

**Santa Rosa County  
School District**



**"A Tradition of Excellence"**

**Judson C. Crane**  
CPPO, CPPB

Director of Purchasing and Contract Administration

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April 25, 2013

Tim Wyrosdick  
Superintendent of Schools  
5086 Canal Street  
Milton, Florida 32570-6707

Dear Mr. Wyrosdick,

The selection committee for RFP 13-04 Transportation Management Services, ranked the submission by Durham School Services as the top company to be awarded RFP 13-04 Transportation Management Services. The negotiated contract is attached. The winning proposal and RFP, which complete the contract document, are listed on the following web page:

<https://www.santarosa.k12.fl.us/purchasing/bids/2013/13-04/1304.htm>

The Intended Decision was posted on May 23, 2013. Approval is recommended.

Companies submitting proposals were:

Durham School Services  
First Student  
Student Transportation of America Inc.

The selection committee consisted of the following:

Debbie Anderson, Principal, SS Dixon Primary School  
Richard Cobb, Principal, Gulf Breeze Middle School  
Jud Crane, Director of Purchasing & Contract Administration  
Joey Harrell, Assistant Superintendent Administrative Services  
Timothy Short, Assistant Principal, Navarre High School

Sincerely,

Judson C. Crane  
JCC/sek

Attachment: 1

Failure to file a protest within the time prescribed in section 120.57(3), Florida Statutes, or failure to post the bond or other security Required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under chapter 120, Florida Statutes."

DISTRICT 1  
Diane Scott

DISTRICT 2  
E. Hugh Winkles

DISTRICT 3  
Diane Coleman

DISTRICT 4  
Jennifer Granse

DISTRICT 5  
Scott Peden

## **AGREEMENT FOR THE TRANSPORTATION OF PUPILS**

THIS AGREEMENT FOR THE TRANSPORTATION OF PUPILS, hereinafter referred to as the "Agreement", is made and entered into this 1st day of July 2013, by and between **SANTA ROSA COUNTY SCHOOL BOARD** with a principal office located at 5086 Canal Street, Milton, Florida 32570, hereinafter referred to as "DISTRICT", and **DURHAM SCHOOL SERVICES, L.P.**, a Delaware limited partnership, with its principal office located at 4300 Weaver Parkway, Warrenton, Illinois 60555, hereinafter referred to as "CONTRACTOR".

1. Scope of Agreement. CONTRACTOR shall operate and maintain two hundred (200) or more daily route school buses for the transportation of pupils using vehicles provided by CONTRACTOR AND DISTRICT.

CONTRACTOR shall provide (a) the daily service for the DISTRICT, and (b) such other transportation as may be specified by the DISTRICT.

a. The term "daily service", as used herein, is defined as all home-to-school and school-to-home transportation of any students of the DISTRICT that takes place at the beginning or end of the school day for such students.

b. The term "other transportation", as used herein, is defined as any transportation of students and DISTRICT personnel other than daily service, including but not limited to transportation to and from extracurricular events.

2. Term. The term of this Agreement shall be for a period of five (5) years beginning July 1, 2013 and ending June 30, 2018. The Agreement shall be renewable for an additional five (5) years term, at the option and mutual written agreement of both parties, taking into consideration CONTRACTOR'S performance under the Agreement and cost negotiations, and subject to applicable statutes and regulations.

3. Document Agreement. The complete Agreement consists of this Agreement, the Proposal of CONTRACTOR and the District's Request for Proposal (RFP), which are hereby incorporated herein by reference. In the event of any conflict between the terms of this Agreement, the Proposal and the RFP, the terms of this Agreement shall govern, then the Proposal of CONTRACTOR, and lastly the RFP.

4. Permits and Licenses. CONTRACTOR, its employees, and its agents shall secure and maintain valid permits, licenses, and certifications as required by law for the execution of this Agreement.

5. Insurance. CONTRACTOR shall maintain insurance as set forth below during the Agreement period and shall furnish a certificate of insurance for General and Auto Liability coverage for all buses, including those owned by DISTRICT, and for Workers' Compensation coverage. CONTRACTOR shall furnish new Certificates of Insurance for liability coverage and for Workers' Compensation coverage within thirty (30) days following the placement of new or renewed coverage. Certificates shall provide that a thirty (30) day prior notice of cancellation will be given to the DISTRICT. However District does not waive the limits of sovereign immunity as set forth in the laws and/or constitution of the state of Florida.

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General and Auto Liability insurance shall be maintained to protect CONTRACTOR from any claims from damages for personal injury or death, and from damage to property, which may arise from operations of CONTRACTOR under this Agreement. General and Auto Liability insurance shall each have a combined single limit of Five Million Dollars (\$5,000,000). The DISTRICT shall be listed as an Additional Insured. Workers' Compensation insurance shall be maintained as required by law and to protect CONTRACTOR from claims, which may arise from its operation under this Agreement.

6. Hold Harmless Agreement. CONTRACTOR shall hold harmless and indemnify DISTRICT, its Governing Board, Officers, Agents, and Employees from every claim or demand which may be made by reason of any injury to person or damage to property sustained by any person, firm or corporation, caused by any negligent act or omission, willful misconduct, or default of the CONTRACTOR or of any person, firm, or corporation, directly or indirectly employed by CONTRACTOR upon or in connection with its performance under this Agreement.

CONTRACTOR at its own expense and risk shall defend any legal proceeding in connection with its performance under this Agreement that may be brought against the DISTRICT, its Governing Board, Officers, Agents, and Employees on any such claim or demand, and satisfy any judgment that may be rendered against the DISTRICT or its Governing Board therein. In the event that any such proceeding is brought against the DISTRICT, its Governing Board, Officers, Agents, and Employees on any such claim or demand, CONTRACTOR shall have the right to select and employ counsel to defend such persons and entities and shall have the right to settle any claims when CONTRACTOR, in its sole discretion, deems such a settlement advisable. DISTRICT, its Governing Board, Officers, Agents, and Employees shall cooperate in all reasonable manners in the defense of such claims.

7. Safety Program. CONTRACTOR shall provide formal safety instruction on a regular basis for all operating personnel assigned to this Agreement. Attendance is required for safety meetings. Safety training must meet or exceed Florida Department of Education (FDOE) requirements.

8. Independent Contractor. While engaged in carrying out and complying with the terms and conditions of this Agreement, CONTRACTOR is an independent contractor, and not an Officer, Agent, or Employee of the DISTRICT.

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

10. Subcontracting. CONTRACTOR will not subcontract any of its rights, burdens, duties, or obligations under this Agreement without the written consent of the DISTRICT, except on a short term, interim basis in the event of an emergency. Consents shall not be unreasonably withheld.

11. Force Majeure. CONTRACTOR shall be excused from performance hereunder during the time and to the extent that it is prevented from performing in the customary manner by an act of God, fire, flood, war, riot, civil disturbance, terrorism, epidemic, quarantine, strike, lockout, labor dispute, oil or fuel shortage, freight embargo, rationing or unavailability of materials or

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products, loss of transportation facilities, commandeering of equipment, materials, products, plants, or facilities by the Government, or any other occurrence which is beyond the control of the CONTRACTOR, when satisfactory evidence thereof is presented to the DISTRICT. This is not to exclude emergency service contracts obligations which the CONTRACTOR and DISTRICT subsequently enter.

12. Routing and Scheduling. Prior to the start of any service under this Agreement, DISTRICT and CONTRACTOR shall cooperatively establish routes and schedules conforming to the needs of the DISTRICT. If, at any time during the term of the Agreement, it is determined by mutual consent that service may be improved by revisions to routing, scheduling, or bus assignment, DISTRICT and CONTRACTOR shall plan and institute such changes jointly. CONTRACTOR shall have sufficient notice to review such changes and evaluate the safety considerations. All routes, schedules, and bus stops shall be established by CONTRACTOR on such basis as may be determined by it to be most efficient, but shall be approved by the DISTRICT and shall not be revised without mutual consent and authorization.

DISTRICT and CONTRACTOR agree that any program outlined in the Proposal is to be considered only as the basis for determining comparative costs and does not necessarily represent the routing, scheduling, or equipment requirements of the DISTRICT.

13. Personnel

Contractor's Personnel. All personnel assigned to perform under this Agreement shall be subject to approval by the DISTRICT and the CONTRACTOR. CONTRACTOR employees must meet the same employment requirements as district personnel. DISTRICT reserves the right to require CONTRACTOR to remove any contracted employee DISTRICT finds unacceptable; however, said employees shall be subject solely to the control and supervision of the contractor while performing their duties.

CONTRACTOR shall designate one (1) person as its local representative to act as the supervisor for the operations for the DISTRICT. This person shall be available during all regular working hours of school days for the purpose of handling routing, assignments, and operational concerns. The supervisor shall have the authority to act in all matters covered by established policies.

In the event of contract employee unionization, any labor agreement will be between the CONTRACTOR and the union, and not a part of the contract with DISTRICT. In no case will such a labor agreement supersede district policy, the board employee union agreement, or diminish any contract responsibility CONTRACTOR has with the board.

District Personnel. DISTRICT personnel will be provided per RFP 13-04 and are to be managed by CONTRACTOR. As DISTRICT provided personnel attrite, at DISTRICT's option, CONTRACTOR shall be compensated at an agreed upon amount based on the position.

When replacing a Santa Rosa County District Employee:

CONTRACTOR will mutually agree first with the district to determine if the position needs to be replaced:

- a. If the position does not need to be replaced, then the position will just go away and no compensation will be required.

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- b. If the position does need to be replaced, or if the position needs to come back at another time, CONTRACTOR will be compensated at the appropriate range level two (2) plus fifteen percent (15%).

DISTRICT Coaches and Teachers can drive Athletic and Field Trip Buses at no cost; as long as they have a CDL license and meet all the compliance requirements for the State of Florida, Santa Rosa County and CONTRACTOR. Their driving file must be complete and in place at the CONTRACTOR's Office. If a CONTRACTOR driver drives an Athletic or Field Trip, Durham will be compensated at the current DISTRICT blue collar negotiated field trip rate for the 2013/2014 school year and subject to go up each of the following years of the contract.

Summer School and Mid-Day routes will be driven by DISTRICT drivers at no cost. CONTRACTOR, any summer school or Mid-Day route that needs to be covered by CONTRACTOR Driver will be billed to the district at the drivers' labor rate, hours driven and payroll taxes. a

14. Record Keeping and Accident Reports. CONTRACTOR will be required to provide any and all operational records deemed necessary by the DISTRICT. Such records shall remain confidential.

All equipment involved in an accident shall be reported as defined by law. Accidents involving the CONTRACTOR'S equipment or personnel while operating for the DISTRICT shall also be reported to the DISTRICT. If requested by the DISTRICT, pupil injuries not involving acceleration, deceleration, or movement of the bus may also be reported to the DISTRICT on forms provided by the DISTRICT.

15. Payments for Services. On or about the first business day of each month the CONTRACTOR shall submit invoices in the form and number required by the DISTRICT for all services performed under this Agreement. Payment for such services will be made within a reasonable time thereafter, not to exceed thirty (30) working days. Payment by credit card is neither an option, nor acceptable. In the event such sums are not received within sixty (60) days, service may be discontinued until such time as the CONTRACTOR has received all sums due.

16. Adjustment of Rates.

- a. The rates set forth in Schedule A shall be adjusted annually. On July 1 in each Agreement year the rates will be adjusted upward by the percentage increase in the U. S. City Average, Consumer Price Index, for the twelve (12) month period ending December 31 of that year, or the aggregate percentage raise received by district employees for the current fiscal year, whichever is less, not to fall below zero.

- b. If, at any time during the term of this Agreement, it is determined that a significant reduction/increase in service is to be instituted due to changes in school start/end times (bell schedules), mandated reduction/increase in routes, or any other changes which significantly reduce or increase the existing service level(s) or CONTRACTOR'S cost of operations, the CONTRACTOR and the DISTRICT agree to negotiate an adjustment to the rate schedules. The term "significant reduction/increase" as used herein is defined as any change of four percent (4%) in the number of routes being operated. Any adjustments

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will be charged or credited at the average daily rate. If the parties cannot come to an agreement, either party may terminate the AGREEMENT upon thirty (30) days' notice.

c. Notwithstanding any contrary statements in this Agreement or in any documents incorporated herein by reference, in the event any federal, state, local or other government body's statutes, laws, rules, or regulations impact CONTRACTOR's methods and/or costs in connection with the provision of services hereunder (e.g., changes in healthcare or other benefits requirements, changes in equipment requirements, changes in services requirements, changes in unemployment insurance benefit requirements, etc.) during the term of the Agreement, CONTRACTOR, upon written notice to DISTRICT, may request a renegotiation of this Agreement which shall be conducted in good faith. Such renegotiations may include, without limitation, changes in rates, term, payment schedules, levels of service, and the types or number of vehicles to be used. Any modification to this Agreement resulting from such renegotiations shall become effective on a mutually agreed upon date. If the parties cannot come to an agreement, either party may terminate the AGREEMENT upon thirty (30) days' notice.

17. Equipment Requirements. All buses supplied under this Agreement shall be approved school buses, as defined by applicable statutory or administrative codes, and must meet with the approval of the DISTRICT.

CONTRACTOR agrees to provide replacement buses for all non-DISTRICT owned buses, which will be similarly equipped as the vehicles they are replacing.

All buses shall be no older than twelve (12) years of age at the beginning of this Agreement.

When new buses are required and entered into the fleet they will be equipped with air conditioning, GPS devices, cameras and two-way radios. Routing and GPS software, including updates and maintenance agreements, will be provided by CONTRACTOR. In addition, buses that are not currently equipped with cameras and boxes of the same make and model will be equipped within three (3) months from the beginning of this Agreement.

All buses will display "Santa Rosa County School District" on both sides in approximately 6" letters. CONTRACTOR may display its name and/or logo on buses in approximately 3" letters as approved by DISTRICT.

Regular preventive maintenance shall be practiced on all buses and DISTRICT white fleet. In addition, buses shall be cleaned inside and out as necessary, and repairs to visible body damage, inside or out, shall be made within thirty (30) days from the date such damage occurs. Buses damaged beyond repair will be replaced with like vehicle.

Spare buses, either DISTRICT or CONTRACTOR supplied, of appropriate sizes, and meeting all the above requirements, shall be located by the CONTRACTOR at points close enough to the DISTRICT so they may be substituted for regularly assigned buses, if needed, without delay.

CONTRACTOR will lease the DISTRICT's current active fleet for \$1.00 per year. At any time during this DISTRICT can lease the CONTRACTOR Fleet for special events and specific days at a fair negotiated lease rate.

The Learning Academy, a charter school with the district, is to be provided service for which buses will be driven by DISTRICT drivers at no cost CONTRACTOR. In the event that a

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Learning Academy route need to be covered by a CONTRACTOR Driver, DISTRICT will be billed at the drivers' labor rate, hours driven and payroll taxes.

CONTRACTOR will be allowed to use any of their buses for outside charters or for contracts outside of the Contract as long as:

- a. The DISTRICT shall always take first preference in the order of service and needs.
- b. A magnetic strip will cover the DISTRICT's name on all charters where appropriate.

DISTRICT reserves the right to disapprove any charter it finds inappropriate.

18. Use and Maintenance of Facility. CONTRACTOR agrees to pay \$1.00 per year to lease the DISTRICT Transportation Center, hereinafter referred to as "Facility." This will include the main facility in Milton, as well as the Pace and Navarre transportation sites.

DISTRICT will be responsible for the routine maintenance and repairs of the Facility to include interior painting, cleaning, and non-environmental waste disposal. CONTRACTOR will install long distance telephone service and computer data lines as needed (CONTRACTOR responsible for line charges), and cover the cost of personal property taxes and insurance for CONTRACTOR'S equipment. DISTRICT will provide existing furniture and office equipment. DISTRICT will continue to maintain existing local telephone lines for use by CONTRACTOR.

CONTRACTOR will be responsible for maintenance of any shop and office equipment that DISTRICT provides. CONTRACTOR usage of and shall be responsible for all damage caused by the negligence of CONTRACTOR or its employees, excluding normal wear and tear. CONTRACTOR will be responsible for cleaning shop area and waste disposal area.

If CONTRACTOR is successful in securing additional business from nearby Districts or other Customers, then CONTRACTOR may enter into an agreement with the DISTRICT to pay fair market value for the proportionate amount of usage of the Facility required to serve such Districts or Customers. CONTRACTOR must obtain permission from DISTRICT prior to using Facility. Reasonable agreement will not be withheld.

19. Environmental Indemnification.

a. The DISTRICT hereby represents and warrants that:

- 1) the Property and Facility have been used, operated and maintained at all times in compliance with all applicable federal, state and local environmental quality laws, regulations, rules, policies and rulings; and,
- 2) any and all liquid storage tank(s) (underground and/or above ground) are in good maintenance and repair and are not now leaking; and,
- 3) all applicable federal, state and local registration requirements respecting existing liquid storage tank(s) (underground and/or above ground) and discharge into the soil, ground water, surface water, storm drain system, sewer drain system, etc., have been strictly complied with at all times; and,

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4)there has been no discharge of oil, gasoline, diesel fuel, solvents, other hydrocarbons or any other hazardous materials into or contamination by such materials or otherwise of the soil, ground water, surface water, storm drain system, sewer drain system, etc., or any other pollution from any use, operation and/or maintenance of the Property and Facility at any time prior to the date hereof.

b.The DISTRICT shall comply with all applicable federal, state and local environmental quality laws, regulations, rules, policies, and rulings related to use, maintenance and operation of the Property and Facility at all times prior to, during and after this Agreement.

c.The CONTRACTOR shall comply with all applicable federal, state and local environmental quality laws, regulations, rules, policies, and rulings related to its use, maintenance and operation of the Property and Facility at all times during this Agreement after the DISTRICT complies with the testing, inspection, and initial repair or replacement provisions herein on the following terms and at the expense of the DISTRICT:

1)As soon as practicable after the date hereof but prior to CONTRACTOR taking possession of the Facility, the DISTRICT, shall provide the CONTRACTOR with a written report regarding existing liquid storage tanks(s), including tank size, type, and construction, piping type and construction, and the year of installation and current or future modifications that must be made in order to comply with any federal, state, local or insurance requirements.

2)The DISTRICT shall conduct precision tank testing of all liquid storage tanks, performed by a certified tank testing firm acceptable to the CONTRACTOR, which firm shall provide to the DISTRICT and the CONTRACTOR a written report indicating the condition of the tank(s).

3)The DISTRICT shall make any needed repairs, modification, tank replacement and environmental clean-up required as a result of the tank test report and in order to comply with all applicable federal, state and local requirements.

4)In the event a tank develops a leak during the term of this Agreement after the DISTRICT complies with the testing, inspection, and initial repair or replacement provisions herein, the DISTRICT shall make any needed repairs, modification, tank replacement and environmental clean-up required as a result of any future tank test reports(s) and in order to comply with all current and future federal, state and local requirements.

5)In the event a tank is required to be taken out of service due to a leak or in order to comply with environmental quality requirements during the term of this Agreement, and the CONTRACTOR is then required to fuel vehicles at an alternate location, one of the other current DISTRICT fueling sites will be used.

d. Within thirty (30) days of vacating the facility, CONTRACTOR agrees, at CONTRACTOR's expense, to obtain a Phase I Environmental Survey and provide the final



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report to the District. If the report finds evidence of any contamination, discharge of hazardous materials, or any other item of non-compliance, CONTRACTOR agrees to pay for any needed repairs, modifications, clean-up, or replacement, within thirty (30) days.

e. The DISTRICT shall have full responsibility for the proper removal and disposal of any and all hazardous material stored on-site.

f. The CONTRACTOR shall have no liability for any matters relating to hazardous or toxic conditions of the Property and Facility, environmental cleanup and disposal, or of violations of environmental quality laws (except for liability arising out of or related to the willful or negligent acts of the CONTRACTOR).

g. The DISTRICT hereby agrees to indemnify and hold the CONTRACTOR harmless from and against any loss, cost, or expense, including reasonable attorneys' fees, damages, claims or liability arising out of or related to the use, maintenance and operation of the Property and Facility related to environmental quality matters affecting the Property and Facility including without limitation, contamination of soil, surface water or ground water, personal injury or property damage and compliance with all applicable federal, state and local requirements affecting environmental quality (except for liability arising out of or related to the willful or negligent acts of the CONTRACTOR) to the extent of but not beyond the limits of sovereign immunity as provided in the laws and/or constitution of the state of Florida.

h. The CONTRACTOR hereby agrees to indemnify and hold the DISTRICT harmless from and against any loss, cost, or expense, including reasonable attorneys' fees, damages, claims, or liability arising out of or related to the willful or negligent acts of CONTRACTOR related to environmental quality matters affecting the Property or Facility.

i. The indemnification obligations of paragraphs "g" and "h" shall survive the termination or expiration of this Agreement.

20. Fuel. Fuel shall be paid for and provided by DISTRICT.CONTRACTOR will aggressively monitor and manage all fuel consumption for all School Vehicles on Home to School Routes, Mid-Day Routes, Athletic and Field Trips. CONTRACTOR will hold a training and tips class for all drivers on fuel consumption and usage at least once per year.

21. Charter Services. CONTRACTOR shall ensure that all outside charter work is performed using a Durham School Services owned bus. All charter work will also be tracked with a trip sheet that includes: customer name, mileage operated, fuel used and receipt showing purchase, date and time.

22. Termination of Agreement. If the CONTRACTOR refuses or fails to perform services as required to provide the DISTRICT with efficient, safe and economical transportation services, as specified in this Agreement, or any separable part thereof, including furnishing adequate equipment and properly trained personnel, or if it should be adjudged as bankrupt, or if it should make general assignment for the benefit of creditors, or if a receiver should be appointed on account of its insolvency or it should repeatedly or persistently refuse or fail to provide

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equipment and personnel in quantities required to provide transportation services as herein specified, or the CONTRACTOR persistently disregards laws, ordinances, or instructions of the DISTRICT, or is otherwise guilty of a substantial violation of this Agreement, then the DISTRICT may, without prejudice to any other right or remedy, serve written notification upon it of intention to terminate and, unless within forty-five (45) days after service of such written notice of the condition or violation shall cease and make satisfactory arrangements for the correction thereof, this Agreement shall, upon the expiration of the forty-five (45) days, cease and terminate.

23. BusPurchaseOption. Should either party terminate or upon expiration of this Agreement, the DISTRICT may have the option to purchase those buses acquired and owned by CONTRACTOR for the performance of this Agreement under the following terms and conditions:

The purchase price will be based on the original cost (as defined under general acceptable accounting principles) less straight-lined depreciation based on a useful life of twelve (12) years to a salvage value. In addition, the purchase prices shall include all fees, charges, penalties, etc. due from the CONTRACTOR as a result of the termination of financing arrangements related to the buses purchased.

24. Notices: Notices to either party to this Agreement shall be in writing and shall be considered duly served and delivered if such notice is delivered by hand; mailed via the United States mail, certified, return receipt requested; or sent via overnight service. All such notices shall be addressed to:

DISTRICT: Santa Rosa County School Board  
Attn: Tim Wyrosdick, Superintendent  
5086 Canal Street  
Milton, Florida 32570  
Telephone: (850) 983-5000

CONTRACTOR: Durham School Services, L.P.  
Attn: Contract Administrator  
4300 Weaver Parkway  
Warrenville, Illinois 60555  
Telephone: (630) 821-5400

25. Discipline. The CONTRACTOR will report serious or persistent misconduct on the part of students to the designated DISTRICT employee.

26. Dispute Resolution. All disputes will be settled in court with Milton, Florida as venue.

27. Attorney's Fees. If any legal action is brought by either of the parties hereto, it is expressly agreed that the party in whose favor final judgment shall be entered shall be entitled to recover from the other party reasonable attorney's fees in addition to any other relief that may be awarded.

28. Copyright and Patent Rights. DISTRICT will retain all copyright and patent rights that may be created by the CONTRACTOR and intended to be used for work done solely for DISTRICT in

connection with this Agreement. These rights are to include, but are not to be limited to written works, computers software and mechanical devices that are created as a requirement of this contract.

29. Access to Records. CONTRACTOR, during the term of this Agreement, will allow duly authorized representatives of the board, the Auditor General of the State of Florida, the Comptroller General of the United States, or other authorized representatives access to any books, documents, papers, and records of the bidder which are directly pertinent to this contract for the purpose of making audits, examinations, excerpts, and transcriptions.

30. Penalties.  
If at any time the CONTRACTOR does not provide the required number and/or type of buses or drivers necessary for any base bid programs under the Contract, the DISTRICT may deduct from its monthly payment the cost of the vehicle for that day. Should situations beyond the control of the Contractor, such as weather or traffic, cause the lapse in service, the penalty will not be assessed. Under no circumstances shall the local office be unattended. For penalty to be assessed, DISTRICT must notify CONTRACTOR in writing of its intent to assess penalty within thirty (30) days of occurrence.

31. Pricing. IN CONSIDERATION of the performance on the part of the CONTRACTOR of the terms of this Agreement, the DISTRICT agrees to pay the CONTRACTOR the sums for pupil transportation services rendered as listed on Attachment A hereto.

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

**DURHAM SCHOOL SERVICES, L.P.**  
**BOARD**

**SANTA ROSA COUNTY SCHOOL**

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

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment A**  
**Pricing Information**

Annual cost for the 2013/2014 school year: \$7,930,000

We expect this cost to be spread out over twelve(12) equal monthly payments.

The annual base cost includes home to school transportation and fifteen (15) contractor drivers for Mid-Day routes not run by district drivers for 180 days. District drivers will be given the right of first refusal. Summer school, field trips and any other additional routes not mentioned in the contract will be reimbursed at the agreed hourly rate. Our annual cost also includes equipment, labor, and materials as stated in the RFP.

Our per-unit hourly summer school and Mid-Daytrip rate is \$14.74 per hour.

Our annual cost is based on the following assumptions:

1. Many of the high school athletic trips will continue to be done by athletic coaches.
2. The Santa Rosa County School Board will continue to pay all wages and benefits for district employees.
3. 200 home-to-school routes plus/minus four percent (4%) and the parties agree to negotiate a rate for the addition or reduction of routes above or below this number.
4. 53 district employed drivers.
5. 4 district employed monitors.
6. 5 district employed mechanics
7. The annual rate includes healthcare benefits currently in place for employees, should the Patient Protection and Affordable Care Act ("PPACA") require a change in healthcare benefits the parties agree to negotiate an adjusted rate for these costs.
8. The Santa Rosa County School Board will be responsible for the wages and benefits for all district employees.
9. A total of 31 Durham School Services provided monitors.

Our payment terms are net 30 days.