tax does not apply to the Board by virtue of Exemption Certificate No. 36-600584, and the State of Illinois sales tax does not apply to the Board by virtue of Exemption No. E9997-7109. The amounts to be paid to Vendor hereunder are inclusive of all other taxes that may be levied or based on this Agreement, including without limitation sales, use, nonresident, value-added, excise, and similar taxes levied or imposed on the Services to be provided under this Agreement, but excluding taxes levied or imposed on the income or business privileges of Vendor. Vendor shall be responsible for any taxes levied or imposed upon the income or business privileges of Vendor.
19. **Cancellation of Services:** If Services are cancelled by the Board for any reason including, but not limited to, adverse weather conditions, labor strikes by Board employees, civil disturbances or temporary school closings, the Vendor shall not be compensated by the Board for Services cancelled.
20. **Insurance Requirements:** Vendor, at its own expense, shall procure and maintain Insurance covering all operations under this Agreement, whether performed by Vendor or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service and policies shall not contain non-standard exclusions. Vendor shall submit to the Board satisfactory evidence of insurance coverage prior to the supply of any Services

and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements are:

- A. Workers' Compensation and Employers' Liability Insurance: Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all Vendor's employees, with limits of not less than Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence. The workers' compensation policy shall contain a waiver of subrogation clause;
- B. Commercial General Liability Insurance: Commercial General Liability Insurance or equivalent with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) per occurrence, combined single limit for bodily injury, personal injury and property damage liability coverage, which shall include the following: all premises and operations; Services/completed operations (for a minimum of two (2) years following completion); explosion; collapse; independent contractors; separation of insureds; defense; and contractual liability. The Board shall be named as an additional insured, on a primary non-contributory basis, for any liability arising directly or indirectly from the supply of the Services;;
- C. Umbrella/Excess Liability Insurance: Umbrella or Excess Liability Insurance with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence, which will provide additional limits for Commercial General Liability Insurance and Automobile Liability Insurance;
- D. Automobile Liability Insurance: Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with any Agreement, with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage; and
- E. Additional Insured: Vendor shall have its Commercial General Liability Insurance and Automobile Liability Insurance policies endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees and agents, and any other entity as may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board.

The insurance company, or its representative, shall submit an insurance certificate evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Certificate must provide thirty (30) days prior written notice of material change, cancellation, or non-renewal be given to:

Risk Management
Board of Education of the City of Chicago
125 South Clark Street, 7th Floor
Chicago IL 60603

The Board will not pay Vendor for any Services if satisfactory proof of insurance is not provided before the supply of any Services. The Board reserves the right to modify, delete, alter, or change insurance requirements at any time.

Vendor shall require any subcontractors under this Agreement to maintain insurance at the same levels described above and naming Vendor, the Board inclusive of its members, employees and agents, and any other entity designated by the Board as additional insureds. Vendor will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of Vendor's obligation to obtain the required insurance. The receipt of any certificate does not constitute agreement by the Board that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements under this Agreement. Vendor's failure to carry or document required insurance shall constitute a

breach of Vendor's agreement with the Board. In the event Vendor fails to fulfill the insurance requirements of this Agreement, the Board retains the right to stop the supply of Services until proper evidence of insurance is provided, or the Board may terminate this Agreement.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by Vendor. Any insurance or self-insurance programs maintained by the Board of Education do not contribute with insurance provided by Vendor under this Agreement.

The coverages and limits furnished by Vendor in no way limit Vendor's liabilities and responsibilities specified within this Agreement or by law. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Vendor agrees that insurers waive their rights of subrogation against the Board.

Vendor must register with the insurance certificate monitoring company designated by the Board and must maintain a current insurance certificate on file for the duration of the Term of this Agreement. The initial certificate monitoring company designated by the Board is identified below. Vendor must register and pay the annual monitoring fee to the insurance certificate monitoring company prior to performing the Services hereunder for the Board. The annual monitoring fee is currently Twelve and 00/100 Dollars (\$12.00) per year, but is subject to change.

Each year, Vendor shall be notified 30 to 45 days prior to the expiration date of their required insurance coverage (highlighted on their latest submitted insurance certificate on file) that it must submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company identified below. Questions on submissions and payment options should be directed to the certificate monitoring company listed below.

Certificate Monitoring Company:

Topiary Communications Inc.
676 N. LaSalle - Suite 230
Chicago, IL 60654
Phone - (312) 494-5709
Email - dans@topiarycomm.net

- 21. Liquidated Damages:** Because of the difficulty in ascertaining and quantifying the actual damages which the Board may sustain should the Vendor fail to perform Services as required under this Agreement, the Board and Vendor agree that the Board shall have the right to assess liquidated damages for each failure by the Vendor to perform the Services required under this Agreement. The amount of liquidated damages for each such failure by the Vendor shall be assessed on a fixed amount basis. The Board and the Vendor further agree that the imposition of liquidated damages is a reasonable measure of the Board's damage.

Vendor agrees to pay such amounts as fixed, agreed and liquidated damages, and not by way of penalty, to the Board and further authorizes the Board to deduct the amount of the damages from money due the Vendor under this Agreement. If the monies due the Vendor are insufficient or no monies are due the Vendor, Vendor shall pay the Board the amount(s) within thirty (30) calendar days after receipt of a written demand by the Board.

The Board shall have the right to elect not to assess liquidated damages in its sole discretion and determination. However, failure by the Board to assess liquidated damages in any particular instance or occasion shall not preclude, or constitute a waiver, of the Board's right to assess such damages at a later time, or on a subsequent occasion. The Board's right to assess liquidated damages shall not preclude the assertion of, or be exclusive of, any other available remedy including the right to terminate this Agreement, in whole or in part, or the right to seek damages for an unspecified amount

for other failures to perform under this Agreement.

Any service issue resulting in an assessment of liquidated damages may also result in loss of route or loss of all routes serving a school as determined appropriate by STS. Service issues that STS identifies with normal school year start-up which occur during the first five (5) days of school will not be assessed liquidated damages. Liquidated damages will not be assessed if lateness results from "Force Majeure".

The term "Force Majeure" as used herein means acts of God; acts of public enemy, blockades, wars, insurrections or riots; landslides, earthquakes, fires, storms, floods, or washouts; governmental restraints, either federal or state, civil or military; civil disturbances; explosions; and traffic accidents caused entirely by a party other than vendor or vendor's employees.

The Board may assess liquidated damages in amounts set out below, on i) an 'each individual incident' basis, i) an "each occurrence" basis or iii) an "each day" basis. Liquidated damages assessed on an "each individual incident" basis will be assessed each time the infraction occurs. Liquidated damages assessed on an "each occurrence" basis will be assessed once for each occurrence (non-trip or non-daily). Liquidated damages assessed on an "each day" basis will be assessed daily.

Vendor agrees to pay to the Board the following assessment(s) for Liquidated Damages as further set forth in Section 21 above:

Service Failures Resulting In Assessments of Liquidated Damages to be Paid by Vendor:	Assessment
1. Driver is operating a vehicle without a current valid state driver's license. Vendor will also lose all routes at the school where the illegal driver performed services.	\$10,000/occurrence
2. Student is left unattended in a vehicle after the run is complete.	\$10,000/occurrence
3. If a school vehicle that has failed a State of Illinois Safety Lane Inspection is used to provide services to any CPS route or activity.	\$10,000/occurrence
4. Driver tests positive for being under the influence of alcohol or illegal drugs while operating a CPS route. (Driver's refusal to take test is considered positive).	\$10,000/occurrence
5. Vehicle is operated without a current State License and/or valid State Safety Lane Inspection Certificate for the appropriate type of vehicle.	\$5,000/occurrence
6. Vendor operating in non-compliance with Drug and Alcohol testing requirements.	\$5,000/occurrence
7. Vendor permits a driver to operate a CPS route, a vehicle aide to serve on a CPS route, or a school vehicle to serve a CPS route after being notified by STS that such person or school vehicle is ineligible to serve a CPS route.	\$5,000/occurrence
8. Student remains on the vehicle after other students are unloaded at the designated school and the vehicle leaves the school loading/unloading area but the driver never leaves the vehicle.	\$3,000/occurrence
9. Releasing student with disabilities to unauthorized adult or no adult.	\$3,000/occurrence
10. Vendor fails to comply with the requirement to staff the dispatch office 45 minutes before and after all routes are operating.	\$3,000/occurrence
11. Operating a vehicle that is not within the specified vehicle age requirements.	\$1,000/occurrence
12. Vendor fails to maintain the required amount of insurance coverage.	\$1,000/day
13. A vehicle operating without Vendor documented preventative maintenance, brake inspections, or breakdown records.	\$1,000/occurrence
14. Vendor submits invoice for route on which no students are riding.	\$1,000/route invoiced
15. Vendor fails to operate an assigned route and STS has to use other sources to provide service.	\$500/occurrence
16. Route does not operate because Vendor's vehicle is a no-show after 45 minutes of the scheduled time.	\$500/occurrence
17. Vendor fails to provide their Certificate of Insurance on the required timelines.	\$500/occurrence

Service Failures Resulting In Assessments of Liquidated Damages to be Paid by Vendor:	Assessment
18. Vendor fails to report an incident or accident concerning any Chicago Public School students on any regular route at any time to the STS within sixty (60) minutes of the occurrence. Vendor fails to submit Carrier Student Transportation Services Report with 24 hours after an accident or incident.	\$500/occurrence
19. A vehicle operating in non-compliance of equipment requirements: fire extinguisher, safety glass windows, etc.	\$500/occurrence
20. Vendor fails to make requested buses and/or driver records available for inspection at some point between 5 a.m.-5 p.m., on the day of inspection, Monday through Friday (with, or without, notice); and Saturday (with 48-hour notice).	\$500/occurrence
21. Vendor fails to update the driver/vehicle/student database electronically through designated CPS website as requested by the STS.	\$500/occurrence
22. Vendor fails to notify STS when students have not been riding the vehicle for more than three days.	\$500/occurrence
23. A vehicle operating with unauthorized students or unauthorized riders.	\$500/occurrence
24. Vendor operates a school vehicle without lap and shoulder belts and 4 point wheelchair securements.	\$250/day
25. A vehicle operating without approved and working telecommunications equipment.	\$250/occurrence
26. Driver operates CPS routes when Vendor records do not document that the driver training requirements and background check requirements have been met.	\$250/occurrence
27. A driver denying a child transportation service or discharging a child from the vehicle that is not the child's designated stop.	\$250/occurrence
28. A route operated without a current route itinerary or operated with an approved STS modified route sheet in paper or electronic form.	\$250/occurrence
29. A Vendor-employed vehicle aide working when Vendor records do not document that the aide's training requirements and background check requirements have been met.	\$250/occurrence
30. Vendor fails to return a phone call from STS within 30 minutes during normal business hours.	\$250/occurrence
31. Vendor fails to report a late vehicle operating over 45 minutes of the designated school bell time that is the direct fault of Vendor.	\$250/occurrence
32. Vendor fails to comply with CPS Anti-Idling policy.	\$250/occurrence
33. A route, whether AM, mid-day, or PM, arriving at school after the time designated by STS but less than 45 minutes after the scheduled time.	\$100/occurrence
34. A school vehicle operating without approved and fully operational GPS/Tracking equipment.	\$100/day
35. Vendor is in non-compliance of the office telephone or office equipment requirement.	\$100/day
36. Driver/ fails to wear/display the required license/permit/CPS ID badge.	\$100/occurrence
37. A route operated in non-compliance of the route sign requirement.	\$100/occurrence
38. A route operated in non-compliance of the "1-800" sign requirement.	\$100/occurrence
39. Vendor fails to keep the interior and/or exterior of the school vehicle reasonably clean.	\$100/occurrence
40. Vendor fails to provide a vendor aide on an accepted route.	\$100/occurrence
41. Vendor fails to report all vehicles in to the STS ("All Clear").	\$100/occurrence

22. Audit and Document Retention:

- A. **Audit:** Vendor shall furnish the Board with such information as may be requested relative to the progress, execution and costs of supplying the Services. Vendor shall permit and cooperate in a periodic audit by Board staff or Board-appointed auditors for compliance by Vendor with this Agreement. Failure of Vendor to comply in full and cooperate with the requests of the Board or its agents shall give the Board, in addition to all other rights and remedies hereunder, the right to charge Vendor for the cost of such audit.

B. **Document Retention:** Vendor shall maintain all records, correspondence, receipts, vouchers, memoranda and other data relating to Vendor's supplying the Services under this Agreement. All records referenced above shall be retained for six (6) years after delivery of the Services and shall be subject to inspection and audit by the Board. Vendor shall include in all subcontractor contracts for the Services, provisions requiring subcontractors to maintain the above-described records and allowing the Board the same right to inspect and audit said records as set forth herein.

23. **Notices:** All notices required under this Agreement shall be in writing and sent to the addresses and persons set forth below, or to such other addresses as may be designated by a party in writing. All notices shall be deemed received when (i) delivered personally, or (ii) sent by confirmed telex or facsimile (followed by the actual document), or (iii) one day after deposit with a commercial express courier specifying next day delivery, with written verification of receipt. Refusal to accept delivery has the same effect as receipt.

IF TO THE BOARD:

Chicago Board of Education
Department of Student Transportation Services
125 South Clark Street, 16th Floor
Chicago, IL 60603
Attn: Paul G. Osland, Executive Director
Facsimile: (773) 553-2861

Copy to:

James L. Bebley, General Counsel
Chicago Board of Education
Law Department
125 South Clark Street, Suite 700
Chicago, IL 60603
Facsimile: (773) 553-1701

IF TO VENDOR:

SCR Medical Transportation, Inc.
8801-25 South Greenwood Avenue.
Chicago, IL 60619
Attn: Dave Daley
Facsimile: (773) _____

24. **Right of Entry:** Vendor, and any of its employees, agents and subcontractors supplying Services shall be permitted to enter upon a school site in connection with the supply of the Services hereunder, subject to the terms and conditions contained herein and those rules established by the Board. Vendor shall provide advance notice to the Board whenever applicable, of any such intended entry. Consent to enter upon a school site given by the Board shall not create, nor be deemed to imply, the creation of any additional responsibilities on the part of the Board. Vendor shall use, and shall cause each of its Staff to use, the highest degree of care when entering upon any property owned by the Board in connection with the supply of the Services. In the case of any property owned by the Board, or property owned by and leased from the Board, Vendor shall comply and shall cause each of its Staff, to comply with any and all instructions and requirements of Board or authorized Board representative for the use of such property. Any and all claims, suits or judgments, costs, or expenses, including, but not limited to, reasonable attorneys fees, arising from, by reason of, or in connection with any such entries shall be treated in accordance with the applicable terms and conditions of this Bid including without limitation the indemnification provisions contained in this Agreement.

25. **Non-Discrimination:** It shall be an unlawful employment practice for Vendor or any of its subcontractors to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation, or other terms, conditions, or privileges of employment, because of such individual's race, color, ancestry, religion, sex, sexual orientation, age, disability, marital status, parental status, military discharge status or national origin; or to limit, segregate, or classify employees or applicants for employment in any way that would deprive or tend

to deprive any individual from equal employment opportunities or otherwise adversely affect an individual's status as an employee because of such individual's race, color, ancestry, religion, sex, sexual orientation, age, disability, marital status, parental status, military discharge status or national origin. At all times, Vendor shall remain in compliance with, but not limited to: the Civil Rights Act of 1964, 42 U.S.C.A. §2000a, *et seq.*, as amended; the Age Discrimination in Employment Act, 29 U.S.C.A. §621, *et seq.*; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C.A. §701, *et seq.*; as amended; the Americans with Disabilities Act, 42 U.S.C.A. §12101, *et seq.*; the Individuals with Disabilities Education Act, 20 U.S.C.A. §1400 *et seq.*, as amended; the IL Human Rights Act, 775 ILCS 5/1-101, *et seq.* as amended; the IL School Code, 105 ILCS 5/1-1 *et seq.*; the IL Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.*; and the Chicago Human Rights Ordinance, ch. 2-160 of the Municipal Code of Chicago, and all other applicable federal statutes, regulations and other laws.

26. **Entire Agreement and Amendment:** This Agreement, including all exhibits attached to it and incorporated into it, constitutes the entire agreement of the parties with respect to the matters contained herein. All attached exhibits are incorporated into and made a part of this Agreement. No modification of or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by both parties hereto. Any prior agreements or representations, either written or oral, relating to the subject matter of this Agreement are of no force or effect.

27. **Governing Law:** This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois.

Vendor irrevocably submits itself to the original jurisdiction of those courts located in the County of Cook, State of Illinois, with regard to any controversy arising out, or relating to, or in any way concerning the execution or performance of this Agreement. Vendor agrees that service of process on Vendor may be made, at the option of the Board, by either registered or certified mail to the address and to the person set forth on the Bid Execution Page, to such other address or person as may be designated by Vendor in writing, to the office actually maintained by Vendor or by personal delivery on any officer, director or managing or general agent of Vendor. If any action is brought by Vendor against the Board concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

28. **Continuing Obligation To Perform:** In the event of any dispute between Vendor and the Board, Vendor shall expeditiously and diligently proceed with the performance of all of its obligations under this Agreement with a reservation of all rights and remedies it may have under or pursuant to this Agreement at law or in equity.

29. **Conflict Of Interest:** This Agreement is not legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3, which restricts the employment of, or the letting of contracts to, former Board members within a one year period following expiration or other termination of their office.

30. **Indebtedness:** Vendor agrees to comply with the Board's Indebtedness Policy (96-0626-PO3) as may be amended from time to time, which is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.

31. **Inspector General:** Each party to this Agreement hereby acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

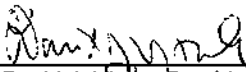
32. **Waiver:** No delay or omission by the Board to exercise any right hereunder shall be construed as a waiver of any such right and the Board reserves the right to exercise any such right from time to time and as often as may be deemed expedient.

33. **M/WBE Program:** Vendor acknowledges that it is familiar with the requirements of the Board's Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Agreements and agrees to comply with the provisions of such program.
34. **Survival Severability:** All express warranties, representations and indemnifications made or given in this Agreement shall survive the supply of Services by Vendor or the termination of this Agreement for any reason. In the event that any one or more of the provisions contained herein will for any reason be held to be unenforceable or illegal, such provision will be severed; and the entire Agreement will not fail, but the balance of this Agreement will continue in full force and effect. In such event, the parties agree to negotiate in good faith a substitute enforceable and legal provision that most nearly effects the intent of the parties in entering into this Agreement.
35. **Joint and Several Liability:** If Vendor, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof); then, and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by Vendor shall be the joint and several obligation or undertaking of each such individual or other legal entity.
36. **Debarment Policy.** Vendor acknowledges that, in supplying Services for the Board, Vendor shall not utilize any firms that have been debarred from doing business with the Board under the Board's Debarment Policy and Procedures, 08-1217-PO1, as amended from time to time. If Vendor has engaged any firm to supply Services that is later debarred, Vendor shall sever its relationship with that firm with respect to supplying Services to the Board.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

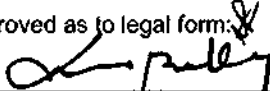
**BOARD OF EDUCATION
OF THE CITY OF CHICAGO**

By: 
David J. Vitale, President

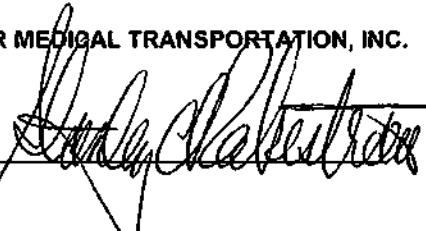
Attest: 
Estela G. Beltran, Secretary

Date: 5/14/13

Board Report No. 13-0403-PR10 - 1

Approved as to legal form: 
James L. Bebley, General Counsel

SCR MEDICAL TRANSPORTATION, INC.

By: 

Name: Stanley C. Rakestraw

Title: Vice President & Chief Operating Officer

Attest: 
Dave Daley, General Manager

Date: 5-10-13

Attachments:

Exhibit A: Scope of Services

Exhibit B: Map of the Eight (8) Geographic Zones for the District

EXHIBIT A

SCOPE OF SERVICES

SCR Medical Transportation, Inc. ("Vendor")

Board Report No. 13-0403-PR10

Program: Para Transit Student Transportation Services

CPS Project Manager: Paul Osland, Executive Director of STS Phone: 773-553-2895 E-Mail: posland@cps.edu

Vendor's Project Manager: Dave Daley Phone: 312-350-6055 E-Mail: ddaley@goscr.com

Period of Performance: April 8, 2013 until the last day of the school year as determined by the Board in June 2016

This Scope of Services shall be conducted pursuant to the terms and conditions of the above-referenced Board Report and the Para Transit and Small Vehicle Student Transportation Services Agreement dated April 8, 2013 ("Agreement") between SCR Medical Transportation, Inc. ("Vendor") and the Board of Education of the City of Chicago, commonly known as Chicago Public Schools (the "Board" or "CPS"). Defined terms used in this Scope of Services shall have the same meaning as those ascribed to such terms in the Agreement.

I. SERVICES:

Vendor shall provide the Board with para transit and small vehicle student transportation services (including vehicles, equipment, materials, labor and other required services) ("Services") for students participating in one of the below listed programs:

- ❖ Special Education (ambulatory and non-ambulatory) attending CPS facilities within the City of Chicago
- ❖ Alternative School Programs
- ❖ Special Education (ambulatory and non-ambulatory) attending non-CPS facilities in and around the City of Chicago
- ❖ Students in Temporary Living Situations
- ❖ Other Programs as may be authorized by the Board's Executive Director of Transportation.

Para transit and small vehicle student transportation shall include, but not be limited to, regular and special education home-to-school service, shuttle service, after school services and charter services as applicable for public school or nonpublic school students with disabilities residing within and outside the City of Chicago for routes that serve up to four (4) student passengers and for groups of five (5) to eight (8) students.

Vendor must be capable of adjusting routes schedules and Services within twenty-four (24) hours after notice of such change is received from the Board's Student Transportation Services ("STS").

The Board estimates that it may award up to 100 routes generally throughout the day at such time periods as determined appropriate by the Board.

Students with disabilities must be transported by Vendor in accordance with the Board's direction. Vendor shall remain responsible for each student with disabilities until the student is met by an authorized, responsible adult or as otherwise directed by school officials.

A. Start-Up Readiness Requirements

No more than thirty (30) days prior to the Effective Date of the Agreement and annually, no more than thirty (30) days prior to each school year thereafter, Vendor shall demonstrate its operational readiness to conduct smooth school year startup operations and satisfactorily run all routes assigned to Vendor. The Vendor shall demonstrate operational readiness and the ability to conduct a satisfactory school start up by submitting the following to STS in accordance with the schedule and timelines established by the STS:

1. Evidence of sufficient financial strength and resources to operate and provide the services, including, but not limited to;
 - Reports of: i) financial condition, including latest financial statements as requested by the CPO; and ii) outstanding legal actions
2. Evidence that the Vendor's vehicles, and other necessary equipment are sufficient to satisfactorily perform Services for the routes awarded, including without limitation:
 - List of licensed drivers
 - List of holders of an Illinois passenger vehicle certifications
 - List of drivers in training with projected licensing date for each vehicle
 - List of licensed vehicles to be used in providing the Services
 - List of bus aides or proposed hiring plan
3. Evidence of management personnel with sufficient skills, experience and resources to ensure that all Services are satisfactorily delivered hereunder, including without limitation:
 - List of management personnel along with their defined responsibilities, including, but not limited to, those individuals responsible for : i) supervision of drivers and bus aides; (ii) dispatching drivers; and vehicles, safety; and iii) any other information requested by the CPO
4. Evidence of compliance with insurance, bonding, licensing and other requirements which are necessary for Vendor to provide Services hereunder, including without limitation:
 - Certificate of insurance
 - Performance bond
 - Applicable operating licenses and registrations

STS reserves the right to conduct a site visit of Vendor's facilities in order to view Vendor's operations and practices. When an on-site operational readiness audit is scheduled, Vendor shall make its facilities, vehicles and records available for inspection by the STS.

Further, STS reserves the right to require Vendor to provide an oral presentation concerning its: i) financial condition; ii) progress with respect to recruitment and training of drivers and bus aides; iii) the purchase and delivery of vehicles; and iv) such other matters as may relate to operational readiness. Vendor agrees to fully cooperate with the STS's efforts to ascertain the Vendor's operational readiness status and shall timely respond to all questions and requests for information. STS shall evaluate the information provided by Vendor together with information gathered in on-site readiness audits and from other relevant sources to determine the operational readiness of the Vendor.

STS shall provide a written record of any and all noted deficiencies related to operational readiness to the Vendor for correction. If the Vendor is not able to satisfactorily and timely correct the readiness deficiencies, the Board's Executive Director of Transportation shall notify the Vendor of any route

reductions or other remedies imposed that result from a STS finding that Vendor has failed to demonstrate operational readiness.

B. Route Requirements

1. School Calendar

Vendor must provide Services for all operating days as required by the Board. The Board retains the authority to change or otherwise modify the school start and end times and dates as it deems appropriate.

2. Arrival/Departure Time At School

Vendor's vehicles shall arrive at the school(s) on each route at times as determined appropriate by the Board's Executive Director of Transportation or the principal of the school. A vehicle that arrives after the time designated by the Board is considered late. No student drop off may occur before the time designated by the Board and the applicable school principal.

3. Route No-Shows and Delays

Any route that arrives at its destination forty-five (45) or more minutes later than the time specified by the Board shall be considered a "No-Show". All awarded routes must be completed, even those considered a "No-Show".

Vendor shall notify the Board and the appropriate school(s) by phone if for any reason a route will arrive at any school(s) fifteen (15) or more minutes after the agreed upon time.

4. Inclement Weather and Other Factors

During inclement weather if the Board decides to cancel school, Vendor shall not be required to provide any Services for those school routes. The Board will notify the Vendor no later than two (2) hours prior to normal bell times of a district-wide or school-specific closure due to weather or other factors.

If there is a decision to implement an emergency closure at a school earlier than the normal bell time, the Board will inform the Vendor as soon as possible, but not later than one (1) hour prior to the closure time.

5. Accident/Incident Procedures

Each driver involved in an accident or incident that occurs while operating a vehicle for the purposes of a route for the Board shall follow the Vehicle Accident Procedures and shall report such accident/incident to Vendor who shall report such accident/incident to the Board as soon as possible, but in no event no more than one (1) hour after any accident or incident. The initial report from Vendor shall be made by telephone or such other electronic method specified and determined appropriate by the Board's Executive Director of Transportation.

Each accident or incident must also be reported in writing to the Board. The written report must be received by the Board within twenty-four (24) hours after the occurrence of any accident or incident. The Board may, in its discretion, require an investigation of accidents or incidents including a written report identifying the corrective actions and time frame for implementation of such actions.

6. Use of Vehicles

While operating Board routes, Vendor shall only transport Board students and others specifically assigned to such route. Drivers, children's welfare attendants, and Vendor-employed aides shall not transport their children on any Board routes.

Vendor is not required to give the Board exclusive use of vehicles, provided there are no conflicts with the required route times or other Board requirements described herein. Only passengers approved by the Board may ride in any such vehicles at the same time as students.

7. Route Hazard Identification

Vendor shall establish a procedure for drivers and/or road supervisor to identify, monitor and report potential safety hazards on routes in accordance with the Illinois State Board of Education (ISBE) guidelines.

8. Development of Routes

STS shall provide the appropriate student information, i.e. student name and address, etc. concerning students to be transported by the Vendor assigned the route. It shall be the responsibility of the Vendor to develop the pickups in a mileage efficient logical order and identify the scheduled pickup times to arrive at school at the appointed time with the approval of the STS. All routes are subject to change by the STS. Vendor shall develop and provide to each driver a typed route itinerary indicating the streets to be used and the stops to be made. Student names, addresses and phone numbers shall be included on the route itinerary. Route itineraries shall be provided to STS upon request in electronic format.

All route itineraries are subject to change by the STS. All route changes must be implemented within forty-eight (48) hours of Vendor's receipt of route change from STS. STS reserves the right to design a route that serves students attending more than one school. Pick-up location shall be in front of the designated address. Vendor shall notify STS when a student does not ride to or from school on a regular basis.

9. Increase or Decrease in Routes

At any time during the Term of the Agreement, the number of routes required may be decreased or increased and routes may be adjusted by STS due to improvements in operational efficiencies or changes in student population and other events affecting service requirements.

10. Supplemental Child Seating, Child Protection, Restraint Systems, Safety Belts

Vendor is required to provide any and all supplemental child seating and child protection or restraint systems (excluding wheelchairs and other wheeled mobility devices), including, but not limited to, child safety seats (car seats) and safety vests as required by STS. Such seating systems and/or restraints, etc., must meet or exceed federal safety standard 213 (49 CFR 571.213) and must be appropriate for each student for whom they are intended. Vendor shall be reimbursed reasonable costs for such seating systems and/or restraints if approved in advance by STS.

All vehicles used to provide Services under this Agreement must be equipped with manufacturer-installed seat belts in all seating positions.

11. Student Supervision

Vendor shall ensure that each student is walked between the vehicle and the school or vice versa by the driver or vehicle aide at the beginning and/or conclusion of each route unless directed otherwise by the STS. Vehicle aides are to meet each student at the curb of the home. Drivers and/or vehicle aides are not to go to the door of the home to receive or drop-off any students.

12. Special Education Routes

Drivers and vehicle aides must exert special care to ensure students assigned to special education routes are cared for according to the needs of the student. Students with disabilities must be transported in accordance with STS policies. Vendor shall remain responsible for students transported on special education routes until a responsible adult meets the student. Vendor shall ensure that drivers and vehicle aides follow the Board's Stranded Student Protocol which is applicable to para transit student transportation. Vendor shall be compensated at the rate of \$25.00 per event, for time required by a Vendor-employed vehicle aide to supervise an "undeliverable" child if STS designated procedures are followed as determined appropriate by STS.

13. Student Management Responsibilities

Drivers and Vendor-employed vehicle aides are responsible for student safety while students are on, entering or exiting the vehicle. Proper student behavior shall be required of students by drivers and Vendor-employed vehicle aides in an effort to provide safe transportation. The driver must complete a Board-approved "Route Conduct Report" when any disruptive incident occurs. The completed form must be provided to the school principal or designated representative as soon as possible. Orderly classroom behavior shall be required during the route at all times.

Drivers and Vendor-employed vehicle aides are *not* allowed to physically discipline students or evict them from the vehicle. Student discipline is a matter for the Board, not the Vendor or its officials, officers, agents, employees or subcontractors.

14. Responsibility for Performance

Vendor shall be responsible for the performance of its entire staff, their actions and equipment. Vendor shall also be responsible for the performance of all subcontractor staff, their actions and equipment. STS reserves the right to require the suspension/removal of any Vendor-employed staff from performing work under this Agreement or the removal of Vendor equipment for unacceptable performance. This employee or piece of equipment shall not be used again to meet the requirements of this Agreement until such time as STS authorizes use in writing. The driver of every route, upon completion of the route, shall examine the vehicle to determine that all students have been unloaded. Vendor shall provide data and reports concerning route or route operation as requested by the STS.

C. Vehicle Compliance Requirements

All vehicles must comply with all City of Chicago, State of Illinois and Federal statutes, ordinances and regulations as may be amended, including, but not limited to, the current American Disabilities Act ("ADA") requirements for the transportation of persons with disabilities.

Two (2) types of non-school bus vehicles may be required to perform Services required by this Agreement. Vendor shall provide the type of vehicle necessary to meet the needs of the students assigned to the route, such vehicle(s) shall be either non-lift equipped or lift/ramp equipped based on route(s) awarded and student needs. All vehicles must be equipped with functional air conditioning. Only vehicles manufactured as passenger-carrying vehicles shall be used by Vendor. In addition to complying with all, local, state and federal laws and regulations, the vehicles must also comply with the following standards:

1. **Type F - Non-Lift Equipped Vehicle** – A non-school bus Division I, MPV (Multi-Passenger Rated Vehicle) that has a manufacturer's rated capacity of 8 or fewer passengers in addition to the driver. The vehicle must allow, as a minimum, appropriate seating for four (4) ambulatory passengers. Small vans or passenger automobiles may be used in the vehicle category.
2. **Type G - Lift/Ramp Equipped Vehicle** - A non-school bus Division I, MPV (Multi-Passenger Rated Vehicle) that has a manufacturer's rated capacity of 8 or fewer passengers in addition to the driver. The vehicle must allow, at minimum, appropriate seating for one (1) wheelchair non-ambulatory bound passenger and three (3) ambulatory passengers. Each wheelchair location must be equipped with forward-facing wheelchair securement anchorages. Vehicles with an automated lift designed for the loading/unloading of wheelchair bound passengers are desired but appropriately designed ramps may also be used for the loading /unloading of wheelchair bound passengers.

IN ADDITION TO THE FOREGOING, ALL VEHICLES MAKING BOARD ROUTES MUST:

- a. Have a maximum capacity of 8 or fewer students excluding the driver and aide;
- b. Pass safety tests conducted by the Illinois Department of Transportation;

- c. Have never been in junk or salvage status; or involved in serious accidents including those that necessitated repairs to the frame;
- d. On August 1 of each year of the Term, vehicles (including spare vehicles) to be used throughout the following twelve months shall not exceed ten (10) years vehicle age effective as of August 1st of the then current year;
- e. Be maintained in clean, safe, and proper mechanical condition in accordance with federal, and State of Illinois requirements and manufacturer recommendations, and be inspected for such condition on a regular basis;
- f. be registered in the name of the Vendor or subcontractor and included under the company's insurance coverage;
- g. be parked in secure locations when not making routes;
- h. be inspected each morning and each afternoon prior to Board routes in a planned and systematic manner;
- i. be equipped with proper restraint systems (properly used and in good condition) to secure the wheelchairs and a lift or manual ramps if serving students in wheelchairs; and
- j. be equipped with:
 - i. child safety door locks and locking windows;
 - ii. Global Positioning System (GPS) or other mobile data terminals or automatic vehicle locators;
 - iii. radio communication systems approved by the Board for communications between the terminal/dispatch center and the driver;
 - iv. properly working heating and air conditioning systems, locking windows, and child safety locks and properly maintained individual seat belts;
 - v. dry chemical type fire extinguishers mounted in the manufacturer's automobile type bracket in a position accessible to the driver;
 - vi. first aid kits;
 - vii. emergency information packets showing: name and phone number of the transportation service provider; vehicle make model and license number; insurance carrier; driver name and number; name and phone numbers of schools on that route; and route number; and
 - viii. vehicle surveillance systems (such as cameras) as required by the Board's Executive Director of Transportation.

D. Preventative Maintenance Program for Vehicles

1. All vehicles serving Board routes shall be maintained by the Vendor in a clean, safe and proper mechanical condition in accordance with Federal, State of Illinois and manufacturer requirements. STS reserves the right to periodically inspect vehicles to determine their physical appearance, condition of safety and condition of cleanliness. Upon inspection, if STS finds that any vehicle is not in a clean, suitable or safe condition, it may notify the Vendor specifying the unsatisfactory condition or conditions, and Vendor shall then correct any such problem. In the event the Vendor fails to satisfactorily correct such problems, STS may notify the Vendor to immediately remove such vehicles from service until the corrective measures have been completed to the satisfaction of STS. It is understood that the STS reserves the right to order the Vendor to (i) remove any vehicles from operation when the STS believes that the vehicle may present a hazard and (ii) require the Vendor to provide another vehicle.

In addition to Vendor's compliance with any Federal, state and local inspection requirements, the Vendor shall insure that every vehicle is part of a scheduled preventative maintenance program including the inspection and repair of all systems installed on the vehicle. At a minimum, the following systems must be inspected in the preventative maintenance program:

- | | |
|----------------------|---------------------|
| a. Brake System | f. Tires |
| b. Exhaust System | g. Safety Equipment |
| c. Drive Train | h. Chassis |
| d. Front End | i. Lights |
| e. Suspension System | |

2. Preventative Maintenance Recordkeeping Requirements:

Vendor must maintain a file listing all work performed on each vehicle used to provide Services under this Agreement, including preventative inspection results. Vendor may use forms of Vendor's choice, if approved by the Board's Executive Director of Transportation, or may use the sample forms provided by the Board.

E. Criminal History Records and Driving Checks for Drivers and Vehicle Aides

1. **Criminal History Records Search:** Vendor represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check ("Records Check") conducted on any and all drivers and vehicle aides providing Services under this Agreement in accordance with the *Illinois School Code* (105 ILCS 5/34-18.5); the *Sex Offender and Child Murderer Community Notification Law*, created under Illinois Public Act 94-219, eff. August 2005; and the *Child Murderer/Violent Offender Against Youth Notification Law*, created under Public Act 94-945. Such complete Records Check consists of the following:

- fingerprint-based checks through the Illinois State Police (ISP) and the FBI,
- check of the Illinois Sex Offender Registry (IL-SOR), and
- check of the Violent Offender Against Youth Registry (see below).

The purpose of the Records Check is to confirm that no drivers or vehicle aides have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the *Sex Offender and Child Murderer Community Notification Law*, or the *Child Murderer/Violent Offender Against Youth Notification Law*, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Vendor understands and agrees that it shall not allow any of its drivers or vehicle aides to serve on any Board routes until a Records Check has been conducted for such person and the results of the Records Check satisfies the requirements of 105 ILCS 5/34-18.5 and the requirements of the Acts and Laws referenced in the preceding paragraph, as amended from time to time.

2. **Motor Vehicle Records Check for Drivers**

Vendor shall secure and provide to STS upon request, an official Motor Vehicle Record (MVR) of all drivers used to provide Services under this Agreement. STS may request driver MVRs up to three (3) times during each 12-month period. All MVRs shall have an order date within three (3) calendar days of the specified due date by the STS. Vendor shall use an approved supplier of MVRs. Vendor shall secure and provide to STS an official MVR of selected drivers at the direction of STS. All costs associated with securing MVRs are the responsibility of the Vendor. Results of all background and driving checks shall be maintained in each employee file by Vendor. Vendor shall not permit an individual to serve as a driver under this Agreement who fails to meet the school bus driver permit requirements specified in the Illinois Vehicle Code 625 ILCS 4/6-106.1, as amended.

Results of all criminal history records and driving checks described hereinabove shall be maintained in each employee file by Vendor.

F. General Driver Requirements

1. An adequate number of licensed drivers will be maintained by Vendor as employees to meet the regular and substitute driver needs required to successfully operate the number of vehicles required for the routes awarded. Drivers must:
 - a. Be trained regarding all Services required to meet proper student needs;
 - b. Be at least twenty-one (21) years of age;
 - c. Be in compliance with all city, state and federal vehicle driver licensing and permit laws and requirements;
 - d. Meet all existing and/or future Board, city, state and federal requirements for substance abuse testing and criminal background investigations;
 - e. Have no any reckless driving charges within 3 years; tickets for driving 25 mph over speed limit within the past 3 years; and
 - f. Have a valid School Bus Permit.

Vendor shall comply with the Criminal History Records Search referenced in Section I.E.1. for any individual wanting to serve as a driver under this Agreement.

Vendor shall comply with the current US Department of Transportation (DOT) and State of Illinois laws and regulations as may be from time to time amended as well as any other pertinent local, state, and federal laws and regulations that may be or come into effect, pertaining to drug and alcohol testing of licensed vehicle drivers. Pre-employment, post-accident, reasonable suspicion and random testing must be conducted for those driving vehicles hereunder as such regulations require. All required state and federal DOT reports shall be completed and filed in a timely manner. Vendor shall immediately notify the Board upon any driver(s) testing positive for drugs or alcohol or refusal to be tested.

Drivers testing positive for drugs and/or alcohol shall be removed permanently by Vendor from all Board routes. Drivers shall be suspended from operating Board routes during any investigation to determine or confirm the presence or levels of drugs or alcohol in the driver's system.

Drivers must keep trip itineraries indicating the streets to be driven, the assigned stops, the pickup and drop off times for each student, student names, addresses, emergency contact information, home phone numbers as well as a second itinerary incorporating any necessary changes for the afternoon route. These itineraries may be maintained by a mobile data computer in the vehicle.

2. School Vehicle Driver Training Program

At a minimum, the following school vehicle driver training program must be maintained by Vendor:

- a. The training of all drivers is the responsibility of the Vendor and Vendor must train all school vehicle drivers performing Services hereunder in compliance with the following: All records must certify and the training consists of at least eight (8) hours of classroom instruction and four (4) hours of behind the wheel instruction prior to operating a Board route. Vendor must maintain each individual driver's records that must contain records of the State of Illinois initial training and the State of Illinois annual refresher school vehicle driver training. Vendor agrees to meet these standards for each driver prior to using or assigning a driver to any Board school route. Vendor agrees to maintain these records for all drivers and that those records will be filed within the training records for all employees. All such records shall be provided to the Board by Vendor immediately upon request in

an electronic format designated by the Board to permit information to be portable for auditing purposes. This includes recently hired drivers who formerly worked at other school vehicle companies.

- b. The classroom instruction must contain, at a minimum, the following modules:
 - Loading and unloading procedures – including the danger zone
 - Student behavior management, customer service / dispute resolution, and mandated reporting
 - Sensitivity training for students with disabilities
 - Drawstring warning / awareness
 - Understanding city directions and addresses
 - First aid
 - Vehicle evacuation
 - Company operational policies
 - Hazard / accident avoidance
 - Safe driving practices
 - Accident and incident procedures
 - Pre-trip inspection
 - Use of two-way radio
 - Federal, state and city school bus operational laws and requirements
 - Prevention of the spread of infectious diseases by body fluids
 - Securement of wheelchair type devices for special education drivers
 - Chicago Public School policies and procedures
- c. The behind-the-wheel instruction must contain, at a minimum, the following modules:
 - Loading and unloading procedures
 - Pre-trip inspection
 - Vehicle evacuation
 - Use of radio to communicate with dispatcher
 - Defensive driving
 - How to read and follow vehicle run sheets/directions
 - Securement of wheelchair type devices for special education drivers
 - Vehicle idling procedures
- d. Annually, every driver must receive a minimum of eight (8) hours of in-service training not including any state required training. This training can be a mixture of classroom and behind-the-wheel training. This in-service training will always include loading and unloading procedures, Stranded Student Procedures and may include other topics covered during the initial training.

3. **Recordkeeping Requirements for Driver Training Program**

Written documentation must be maintained by Vendor identifying: (i) training modules, (ii) number of hours of each course covered, (iii) dates training occurred for each driver throughout Term, and (iv) the trainer who must, together with the trainee, sign the training record attesting all training was completed. The recordkeeping format for all training will be provided to the Board in an electronic format designated by Board to permit information to be portable for auditing purposes.

G. General School Vehicle Aide Requirements

1. Vendor shall provide Vendor-employed vehicle aides to serve routes transporting students with disabilities under this Agreement; however, the Board shall retain the authority to provide Board-employed vehicle aides to serve routes transporting certain students with disabilities where necessary. STS reserves the right to identify routes that a Vendor-employed vehicle aide will be required and shall notify Vendor accordingly. Vendor shall have three (3) business days from STS notification to provide such vehicle aide(s).

Each Vendor-employed aide must:

- a. be at least 18 years of age;
- b. meet all physical requirements including, but not limited to, working with drivers to load and unload students with the vehicle aide in the vehicle receiving the student and the driver loading the student into the vehicle;
- c. be competent, reliable and be qualified by experience and training to serve as a vehicle aide;
- d. ensure that students are transported safely and that they are not left unattended; and
- e. ensure that students are properly secured in rear seats.

Vendor shall comply with the Criminal History Records Search referenced in Section I.E.1. for any individual wanting to serve as a vehicle aide under this Agreement.

2. School Vehicle Aide Training Program

Prior to commencing Services under this Agreement, each new vehicle aide must receive a minimum of eight (8) hours of instruction. Such instruction and training must be in at least the following areas:

- a. minimum of four (4) hours of instruction prior to run assignment and trained in at least the following areas:
 - Loading and unloading procedures – including the danger zone
 - Post-trip vehicle check
 - Student behavior management, customer service / dispute resolution, and mandated reporting
 - Sensitivity training for students with disabilities
 - Drawstring warning / awareness
 - First aid and universal precaution training
 - Vehicle evacuation
 - Lifting procedures
 - Vendor operational policies
 - Accident and incident procedures
 - Use of communication technology currently used by the Board
 - Securement of wheelchair type devices
 - Board's policies and procedures, including, but not limited to, the Stranded Student Protocol
- b. Policy training including state and federal regulations related to the transportation of students with disabilities, consistent with those required for school bus drivers.

- c. Annually, between July 1 and June 30, every vehicle aide must receive a minimum of eight (8) hours of in-service training. This in-service training must include the topics described hereinabove in Section I.G.2.a as refresher training as well as any new policies, procedures or guidelines mandated by the Board and federal, state, and local governments.
3. Recordkeeping Requirements for School Vehicle Aide Training Program
Written documentation must be maintained by the Vendor identifying:
- a. the topics covered and dates training occurred for each vehicle aide throughout the Term of the Agreement, and
 - b. the trainer who, together with the trainee, sign the training record. All records of all vehicle aides must be complete and be certified by the Vendor to meet the standards listed above. The recordkeeping format for all training will be provided to the Board in an electronic format designated by the Board to permit information to be portable for auditing purposes.

H. Operational Requirements

1. Reporting

Vendor shall provide data and reports, in a form approved by the Board, concerning routes or route operations as required by the Board. The reports listed below are not all inclusive:

Example Reporting:

Type of Information to be Reported	Frequency
All Clear Report	Daily
Drug testing	Per occurrence
Arrival/Departure time at/from school	Weekly
Run information	Weekly
Student ridership	Monthly
Performance measurement information	Monthly

Vendor shall designate one (1) person to receive and respond to such requests by the Board whether or not that person actually compiles the reports. The Board will notify Vendor of the information needed and the deadline for which the data is due.

2. Driver, Vehicle Aide and Vehicle Lists

Vendor shall provide a written list of their drivers, vehicle aides and vehicles to the Board upon the request of the Board. Lists will be required at least once a month and more frequently prior to and during each school year start-up. The Board reserves the right to request updated lists at any time to evaluate the supply of drivers, vehicle aides or vehicles. The format of lists shall be determined by the Board.

3. Drug and Alcohol Testing Program

Vendor shall comply with the current US Department of Transportation (DOT) and State of Illinois regulations pertaining to drug and alcohol testing of licensed school bus drivers. Pre-employment, post-accident, reasonable suspicion and random testing must be conducted for those driving vehicles hereunder as such regulations require. All required DOT reports shall be completed and filed in a timely manner. Vendor shall immediately notify the STS upon any driver(s) testing positive for drugs or alcohol. Drivers testing positive for drugs or alcohol shall be removed permanently from all Board routes. Drivers shall be suspended during any investigation

to determine or confirm the presence or levels of drugs or alcohol.

4. Terminated Drivers

Vendor shall forward a copy of the Illinois Secretary of State "Certification of Employee Removal" form to STS reporting terminated drivers as a result of Vendor's Drug and Alcohol testing program.

5. Recordkeeping Requirements for Drug and Alcohol Testing Program

Written documentation must be maintained by Vendor that documents all employees selected for random drug and/or alcohol testing. The process used to select individuals for random testing shall be documented and the results of all tests must also be maintained.

6. Quality Assurance Audits

Vendor shall cooperate with the Board in conducting quality assurance audits as determined appropriate by the Board. Scheduled audits will be planned at least forty-eight (48) hours in advance and Vendor shall ensure that all vehicles are available for inspection. Vendor's failure to have a vehicle available on the scheduled audit date shall result in the vehicle immediately being removed from servicing Board's routes. Vehicles will not be returned to service until one of the two following requirements is met:

1. Vendor schedules a re-inspection of the vehicle immediately thereafter but will be assessed a re-inspection fee equal to the vehicle's highest daily award rate.
2. Vendor opts to wait for the next scheduled Board's audit; however, the vehicle will not be permitted to service any Board routes until it passes inspection.

Unscheduled audits and inspections shall be conducted by the Board as the need warrants as determined by the Board. The Board compliance inspections of all vehicles and all applicable Vendor records shall be an integral part of the audits.

7. Government Violation:

Vendor shall comply with all City of Chicago Health Codes. Vendor shall notify STS of its health and safety violations, OSHA violations, wage & hour violations, labor violations, DOT violations assessed by any city, state or federal government department or agency.

8. IDOT Inspection Requirement

All vehicles operating pursuant to this Agreement must have a valid Illinois Department of Transportation Inspection Sticker or City of Chicago Taxi Inspection sticker, if applicable, displayed in the vehicle at all times.

9. Radio Communication System Requirement:

All vehicles providing Services under this Agreement must be equipped with functional 2-way communication equipment. The equipment shall be used to improve safety by maintaining communications between the terminal/dispatch center and the driver. Minimum area of coverage from base to mobile and mobile-to-mobile must be a 30-mile radius of the Chicago loop. As the state-of-the-art equipment changes, the STS reserves the right to approve or reject new technology that Vendor submits to STS for pre-installation approval. At no time will any of the following be acceptable: low band 25-50 MHz units, CB type radios, or VHF communications equipment.

10. Student and Vehicle Tracking Systems

Each vehicle providing Services under this Agreement must be equipped with a working GPS and Vendor agrees to work to provide STS access and visibility to the GPS system on the routes that Vendor runs.

11. Office and Equipment Requirement:

Vendor's office and staff must be available to respond to issues from STS, schools and parents from 45 minutes before the first route leaves until 45 minutes after the last route returns on all days that Services are provided. Adequate staffing must be maintained to perform all such office requirements successfully.

Vendor must also maintain a high speed Internet connection through a Cable TV system or DSL with e-mail through an Internet Service Provider. Upon approval by STS, a 56Kb connection to the Internet will be allowed if access through the Cable TV system or DSL is not available in Vendor's area. The e-mail available through the Internet Service Provider must be capable of attaching documents to an e-mail message. A printer shall be connected to the computer system for printing paper copies of electronic documents. Vendor must also have equipment with a capacity to scan and email documents.

II. PRICING FOR SERVICES

During the Term of this Agreement and any renewals thereof, the pricing for Vendor shall be based on the following eight (8) geographic zones within the Board's district:

The name, latitude and longitude coordinates, and street boundaries are provided for each zone.

Zone Definitions

Zone ID	Southwest	Northeast	North/South	West/East(Approximate)
1	41.968111,-87.84621	42.026444,-87.64644	Oakton and Lawrence St.	East River Road to Lake
2	41.889269,-87.84621	41.968111,-87.717111	Lawrence and Lake	East River Road to North Central Park
3	41.889269,-87.717111	41.968111,-87.61911	Lawrence and Lake	North Central Park to Lake
4	41.815111,-87.77595	41.889269,-87.67237	Lake and 43rd	South Austin to Damen
5	41.815111,-87.67237	41.889269,-87.59538	Lake and 43rd	Damen to Lake
6	41.729472,-87.80219	41.815111,-87.65344	43rd and 87th	S Harlem to S Racine
7	41.729472,-87.65344	41.815111,-87.52639	43rd and 87th	S Racine to Lake
8	41.644139,-87.74746	41.729472,-87.52444	87th and 138th	S Laramie to I-90

A map of the current eight (8) geographic zones is set forth and incorporated herein as **Exhibit B** to this Agreement.

The routes are mapped to a zone based on the destination zone of a route which is based on the school location. In case of tiers (pairs), the applicable zone will be the zone of the school of the last route.

There are three (3) categories of rates that shall be used to determine the daily compensation for the Vendor during the Term of this Agreement and any renewals thereof:

- A. Base Rate
- B. Per Stop Rate after First Stop
- C. Per Mile Rate

Based on the route type (single route or paired route), the compensation shall be computed by the Board as follows:

1. Single Routes

- a. The Base Rate shall apply once for each day Services are provided.
- b. The Per Stop Rate after First Stop shall be multiplied by the total number of stops (AM & PM) after the first stop. The school destinations do not count as a stop. For example, a vehicle with 3 stops AM and 3 stops PM would be paid for four stops for the day.
- c. The Per Mile Rate shall be multiplied by the total route (live) miles of the route.
- d. If a Vendor-employed vehicle aide is used for the route, the Vehicle Aide Cost per route shall apply once for each day the vehicle aide service is provided.

The sum of the above four (4) components shall determine the total compensation for each day Services are provided by the Vendor.

2. Paired Routes (including second, third, fourth routes)

- a. The Base Rate shall apply once for each day Services are provided.
- b. The Per Stop Rate after First Stop shall be multiplied by the total number of stops (AM & PM) after the first stop. The school destinations do not count as a stop. For example, a route pair with 2 and 3 stops respectively would be paid for 8 stops for the day.
- c. The Per Mile Rate shall be multiplied by the total route (live) miles of the route. In addition, the Per Mile Rate shall also apply to the deadhead miles in between routes. Deadhead miles from the Vendor's base terminal to the first pickup, or from the last drop off back to Vendor's base will not be included. For paired routes, the mileage rate for the deadhead miles will be attached to the mileage of the second route.
- d. If a Vendor-employed vehicle aide is used for the route, the Vehicle Aide Cost per route shall apply once for each day the vehicle aide service is provided.
 - i. The First Run Vehicle Aide cost shall apply to the first route.
 - ii. The Second Run Vehicle Aide cost will apply to subsequent routes paired with the first route

The sum of the above four (4) components shall determine the total compensation for each day Services are provided by the Vendor.

The Vendor rates for this Agreement are set forth below:

Category	Rate Provided	Explanation
Rate	\$82.71 - \$118.29	a. \$118.29 – this base rate applies only to routes that originate and end in Zones 1, 2 and 3 (premium rate). b. \$82.71 – this base rate applies to all other routes
Per Stop Rate	\$2.18	Applies to all runs
Per Mile Rate	\$1.90 - \$2.25	a. \$2.25 per mile for routes 10 miles and under b. \$2.10 per mile for routes 10.1 miles to 20 miles c. \$1.90 per mile for routes over 20.1 miles and over

Vehicle Aide Cost	\$49.76 per Route	
Paired Run Rate	-	There is no base rate on second route of a pair. The Board shall compensate Vendor for the deadhead miles between routes.
Paired Run Vehicle Aide Cost	\$20.00	For paired runs, second run vehicle aide cost shall be \$20.00
Capacity		Vendor has made 116 vehicles available for this Agreement – 110 lift/ramp vans, and 6 mini vans

Fuel Surcharge Policy

The fuel surcharge policy shall apply to all vehicles provided under this Agreement and shall be based on the scale set below. Adjustment to the fuel rate shall be determined on quarterly basis on the OPIS PADD report data and the fuel price for the quarter shall be provided by the Board.

- For every **increase or decrease of five cents (\$0.05) per gallon** in the index, the fuel surcharge rate shall be changed upwards or downwards by **0.2 cents (\$0.002) per mile**.

Contract Price Adjustment- Consumer Price Index:

The Board requires that rates remain the same for the first year of the Agreement. Vendor is encouraged to pro-actively mitigate increases in operating costs and will be evaluated based on its program to do so in order to help reduce costs to the para transit student transportation program. A rate adjustment can be made on an annual basis to the fixed rate and by 50% to the variable rate if the Vendor documents to the CPO, through written financial analysis, the need for such adjustment. The adjustment cannot exceed the Consumer Price Index, All Urban Consumers, All Items less Energy, Not Seasonally Adjusted, Chicago-Gary-Kenosha Area.

	Method	Type	Applies to	Frequency of Adjustment	Example
CPI	Based on index, difference in Index from last calculation	Forward Adjustment to rate	Fixed Rate at 100% and Variable Rate at 50%	Annually	Current: Fixed rate = \$100. Per mile rate = \$4/mile CPI 2013: 4% Forward: Fixed rate = \$100 * 1.04 = \$104 . Per mile rate = \$4 * 1.02 = \$4.08/mile

III. OUTCOMES

Vendor's Services shall result in delivering safe, reliable, comfortable and cost-effective transportation and assistance to our students.

EXHIBIT B

MAP OF THE EIGHT (8) GEOGRAPHIC ZONES FOR THE DISTRICT

