This Agreement will be posted on the CPS internet website.

STUDENT TRANSPORTATION SERVICES AGREEMENT
[JACK HARRIS TRANSPORTATION, INC.]

This STUDENT TRANSPORTATION SERVICES AGREEMENT ("**Agreement**") is entered into as of the 1st day of August, 2017 ("**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 **Jack Harris Transportation, Inc.** ("**Vendor**").

RECITALS

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

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

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 an initial term commencing on the Effective Date first set forth above and continuing through July 31, 2020 ("**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 student transportation services which shall include vehicles, equipment, materials, labor and other required services 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: Compensation for Services during the Term shall be payable to the Vendor in accordance with the schedule and method as set forth in the "Pricing for Services Exhibit", which is attached hereto and incorporated herein as Exhibit B. During the Term of this Agreement, the total aggregate compensation payable by the Board to all vendors for these Services, inclusive of any reimbursable expenses, may not exceed the amount authorized by Board Report 17-0322-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: STS uses an internal invoicing system to generate all Vendor Student Transportation Services invoices each month. STS has upgraded its billing system by moving to Oracle system which has impacted the way the billing structure works as explained below.

Billing will be based on the fixed fee plus the calculated loaded mileage for the run obtained from the Board's software system (Software driver directions). Calculated mileage will not be based on live miles (live miles: what actually happens during the run). Calculated mileage will be based on what the software routing system suggests as the planned mileage for the route and excludes the deadhead miles for the Vendor. Vendor is required to review their monthly invoices for correctness and return to STS with any recommended corrections within three (3) business days from the end of the invoiced month. STS will then complete the billing cycle on the 15th of each month. Recommended adjustments or corrections will be reviewed by STS for correctness and approval. The Board may elect, at Board's discretion, to process an invoice for the initial two (2) week period in September.

Payment will be made only for approved 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 Events of Default and Remedies Sections and Liquidated Damages Section of this Agreement, any other pertinent provisions of this Agreement and the Board's Indebtedness Policy. Timely submissions of adjustments are critical to the function and accountability of the expenditures of STS.

All disputes or claims need to be identified within ninety (90) days after invoicing. No disputes or claims will be processed outside of this time frame.

Each route subcontracted must be identified, route by route, on the invoice for payment. Vendor must submit invoices for all routes assigned and operated, including all

subcontracted routes. Nothing in this section creates any obligation on the part of the Board to pay or be responsible for the payment of any sums to any subcontractor.

Payment for field trip service or any other Service requested by Board personnel outside of STS will be the responsibility of the school or department unit or person(s) who originally ordered the Service. In such instances, Vendor shall invoice the school or department directly for these Services.

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**"), and their duly authorized representatives.

Vendor must adhere to the following Billing and Payment Procedures:

i. Billing and Payment Procedures: All invoices must be submitted electronically via email in PDF format to cpsinvoice@cps.edu. Each email may only contain one invoice and must include the Vendor name and the CPS Purchase Order number. All invoices must include:

- Vendor name and payment address
- Unique invoice number (determined by Vendor)
- Valid purchase order (only one PO number may be referenced on each invoice)
- Invoice date
- Itemized description of the Services rendered
- Date the Services were provided to CPS
- Detailed pricing information such as quantities, unit prices, discount and final net amount due.

Invoices shall be submitted in a timely manner. The final invoice shall be submitted no later than ninety (90) days after the expiration or termination of this Agreement. If Vendor has more than one contract with the Board, separate invoices must be submitted for each contract. The Board shall process payments in accordance with the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq. The Board reserves the right to request additional information and supporting documentation necessary for the Board to verify the Services provided under this Agreement.

ii. Electronic Payments: Vendor agrees that, upon mutual agreement of the parties, the Board may make payment electronically to Vendor for any and all amounts due to Vendor pursuant to this Agreement by means of the Board's procurement charge card account. Vendor recognizes that any charge to the Board's procurement charge card that is in excess of the open remaining amount as stipulated in the applicable purchase order, or any charge unaccompanied by the requisite documentation and data as required by the Board, shall be deemed invalid and disputed by the Board. Vendor further recognizes that, in the absence of any supporting documentation as may be required by the Board, payments associated with disputed charges shall be rescinded by the Board and deemed not owed by the Board. Vendor agrees to comply with the rules, procedures and documentation required for electronic payment via the Board's procurement charge card as established by the Board's Department of Procurement.

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%) of the annual revenue for the first year, and 25% of the annual revenue in the subsequent years to ensure the fulfillment of the Agreement. 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 Board's Chief Procurement Officer ("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 the Performance Bond Section 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; Adequate Staffing:

A. Standard Performance: Vendor shall devote, and shall cause all of its staff, agents and subcontractors to devote, such of their time, attention, best skill and judgment, knowledge and professional ability as is necessary to perform all Services effectively, efficiently and to the satisfaction of the CPO. This includes, but is not limited to, training staff on the use of Microsoft Excel and Oracle, how to communicate using email, or other applicable software and technology required by this Agreement. Vendor shall retain and utilize, as required by law or by the Agreement, professionals licensed to practice in the State of Illinois in the applicable profession. Vendor shall use efficient business administration methods and perform the Services in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services and in an expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are performed at a reasonable cost to the Board and that Services performed by other entities or persons in connection with the Agreement are efficiently and cost-effectively delivered. Vendor acknowledges that, if in the course of providing Services hereunder, it is entrusted with or has access to valuable and confidential information and records of the Board, that with respect to that information, Vendor agrees to be held to the standard of care of a fiduciary. Any review, approval, acceptance of Services or deliverables or payment for any of the Services by the Board does not relieve Vendor of its responsibility for the professional skill, care, and technical accuracy of its Services and deliverables. Vendor shall remain responsible for the professional and technical accuracy of all Services, including any deliverables furnished, whether by Vendor or its subcontractors or others on its behalf. Vendor understands that it does not have the authority to represent or commit the

Board to any obligations hereunder without first obtaining approval from the Board or its designee.

B. Adequate Staffing: Vendor must assign and maintain during the Term of the Agreement and any renewal of it, an adequate staff of competent personnel that is fully equipped, licensed as appropriate, available as needed, qualified and assigned to perform the Services. If the Board determines, in its sole discretion, that any employee, subcontractor or other person providing Services hereunder for the Vendor (i) is not performing in accordance with the performance standards or other requirements of the Agreement, or (ii) is endangering the safety or welfare of any student, the Board shall have the right to direct the Vendor to remove that person from performing Services under the Agreement. Vendor further agrees to bear any costs associated with the removal of such person.

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. **Early Termination; Suspension of Services**

A. Early Termination: The Board may terminate this Agreement in whole or in part, without cause, at any time, by a notice in writing from the Board to Vendor in accordance with the notice provisions herein. The effective date of termination shall be thirty (30) calendar days from the date the notice is received or the date stated in the notice, whichever is later.

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. Payment for any Services actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth herein in the provision regarding compensation and payment.

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.

B. Suspension of Services: The Board may, upon fifteen (15) calendar day's written notice, direct Vendor to suspend Services in whole or part. Vendor shall promptly resume performance of 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.

9. **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 performance of the Services;

B. Where Services include contact with students, any failure to comply with the Criminal History Records Check Section, in whole or in part;

C. Breach of any term, condition, representation or warranty made by Vendor in the Agreement;

D. Failure of Vendor to perform any of its obligations under the Agreement including, but not limited to, the following:

i. Action or failure to act that negatively affects the safety or welfare of students or Board staff;

ii. Failure to perform in accordance with the terms, conditions, and specifications of this Agreement;

iii. Failure to perform the Services with sufficient personnel or material to ensure the timely performance of Services;

iv. Failure to timely perform Services;

v. Failure to perform the Services in a manner reasonably satisfactory to the Chief Procurement Officer of the Board;

vi. Failure to promptly re-perform Services that were rejected by the Board as incomplete or unsatisfactory within a reasonable time and at no cost to the Board;

vii. Discontinuance of the Services for reasons within 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 stated in this Agreement constituting an Event of Default.

E. Default by Vendor under any other agreement Vendor may have or may enter into with the Board;

F. 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.

10. Remedies: The Board in its sole discretion may declare Vendor in default if the Vendor commits an Event of Default. The Chief Procurement Officer may in her or his sole discretion give the Vendor an opportunity to cure the default within a certain period of time (the "**Cure Period**"). The Chief Procurement Officer shall give the Vendor written notice of the default either in the form of a cure notice ("**Cure Notice**") or, if no opportunity to cure is granted a default notice ("**Default Notice**"). If the Chief Procurement Officer gives a Default Notice stating that he/she has decided to terminate this Agreement, in whole or in part, then that decision is final and effective on giving of the notice or on the date set forth in the notice, whichever is later. The Chief Procurement Officer may give a Default Notice if Vendor fails to effect a cure within the Cure Period, or, in the event that the default cannot be cured completely within the Cure Period, Vendor fails to begin reasonable efforts to effect a cure within the Cure Period. If the Chief Procurement Officer decides not to terminate, then she or he may decide at any time thereafter to terminate this Agreement in a subsequent Default Notice.

Vendor must discontinue all Services unless otherwise specifically directed otherwise in the Default Notice, and Vendor must deliver to the Board all materials prepared or created in the performance of this Agreement, whether completed or in-process.

The Board may invoke any or all of the following remedies upon an Event of Default:

A. The right to take over and complete the 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 performed, effective at a time specified by the Board.

C. The right to suspend the performance of Services during the 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. In the event that Services are resumed, Vendor shall not be entitled to seek reimbursement from the Board for any additional costs or expenses incurred as a result of remobilization.

D. The right to specific performance, an injunction, or any other appropriate equitable remedy.

E. The right to money damages.

F. The right to withhold all or part of Vendor's compensation under this Agreement for any and all damages incurred as a result or in consequence of an Event of Default.

G. The right to deem Vendor non-responsible in future contracts to be awarded by the Board, pursuant to the Board's Debarment Policy (08-1217-PO1), as may be amended.

The Board may elect not to declare the Vendor in default or may elect not to terminate this Agreement. If the Board permits the Vendor to continue to provide Services despite one or more Events of Default, the Vendor is not relieved of any responsibilities, duties or obligations under this Agreement or of consequences of the Events of Default, and the Board will not be deemed to have waived or relinquished any of the rights it has to declare an Event of Default in the future.

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

If the Board's election to terminate this Agreement for default is determined by a court of competent jurisdiction to have been wrongful, then the termination is deemed to be an early termination as described in the Early Termination Section.

11. Turnover of Documents and Records. Upon demand of the Board after termination of this Agreement for any reason or the expiration of this Agreement by its terms, Vendor shall turn over to the Board or its designee within five (5) days of demand, all materials, supplies, equipment owned or purchased by the Board, completed or partially completed work product or analyses, data, computer disks, documents and any other information relating in any way to this Agreement or the performance or furnishing of Services, except that Vendor may keep a copy of such information for its own records.

This Agreement will be posted on the CPS internet website.

12. Assignment and Subcontracting Procedures:

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. Requests to subcontract routes or buses must be submitted in writing by the primary Vendor to STS not less than thirty (30) calendar days prior to the desired start date of such subcontract. The Vendor may subcontract no more than ten percent (10%) of the total routes awarded and/or assigned.

Vendor is responsible to the Board for the performance of its subcontractor(s). 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. However, these terms shall not be construed as creating any contractual relationship between the Board and any subcontractor, nor creating any responsibility by the Board regarding any subcontractor.

The Board will not grant approval of a subcontractor if the Vendor fails to furnish STS with sufficient information and documentation to determine a subcontractor's operational readiness and agreement to comply, and their actual compliance with, the provisions of this Agreement. Routes will not be approved for subcontracting by the Board if efficiency is reduced and the cost to the Board is increased.

13. 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 form 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.

14. Confidential Information; Dissemination of Information; Injunctive Relief; Press Releases, Publicity, Board Intellectual Property; Survival:

A. Confidential Information: In the performance of this Agreement, Vendor may have access to or receive certain information that is not generally known to others ("**Confidential Information**"). Vendor acknowledges that Confidential Information includes, but is not limited to, proprietary information, copyrighted material, educational records, student data, employee data, information relating to health records, and other information of a personal nature. 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. Notwithstanding the foregoing, it is understood and agreed that such protection of Confidential Information shall be subject to the special requirements of the Illinois School Student Records Act and the Family Educational Rights and Privacy Act, both as set forth in Section 16.A. (Compliance with Laws). Upon the expiration or termination of this Agreement, Vendor shall promptly cease using and shall return or destroy (and certify in writing destruction of) all Confidential Information furnished by the Board along with all

copies thereof in its possession including copies stored in any computer memory or storage medium.

B. Handling of Confidential Information: Vendor shall protect against the unauthorized access, use or disclosure of Confidential Information by employing security measures when handling Confidential Information that are at least as safe as the following:

i. When mailing physical copies of Confidential Information, send the Confidential Information in a tamper-proof, labeled container, with a tracking number and a delivery confirmation receipt;

ii. Encrypt all Confidential Information stored on portable or removable electronic media, such as CDs, DVDs, electronic tape, flash drives, etc.. Encryption must utilize the Advanced Encryption Standard ("AES") algorithm with a key of 256 bits or greater ("Encrypt"). Confidential Information stored in any portable or removable electronic media shall only be mailed in accordance with the provisions of Section 14.B.i above;

iii. Vendor shall not send with Encrypted Confidential Information, via mail or electronically, any password or other information sufficient to allow decryption;

iv. Vendor shall not leave Confidential Information in any medium unsecured and unattended at any time;

v. Vendor shall keep all physical copies (paper, portable or removable electronic media, or other physical representations) of Confidential Information under lock and key, or otherwise have sufficient physical access control measures to prevent unauthorized access;

vi. Vendor shall password protect any laptop or other electronic device that contains Confidential Information. Additionally, any laptop or other electronic device that contains Confidential Information shall have its full hard drive Encrypted. Vendor shall not leave any laptop or other electronic device unattended without enabling a screen-lock or otherwise blocking access to the laptop or other electronic device. Vendor shall ensure that no password or other information sufficient to access a laptop or electronic device containing Confidential Information is attached to or located near the laptop or other electronic device at any time.

vii. Vendor shall secure the Confidential Information stored on its systems, including but not limited to any servers, by employing adequate security measures to prevent unauthorized access to that information. These measures include policies, procedures, and technical elements relating to data access controls. In addition, Vendor shall use standard security protocols and mechanisms to protect the exchange and transmission of Confidential Information.

viii. Confidential Information shall be stored, backed up, and served only on servers based in the continental United States. The prior approval of the Board's ITS Program Manager or his/her designee for any hosting solution may be required.

C. Dissemination of Information: Vendor shall not disseminate any Confidential Information and /or Work Product to any third party without 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 and/or Work Product which may be in Vendor's possession as a result of Services provided under this Agreement, 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.

D. Injunctive Relief. In the event of a breach or threatened breach of this Section, Vendor acknowledges and agrees that the Board would suffer irreparable injury not compensable by money damages and would not have an adequate remedy at law. Accordingly, Vendor agrees that the Board shall be entitled to immediate injunctive relief to prevent or curtail any such breach, threatened or actual. The foregoing shall be in addition and without prejudice to such rights that the Board may have in equity, by law or statute.

E. Unauthorized Access, Use or Disclosure of Confidential Information: If the Vendor becomes aware of any unauthorized access, use, or disclosure of the Confidential Information, it shall: (i) notify the Board immediately, which shall be no more than twenty-four hours from the Vendor receiving notice of the unauthorized access, use, or disclosure of the Confidential Information; (ii) take prompt and appropriate action to prevent further unauthorized access, use, or disclosure; (iii) cooperate with the Board and any government authorities with respect to the investigation and mitigation of any such unauthorized access, use, or disclosure, including the discharge of the Board's duties under the law; and (iv) take such other actions as the Board may reasonably require to remedy such unauthorized access, use or disclosure, including if required under any federal or state law, providing notification to the affected persons. Vendor shall bear the losses and expenses (including attorneys' fees) associated with a breach of Confidential Information including, without limitation, any costs: (1) of providing notices of a data breach to affected persons and to regulatory bodies; and (2) of remedying and otherwise mitigating any potential damage or harm of the data breach including, without limitation, establishing call centers and providing credit monitoring or credit restoration services, as requested by the Board. Vendor shall include provisions consistent with this Section in contracts with any subcontractors providing any Services under the Agreement.

F. Press Releases; Publicity; Board Intellectual Property. Vendor shall not issue publicity news releases, grant press interviews, or use any intellectual property belonging to the Board, including but not limited to the CPS logo or the logos of any schools, during or after the performance or the delivery of Products and Services, nor may Vendor photograph or film within any CPS school or facility without the express written consent of an authorized representative of the Board.

G. Employees, Agents and Subcontractors: Vendor agrees to cause its employees, agents and subcontractors to undertake the same obligations as agreed to by Vendor in the Agreement.

H. Survival: The provisions of this Section shall survive the termination or expiration of this Agreement.

15. 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.

16. **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 Act, 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 perform all obligations under this Agreement. Vendor shall submit to Board, upon Board's request, Vendor's financial statements for the most recent twelve month period, which statements shall accurately and completely disclose to the Board: (i) such financial, licensing or other information as the Board may request from time to time, in the form requested by the Board, for purposes of confirming that Vendor continues to meet Board's requirements; and (ii) on an on-going basis without specific request from the Board, written notice of any material change in Vendor's financial condition.

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.

This Agreement will be posted on the CPS internet website.

G. Contractor's Disclosure Form: The disclosures in the Contractor's Disclosure Form, previously submitted by Vendor, are true and correct. Vendor shall promptly notify the Board of any material change in 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 conducted on all employees, agents, subcontractors and volunteers who may have contact with students (collectively, "**Staff**") in accordance with the *Illinois School Code* (105 ILCS 5/34-18.5); the *Sex Offender and Child Murderer Community Notification Law* (730 ILCS 152/101 *et seq.*); the *Murderer and Violent Offender Against Youth Registration Act* (730 ILCS 154/1 *et seq.*); and the DCFS check defined below ("**Records Check**"). It is understood and acknowledged that contact via text messages, live chats, emails or through any other means shall be considered "contact" for the purposes of this Section. A complete Records Check includes the following:

i. Fingerprint-based checks through the Illinois State Police and the FBI;
ii. A check of the Illinois Sex Offender Registry;
iii. A check of the Violent Offender Against Youth Database; and
iv. A check for indicated reports of child abuse/neglect in the State Automated Child Welfare Information System of the Illinois Department of Children and Family Services ("**DCFS**") or any substantially comparable determination of child abuse/neglect by any other government agency in any jurisdiction.

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 *Murderer and Violent Offender Against Youth Registration Act*, 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 shall not allow any of its Staff to have contact with a student until a Records Check has been conducted for that person and the results of the Records Check satisfy the requirements of 105 ILCS 5/34-18.5 and the requirements of all other Acts and Laws referenced in this Section, as may be amended. Within fifteen (15) business days before any Staff has contact with any students and on or before the Agreement's anniversary date(s) during the Term and any Renewal Term, Vendor shall submit a written report to the CPS's Chief Officer of Safety & Security and/or its Deputy Chief of Network Security ("CPS Safety Officer"). The report shall include at least the following information:

1. the specific method of completing the Records Check;
2. the names of each Staff member who satisfactorily passed the Records Check within the quarter before s/he has any contact with a student; and
3. the procedure to update each Staff member's Records Check through the Term of the Agreement, including any Renewal Terms (intervals between each Staff member's updates shall not be less than annually).

On a quarterly basis thereafter, Vendor shall: i) periodically check the Illinois Violent Offender Against Youth Registry and the Illinois Sex Offender Registry for each Staff member who has contact with students and shall immediately remove any Staff member who may be identified on either registry; ii) provide a written report to the CPS Safety Officer listing the names of all new Staff members who may have contact with students and certifying that Records Checks were satisfactorily completed for those individuals

before s/he had any contact with students; and iii) provide any other information requested by the Board.

If Vendor fails to comply with this Section, in whole or in part, then, in addition to the Remedies set forth in this Agreement, the Board may exercise additional remedies, including but not limited to: (i) withholding payments due under this Agreement and any others that Vendor may have with the Board; (ii) immediately terminating this Agreement, in whole or in part, without any further obligation by the Board of any kind; or (iii) seeking liquidated damages.

I. Research Activities and Data Requests: Vendor acknowledges and agrees that Vendor shall not conduct research in the Chicago Public Schools or use CPS student data for research purposes. In the event Vendor seeks to conduct research activities in the Chicago Public Schools or use CPS student data for research purposes in connection with this Agreement, 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 Chief Officer of the Office of Planning & Data Management/Research & Data Analytics or his designee.

J. 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.

K. 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 Agreement. 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.

L. Information Security Policy: Vendor warrants that it is and shall remain in compliance with the Board's Information Security Policy adopted September 25, 2013 (13-0925-PO1), as amended, during the Term of the Agreement and any renewals thereof.

M. Transportation Laws and Regulations: Vehicles operated by Vendor to provide Services in accordance with this Agreement are to be manufactured and operated in compliance with all applicable federal, state and local laws and regulations, as may be amended from time to time during the term of this Agreement. All vehicles to be operated and all transportation services provided by Vendor must comply with the requirements of the State of Illinois with respect to transporting pupils, as well as with all applicable laws, ordinances, executive orders, statutes, and regulations of the local, state and federal government and all Board policies, rules and procedures related to the performance of this Agreement.

N. 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.

17. **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 employees shall be entitled to receive Board employee benefits. As an independent contractor, Vendor agrees to be responsible for the payment of all taxes and withholdings specified by law which may be due in regard to compensation paid by the Board. To the extent that Vendor is subject to taxes under Section 4980H of the Internal Revenue Code, Vendor shall be solely responsible for paying such taxes. Vendor agrees that neither Vendor nor its employees, staff or subcontractors 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 federal employer identification number. In the event that the Board is determined to be liable for taxes under Section 4980H of the Internal Revenue Code as a result of the use of Vendor's employees under the Agreement, Vendor shall indemnify the Board for any such liability.

    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.

18. **Indemnification:** Vendor agrees to defend, indemnify and hold harmless the Board, its members, employees, agents, officers and officials from and against liabilities, losses, penalties, damages and expenses, including costs and attorney fees, arising out of all claims, liens, damages, obligations, actions, suits, judgments or settlements, or causes of action, of every kind, nature and character (collectively, "Claims") arising or alleged to arise out of the acts or omissions of the Vendor, its officers, agents, employees and subcontractors in the performance of the Agreement. The foregoing obligation extends to and is intended to encompass any and all Claims that the Services infringe, misappropriate, or otherwise violate any confidentiality, proprietary, or intellectual property right of a third party.

    Furthermore, as stated in Section 17 above, in the event that the Board is determined to be liable for taxes under Section 4980H of the Internal Revenue Code as a result of its use of Vendor's employees under the Agreement, Vendor shall indemnify the Board for any such liability. As stated in Section 14.E above, in the event of unauthorized access, use, or disclosure of the Board's Confidential Information arising or alleged to arise from the acts or omissions of Vendor, its employees, agents, or subcontractors, in addition to the obligations provided in this Section, Vendor shall cover any costs or fees associated with (i) providing notices of a data breach to affected persons and to regulatory bodies and (ii) remedying and otherwise mitigating any potential damages or harm from the data breach including, but not limited to, call centers and providing credit monitoring or credit restoration services as may be requested by the Board.

    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, the 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 the 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 immediately 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.

19. **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.

20. **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. E9997-7109-06. The compensation to be paid to Vendor set forth herein 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.

21. **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.

22. **Insurance Requirements:** Vendor, at its own expense, shall procure and maintain insurance covering all operations under the Agreement, whether performed by Vendor or by subcontractors. All primary insurance coverage required shall be provided by insurance carriers licensed by the State of Illinois and all carriers shall be rated A-VII or better by A.M. Best or a comparable rating service. Vendor shall submit to the Board satisfactory evidence of insurance coverage and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements include the coverage set forth below:

    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 employees who are to provide Services under the Agreement with limits of not less than One Million Dollars ($1,000,000.00) per occurrence. The workers' compensation policy must contain a waiver of subrogation clause.

    B. Commercial General Liability Insurance (Primary and Umbrella): Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the aggregate for bodily injury, personal injury and property damage liability. Coverage shall include, but not be limited to: all operations, contractual liability, independent contractors, products/completed operations (for a minimum of two (2) years following completion), and defense. General liability insurance may not exclude coverage for sexual abuse and/or molestation.

    C. Automobile Liability Insurance: Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services to be performed, with limits of not less than One Million Dollars ($1,000,000.00) per occurrence for bodily injury

and property damage, and providing not less than five thousand dollars ($5,000) in medical-payments coverage per person.

D. Umbrella/Excess Liability Insurance: Commercial Automobile and Umbrella Liability Insurance with a combined limit of not less than Ten Million Dollars ($10,000,000.00) per accident for bodily injury and property damage liability claims against the Vendor or the Board or the employees, agents, members, officers and/or officials of either party. Under the medical-payments coverage, the Vendor shall require its insurance company to pay applicable medical bills within 60 days of date of loss. Pursuant to Section 12-707.01 (c) of the Illinois Vehicle Code, this requirement may be met by securing surplus line insurance as defined under Section 445 of the Illinois Insurance Code. If the excess or umbrella liability coverage requirement is met by securing surplus line insurance, that coverage must be effected through a licensed surplus line producer acting under the surplus line insurance laws and regulations of the State of Illinois. Vendor shall be responsible for all physical damage to the vehicles.

E. Additional Insured: Vendor shall have its General 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 Board will not pay Vendor for any Services if satisfactory proof of insurance is not provided by Vendor prior to the performance of any Services. 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
42 W. Madison Street, 2nd Floor
Chicago, Illinois 60602

Copy to: Chief Procurement Officer
Board of Education of the City of Chicago
42 W. Madison Street, 9th Floor
Chicago, IL 60602
Attn: Patricia Hernandez

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 the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. Vendor's failure to carry or document required insurance shall constitute a breach of the Vendor's Agreement with the Board. In the event Vendor fails to fulfill the insurance requirements of the Agreement, the Board reserves the right to stop the Services until proper evidence of insurance is provided, or the Agreement may be terminated.

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 the Vendor under the Agreement.

All subcontractors are subject to the same insurance requirements of Vendor unless otherwise specified in the Agreement. The Vendor shall require any subcontractors under the Agreement to maintain comparable insurance naming the Vendor, the Board inclusive of its members, employees and agents, and any other entity designated by the Board, as Additional Insureds.

The Vendor will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by Vendor in no way limit the Vendor's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in the Agreement, if any, or any limitation that might be placed on the indemnity in the 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 indicated below, and must maintain a current insurance certificate on file during the entire time of providing Services to the Board. Vendor must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to performing Services for the Board. The **initial** annual monitoring fee is currently Twelve Dollars ($12.00) per year, but the fee may subject to change.

Each year, Board-approved, registered vendors will 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) in order to 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 (see URL below). Should you have any questions on submissions and payment options, you can contact the certificate monitoring company.

Certificate Monitoring Company:
Topiary Communications Inc.
676 N. LaSalle - Suite 230
Chicago, IL 60654
Phone: (312) 494-5709
Email: dans@topiarycomm.net
URL: http://www.cpsvendorcert.com **(designated website for online registration, insurance certificate submissions and annual fee payments)**

23. **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. 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 below:

Service Failures Resulting In Assessments of Liquidated Damages to be Paid by Vendor:	**Assessment**
1. Driver is operating a school bus without a current valid state school bus operator's permit.	$10,000/ occurrence
2. Student is left unattended on a school bus after the route is complete.	$10,000/ occurrence
3. If a school bus providing Services to any CPS school bus route or activity has failed the State of Illinois Safety Lane Inspection and is used by the Vendor on a school bus 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. School bus 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 banned driver to operate a CPS route, a banned bus aide to serve on a CPS route, or a banned school bus to serve a CPS route after being notified by STS that such person or school bus is ineligible to serve a CPS route.	$5,000/occurrence
8. Driver does not follow proper Railroad Crossing Regulations while transporting students.	$3,000/occurrence
9. Student remains on the bus after other students are unloaded at the designated school and the bus leaves the school loading/unloading area but the driver never leaves the bus.	$3,000/occurrence
10. Releasing special needs student to unauthorized adult or no adult.	$3,000/occurrence
11. Vendor fails to comply with the requirement to staff the dispatch office 45 minutes before and after all routes are operating.	$3,000/occurrence
12. Vendor fails to maintain the required amount of insurance coverage.	$1,000/day
13. Operating a school bus that is not within the specified vehicle age requirements.	$1,000/occurrence
14. Vendor fails to provide accurate or timely driver, bus aide, or vehicle lists as directed by STS.	$1,000/occurrence
15. A bus operating without Vendor documented preventative maintenance, brake inspections, and breakdown maintenance.	$1,000/occurrence
16. Vendor submits invoice for route on which no students are riding.	$1,000/route invoiced
17. Vendor fails to operate a designed route and STS has to use other sources to provide service.	$500/occurrence
18. Route does not operate because Vendor's bus is over 45 minutes late and STS was not alerted by Vendor	$500/occurrence

19. Vendor fails to provide their Certificate of Insurance on the required timelines.	$500/occurrence
20. Vendor fails to report an incident or accident concerning any Chicago Public School students within sixty (60) minutes of occurrence: a. On any regular route at any time to STS. b. On a field or charter trip at any time to the School that requested the service. Additionally, any field or charter trip that involves personal injury or police citation also needs to be reported to STS within sixty (60) minutes of occurrence. Vendor fails to submit Carrier Student Transportation Services Report within 24 hours after an accident or incident.	$500/occurrence
21. A bus operating in non-compliance of equipment requirements: fire extinguisher, triangle road safety, emergency door.	$500/occurrence
22. Vendor fails to make requested office records and buses available for inspection at some point between 5:00 am and 5:00 pm, Monday through Friday (with, or without notice), and Saturday (with 48-hour notice).	$500/occurrence
23. Vendor fails to update the driver/vehicle/student database electronically through designated CPS website as required by STS.	$500/occurrence
24. Vendor fails to notify STS when students have not been riding the bus for more than three (3) days.	$500/occurrence
25. A bus operating with unauthorized riders.	$500/occurrence
26. Vendor operating in non-compliance of the City of Chicago School Bus Seat Belt Ordinance.	$250/day
27. A bus operates without a working Cross Control Arm.	$250/occurrence
28. Vendor operating in non-compliance of the "Everyone Off" Equipment requirement.	$250/occurrence
29. Route, whether AM, mid-day or PM, bus is over 45 minutes late and STS was alerted by Vendor.	$250/occurrence
30. A bus operating without approved and working telecommunications equipment.	$250/occurrence
31. A driver operating CPS routes when Vendor records do not document that the driver training requirements and background check requirements have been met.	$250/occurrence
32. Vendor operating in non-compliance of the spare school bus requirement.	$250/occurrence
33. A driver discharging a child from the bus that is not the child's designated stop.	$250/occurrence
34. A route operated without a current route itinerary or operated without an approved STS modified route sheet.	$250/occurrence
35. A Vendor-employed bus aide working when Vendor records do not document that the aide's training requirements and background check requirements have been met.	$250/occurrence
36. Vendor fails to return a call from STS within 30 minutes during normal business hours.	$250/occurrence
37. Vendor fails to comply with CPS Anti-Idling policy.	$250/occurrence
38. Vendor fails to report a late bus operating over 45 minutes of the designated school bell time that is the direct fault of the Vendor.	$100/occurrence
39. A route, whether AM, mid-day or PM, arriving at school after the time designated by STS.	$100/occurrence
40. A bus operating without fully operational camera and/or GPS/Tracking equipment.	$200/day
41. Vendor is in non-compliance with the office telephone or office equipment requirement.	$100/day
42. Vendor's driver uses cellular phone while driving on a CPS route.	$100/occurrence
43. Driver/Vendor employed bus aide fails to wear/display the required license/permit/CPS ID badge.	$100/occurrence
44. A route operated in non-compliance of the route sign requirement.	$100/occurrence
45. A route operated in non-compliance of the "1-800" sign requirement.	$100/occurrence
46. Vendor fails to keep the interior and/or exterior of the bus reasonably clean.	$100/occurrence
47. Vendor fails to provide a bus aide on an accepted route that requires a vendor provided bus aide.	$100/occurrence
48. Vendor fails to report all vehicles in to STS ("All Clear").	$100/occurrence
49. Vendor operates a CPS route prior to completing an electronic pre-trip vehicle inspection.	$100/occurrence
50. Vendor's driver operates a CPS route without a vest, shirt, or jacket with the Vendor's name professionally displayed upon it.	$100/occurrence

51. A Vendor fails to comply with federal drug and alcohol regulations including, but not limited to, testing requirements, and the U.S. Department of Transportation Federal Motor Carrier Safety Administration (FMCSA) assesses a monetary fine against CPS. The assessment will be deducted from a future invoice of that Vendor.	Amount of assessment
52. Failure to attach the correct bus in the specified STS system to tie a bus to a route for tracking purposes.	$100/occurrence
53. Vendor does not perform a Run/Route in the specified STS sequence.	$100/occurrence
54. Vendor does not have properly working heating or air conditioning on bus.	$100/occurrence
55. Vendor fails to notify STS when aide is not on route.	$100/occurrence
56. Vendor fails to produce requested Medicaid Log documents by the requested monthly date to STS.	$250/occurrence
57. Vendor fails to present/upload video footage to STS within twenty-four (24) hours of STS's request.	$100/day

24. Minimum Wage: Vendor must comply with the Board's Minimum Wage Resolution (14-1217-RS2) and any applicable regulations issued by the Board's CPO. The Board's resolution adopts Chicago Mayoral Executive Order 2014-1. The minimum wage to be paid pursuant to the Resolution is $13.00 per hour (the "Minimum Wage"). A copy of the Mayoral Order may be downloaded from the Chicago City Clerk's website at: http://chicityclerk.com/wp-content/uploads/2014/09/Executive-Order-No.-2014-1.pdf; the Board's Resolution may be downloaded from the Chicago Public School's website at: http://www.cpsboe.org/content/actions/2014_12/14-1217-RS2.pdf. In the event of any discrepancy between the summary below and the Resolution and Order, the Resolution and Order shall control.

Vendor must: (i) pay its employees no less than the Minimum Wage for work performed under the Agreement; and (ii) require any subcontractors, sublicensees, or subtenants, to pay their employees no less than the Minimum Wage for work performed under the Agreement.

The Minimum Wage must be paid to: 1) All employees regularly performing work on property owned or controlled by the Board or at a Board jobsite and 2) All employees whose regular work entails performing a service for the Board under a Board contract.

Beginning on July 1, 2015, and every July 1 thereafter, the Minimum Wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and shall remain in effect until any subsequent adjustment is made. On or before June 1, 2015, and on or before every June 1 thereafter, the City of Chicago may issue bulletins announcing adjustments to the Minimum Wage for the upcoming year.

The Minimum Wage is not required to be paid to employees whose work is performed in general support of Vendor's operations, does not directly relate to the services provided to the Board under the Agreement, and is included in the contract price as overhead, unless that employee's regularly assigned work location is on property owned or controlled by the Board. It is also not required to be paid by employers that are 501(c)(3) not-for-profits.

The term 'employee' as used herein does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force as of the date of this Agreement or as amended. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

The Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by the Board's Resolution, if that

collective bargaining agreement was in force prior to December 17, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the Resolution.

If the payment of a prevailing wage is required and the prevailing wage is higher than the Minimum Wage, then the Vendor must pay the prevailing wage.

25. **Audit and Records Retention:** Vendor shall permit and cooperate in good faith in any audits by the Board, including its Department of Procurement, or its agents for compliance by the Vendor with this Agreement. Vendor shall furnish the Board with such information, supporting documentation and reports as may be requested relative to the progress, execution and costs of the Services and compliance with applicable MBE/WBE requirements. Failure of the 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 the Vendor for the cost of such audit.

    Vendor shall retain all records relating to Vendor's Services under this Agreement for five (5) years after the termination or expiration of this Agreement and such records shall be subject to inspection and audit by the Board. If any audit, litigation or other action involving the records is being conducted or has not been resolved, all applicable records must be retained until the proceeding is closed. As used in this clause "records" includes correspondence (including emails), receipts, vouchers, memoranda and other data, regardless of type and regardless of whether such items are in written form, electronic, digital, or in any other form. Vendor shall require all of its subcontractors to maintain the above-described records and allow the Board the same right to inspect and audit said records as set forth herein.

26. **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. Any notice involving non-performance or termination shall be sent by hand delivery or recognized overnight courier. All other notices may also be sent by facsimile or email, confirmed by mail. All notices shall be deemed to have been given when received, if hand delivered; when transmitted, if transmitted by facsimile or email; upon confirmation of delivery, if sent by recognized overnight courier; and upon receipt if mailed. Refusal to accept delivery has the same effect as receipt.

IF TO THE BOARD:
Chicago Board of Education
Department of Student Transportation Services
42 West Madison Street, Garden Level
Chicago, IL 60602
Attn: Kevin McGuire, Executive Director
Facsimile: (773) 553-2884

Copy to:
Ronald L. Marmer, General Counsel
Chicago Board of Education
Law Department
One North Dearborn Street, Suite 900
Chicago, IL 60602
Facsimile: (773) 553-1701

IF TO VENDOR:
Jack Harris Transportation, Inc.
14218 South Western
Posen, IL 60469
Attn: Jack Harris

27. **Right of Entry:** Vendor, and any of its employees, agents and subcontractors performing Services shall be permitted to enter upon a school site in connection with providing 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 employees, agents and subcontractors to use, the highest degree of care when entering upon any property owned by the Board in connection with the performance of 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 employees, agents and subcontractors, 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 attorney's 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 Agreement including, without limitation, the indemnification provisions contained in this Agreement.

28. **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, national origin, religion, sex, gender identity/expression, sexual orientation, age or disability; 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, national origin, religion, sex, gender identity/expression, sexual orientation, age or disability. Vendor shall particularly remain in compliance at all times with: 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 Illinois Human Rights Act, 775 ILCS 5/1-101, *et seq.*, as amended; the Illinois School Code, 105 ILCS 5/1-1 *et seq.*; the Illinois Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.*; the Individuals with Disabilities Education Act (IDEA) 20 U.S.C.A. §1400 *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. Nothing in this paragraph is intended nor shall be construed to create a private right of action against the Board or any of its employees. Furthermore, no part of this paragraph shall be construed to create contractual or other rights or expectations for the Vendor's employees or the Vendor's subcontractors' employees.

29. **Dispute Resolution:** In the event of a dispute between Vendor and STS relating to any question of fact arising under this Agreement, unless otherwise resolved, Vendor may submit in writing a request for resolution to the Board's Chief Administrative Officer for determination. The Chief Administrative Officer shall render a determination in writing which shall be final and binding except as to matters of law. A copy of the determination shall be provided to Vendor.

30. **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.

31. **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.

32. **Freedom of Information Act:** Vendor acknowledges that the Agreement and all documents submitted to the Board related to the 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 the Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44. Vendor further acknowledges that the Agreement shall be posted on the Board's Internet website.

33. **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.

34. **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.

35. **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.

36. **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.

37. **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.

38. **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 Contracts*", which is incorporated by reference as if fully set forth herein. Vendor agrees to adhere to the minimum participation goals and to all other applicable MBE/WBE requirements as set forth in the plan. Vendor agrees to submit such documentation in connection with the plan as may be requested by the Board.

39. **Ethics:** No officer, agent or employee of the Board is or shall be employed by the Vendor or has or shall 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 adopted May 25, 2011 (11-0525-PO2), as amended from time to time, which policy is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.

40. **Anti-Kickback Laws:** Neither Vendor nor any of its members if a joint venture or limited liability company has accepted and shall not accept from or on behalf of any subcontractor or any intermediate tier subcontractor any payment, gratuity or offer of employment in relation to the Contract or as an inducement for the acceptance of the Agreement. Vendor is and shall remain in compliance with all applicable anti-kickback laws and regulations.

41. **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.

42. **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.

43. **Certification of Eligibility:** Vendor certifies that it is not barred from contracting with any unit of State or local government as a result of violation of either Section 33E-3 (bid-rigging) or 33E-4 (bid rotating) [720 ILCS 5/33E]. Vendor further certifies that it, and each of its joint venture members if a joint venture, is not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency and that in performing the Services for the Board it shall not utilize any firms that have been debarred from doing business with the Board under the Board's Debarment Policy (08-1217-PO1), as may be amended from time to time.

44. **Account Management:** Vendor must provide a single point of contact, an Account Manager, who is assigned to oversee and manage the day-to-day activities of this relationship with the Board as well as overall management of the customer service issues and reporting. Vendor shall also be required to have periodic meetings with the Board's Department of Procurement personnel for reasonable contract review meetings as well as an annual review at a time determined by the Department of Procurement. Vendor must support the Board with an appropriate number of personnel to meet the Board's needs.

45. **Participation by Other Local Government Agencies:** Other local government agencies ("Local Government Agencies") may be eligible to purchase Services pursuant to the terms and conditions of the Agreement if such agencies are authorized, by law or their governing bodies, to execute such purchases, and if such authorization is allowed by the Board's Chief Procurement Officer, and if such purchases have no significant net adverse effect on the Board and result in no observed diminished ability on the Vendor to provide the Services to the Board or Board's user departments pursuant to such purchases. Local Government Agencies shall include, without limitation: City of Chicago, Chicago Park District, City Colleges of Chicago, Chicago Transit Authority, Chicago Housing Authority, Chicago Board of Elections, Metropolitan Pier & Exposition Authority (McCormick Place, Navy Pier), and the Municipal Courts. All purchases and payment transactions shall be made directly between the Vendor and the requesting Local Government Agency. The Board shall not be responsible for payment of any amounts owed by any Local Government Agency to Vendor. The Board assumes no authority, liability or obligation on behalf of any Local Government Authority.

46. **Charter School Participation:** Charter schools which receive funding from the Board shall be eligible to purchase Services pursuant to the terms and conditions of the Agreement and, if such charter schools are authorized by their governing bodies to execute such purchases, by issuing their own purchase order(s) to Vendor. The Board shall not be responsible for payment of any amounts owed by charter schools. The Board assumes no authority, liability or obligation on behalf of any charter school.

47. **Counterparts; Facsimile/Electronic Signatures:** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. Signatures received by facsimile or electronically scanned by either of the parties shall have the same effect as original signatures.

[Signature Page to Follow]

This Agreement will be posted on the CPS internet website.

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: _____
Frank M. Clark, President

Attest: _____ 7/11/17
Estela G. Beltran, Secretary

Date: 7/11/17

By: _____
Forrest Claypool, Chief Executive Officer

JACK HARRIS TRANSPORTATION, INC.

By: _____

Name: Jack Harris

Title: President

Attest: _____

Date: 6-29-17

Board Report No. 17-0322-PR10-9

Approved as to legal form:

_____
Ronald L. Marmer, General Counsel

Attachments:

Exhibit A: Scope of Services
Exhibit B: Pricing for Services
Attachment 1: Map of the Zones with Zone Descriptions
Attachment 2: CPS Revised Protocol for Children Left Stranded
Attachment 3: Enumerated Offenses in the Illinois School Code [105 ILCS 5/34-18.5(c)]

This Agreement will be posted on the CPS internet website.

EXHIBIT A

SCOPE OF SERVICES

Jack Harris Transportation, Inc. ("Vendor')

Board Report No. 17-0322-PR10-9

Program: Student Transportation Services

CPS Project Manager: Kevin McGuire, Executive Director of STS Phone: 773-553-2884 E-Mail: kpmcguire@cps.edu

Vendor's Project Manager: Jack Harris **Phone:** 708-389-1843 **E-Mail:** harris1462@aol.com

Period of Performance: August 1, 2017 until July 31, 2020

This Scope of Services shall be conducted pursuant to the terms and conditions of the above-referenced Board Report and the Student Transportation Services Agreement dated August 1, 2017 ("**Agreement**") between **Jack Harris 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 student transportation services (including vehicles, equipment, materials, labor and other required services) ("**Services**") for students participating in the following programs:

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

There are eight (8) zones (each a "Zone") within the Board's district. The Zones were created based on traffic density within certain sections of the city as well as stop density. A map of the Zones with Zone descriptions are set forth in Attachment 1 to this Agreement.

Vendor shall provide 21 buses in the following Zone(s): 3, 4, 5, 6, 7, 8. The Board reserves the right to request Vendor to provide Services in other Zone(s). All Services will be provided pursuant to this Agreement and will be at the prices set forth in **Exhibit B.**

Development of Routes:
The Board's Department of Student Transportation Services ("STS") shall develop run and routes generated by its routing team and provide such to the Vendor. STS retains the authority to require routes to be "paired" or "shared". STS reserves the right to design a shared run that serves students attending more than one school. Classifying a route as a single (first), paired (second), double paired (third) or shared route will be at discretion of the STS team. Routes, changes or assignments not authorized by STS in advance will only be approved for payment at the discretion of STS.

Vendor shall review all route schedules issued by STS for operational characteristics and make suggestions for more efficient routing. Modifications to routes must be approved by STS prior to implementation.

Vendor's refusal of route assignment(s) which are within the quantity of buses awarded and the zone specific volume to the Vendor constitutes partial cancellation of that number of routes for the duration of the Agreement and is a breach of this Agreement subjecting the Vendor to all other Board remedies.

Vendor must be capable of adjusting routes schedules and Services within thirty six (36) hours after notice of such change is received from STS.

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.

Field, Athletic or Special Trip Service:
Field, Athletic and/or Special Trip Services are trips that are scheduled to transport students to various activities both on School and Non-School Days, as defined below. Field, Athletic, and/or Special Trip Services shall be provided in accordance with this Agreement and the rates charged by Vendor for such Services shall not exceed the maximum rates identified in **Exhibit B**.

School Day: Service will commence between morning and afternoon routes on days that school is in session. Schools, CPS Departments and the Board may contact the Vendor to schedule this service and each is responsible for the cost. Also, field trip service between morning and afternoon routes may be required for the transportation of (non-student) adults participating in certain programs sponsored by the City of Chicago.

Non-School Day: Service occurs after school hours or on weekends or holidays. Schools, CPS Departments and the Board may contact the Vendor to schedule this service and each is responsible for the cost. Also, field trip service may be required as authorized by the Board for the transportation of (non-student) adults participating in certain programs sponsored by the City of Chicago.

Rapid Response Fleet:
Vendor will provide 0 rapid response ("Rapid Response") fleet buses under this Agreement. Vendor must provide the Board with a dedicated on-call fleet. These buses will be under the direct dispatch control of the Board. The hours of service and service provided will be determined by the Board but in no case shall less than eight (8) hours of service per day be required.

Vendor shall be paid for Rapid Response assignments on a daily rate basis as indicated in **Exhibit B**.

If Vendor is providing Rapid Response fleet buses, the following shall apply:

1. Vendor shall respond to STS radio calls within five (5) minutes.
2. Vendor's driver must have a minimum of three (3) years school bus driving experience and the same driver must be assigned daily. Changes in drivers assigned must be approved in writing in advance by STS. The drivers assigned must be agreeable to and capable of navigating throughout the city and suburbs. In case of absence of an assigned driver an approved substitute must be assigned. Each bus must be equipped with a detailed street map book of the City of Chicago and Suburbs provided by Vendor and a current CPS school directory provided by STS.
3. STS retains authority to schedule Rapid Response buses as are deemed necessary to accommodate needs. *Daily assignments by STS of Rapid Response buses may be made throughout the City and suburbs at the discretion of the STS.*
4. Vendor agrees that each Rapid Response bus awarded is equipped with a Nextel Cellular/2-Way Radio Phone. Vendor is responsible for the purchase of a Nextel Cellular/2-Way Radio Phone approved by STS for each Rapid Response bus awarded and one Nextel Cellular/2-Way Radio Phone to be used by STS in contacting the Rapid Response drivers. Vendor shall also be

responsible for the monthly service fee for all radio phones provided. All radio phones must be functional one week prior to the school year starting. The Vendor shall be responsible to replace any lost or stolen radio phone used by a rapid response driver. STS shall be responsible for replacing any lost or stolen radio phone used by STS staff. STS shall coordinate the acquisition of all radio phones and monthly service. The purpose of the STS coordination is to ensure that all Rapid Response drivers can be contacted by STS using radio phones supplied by the Vendor. The cellular phone capabilities of all Radio Phones may be turned off.

5.Vendor agrees that buses and drivers used to provide Rapid Response Service are required to be dedicated to this task. If Vendor's drivers and/or vehicles are unable to meet the Rapid Response Service needs, Vendor agrees to replace such driver and/or vehicle immediately upon request of STS. Daily check-in and check-out shall be as directed by STS. All Rapid Response daily assignments shall be made by the STS. Vendor shall ensure that drivers shall keep a daily log of their assignments and, if requested by the STS, the log shall be attached to the monthly invoice for payment.

6. For a bus required by STS to provide Rapid Response Service in excess of eight hours per day, Vendor shall be paid at the rate of twenty-two dollars ($22.00) per hour, broken at quarter hour increments for such extended service.

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 hereunder, including:
   a) Report of financial condition, including latest financial statements as requested by the CPO
   b) Report on outstanding legal actions

2. Evidence that the Vendor's staff, vehicle, and other equipment are sufficient to satisfactorily perform Services hereunder, including without limitation:
   a) Current list of licensed drivers
   b) Current list of drivers in training with projected licensing date for each
   c) Current list of licensed vehicles
   d) Current list of bus aides

   Vendor is required to maintain the above information on drivers, bus aides and vehicles in a database specified by STS on a monthly schedule as determined by STS. No driver, bus aide or vehicle is to be used by the Vendor to operate a CPS-contracted bus route prior to submitting required information into said database. Only then shall STS approve such drivers, bus aides and vehicle to operate CPS routes.

3. Evidence of management personnel with sufficient skills, experience and resources to ensure that all Services are satisfactorily delivered hereunder, including without limitation:
   a) List of management personnel along with their defined responsibilities, including those individuals responsible for terminal management, supervision of drivers and bus aides, dispatching drivers and vehicles, safety functions and supervision of mechanical staff, management of GPS equipment and data, management of invoicing, and any other information requested by the CPO.

4. Evidence of compliance with insurance, bonding, licensing and other requirements which are necessary for Vendor to operate hereunder, including without limitation:
   a) Certificate of insurance
   b) Performance bond
   c) 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 readiness audit is scheduled, Vendor shall make its facilities, vehicles and records available for operational readiness inspection by STS.

Further, STS reserves the right to require Vendor to provide an oral presentation concerning the financial condition of the Vendor, the recruitment of drivers and bus aides, the training of drivers and bus aides, the purchase and delivery of buses, and such other matters as they relate to operational readiness.

Vendor agrees to fully cooperate with STS's efforts to ascertain the Vendor's operational readiness status and timely response to all questions and requests for information in this regard. STS shall evaluate the information provided by Vendor along with information gathered in on-site readiness audits and from other relevant sources to determine the operational readiness of the Vendor.

STS shall provide 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 Executive Director of STS shall notify the Vendor of any award reductions or other remedy imposed that result from 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 run at times as determined appropriate by the Executive Director of Transportation. 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 of a school earlier than the normal bell time, the Board will inform the Vendor as soon as possible, but not later than 1 hour prior to the closure time.

5. Accident/Incident Procedures

Accident: Any contact between a bus and another vehicle, a person, or an object during use on a CPS bus route.

Incident: Any situation that occurs on a CPS bus route including fighting, bullying, verbal threats, slips, falls, exiting the bus at an unauthorized stop, possession of weapons, possession of drugs, self-inflicted injuries, physical attacks against the bus staff or any student on board the bus, jumping off the bus, throwing objects out the window, sexual assault, sexual misbehavior, wheelchair tipping or falling over, any child left on board after a run is completed and vandalism of the bus.

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 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 may only transport Board students and others specifically assigned to such route. Drivers, children's welfare attendants, and Vendor employed aides may not transport their children on any Board run unless they are authorized to receive transportation and are on the same route as their parent.

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 Board-approved passengers 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. 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.

9. 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.

10. Students with Disabilities on Bus Routes

Vendor warrants and ensures that its drivers and Vendor-employed bus aides will exert special care to ensure that students with disabilities are cared for according to the needs of the student. Such students must be transported in accordance with the STS' policies (which include, without limitation, picking up and dropping off students at the same location in the AM and PM) and in accordance with each such student's Individualized Education Program ("IEP"). Vendor will remain responsible for each student with disabilities until the student is met by an authorized, responsible adult or as otherwise required in accordance with each student's IEP. The Vendor further warrants and ensures that its drivers and Vendor-employed bus aides will follow the ***Board's Revised Protocol for Children Left Stranded*** ("Stranded Student Protocol") regarding this as well as all other applicable situations as set forth in Attachment 2 to this Agreement. Vendor agrees that a bus aide must be present on any bus that carries a student with disabilities if required by that student's IEP. If STS assigns a Vendor-employed bus aide to a run, the Vendor must immediately provide a substitute Vendor-employed bus aide for each run in all such circumstances in which the Vendor-employed bus aide that the Vendor is responsible for providing does not arrive for duty or is not available.

11. Student Management Responsibilities

Drivers and Vendor-employed bus 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 bus 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 bus 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.

12. Responsibility for Performance

Vendor shall be responsible for the performance of its entire staff and agents, 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.

13. Dry Runs

At the request of STS, Vendor shall perform a "dry-run" on all regular routes prior to the regular school year or summer school term, starting on the day and time as designated by STS. The driver assigned to the route must conduct the dry-run to qualify for reimbursement. The Board shall reimburse Vendor for dry-runs conducted as directed by STS.

Dry-runs are verified through GPS tracking. No payment shall be made for dry-runs of routes consisting of three (3) stops or less. Vendor shall be paid for documented dry-runs of routes a flat fee of fifty dollars ($50.00) per bus.

During the school year Vendor shall require the assigned driver to perform training runs on a newly assigned route each time a new driver is assigned to the route. These training runs shall continue until the driver can successfully operate the route. No compensation shall be paid for training runs. Additional routes assigned to a Vendor during the school year qualify for "dry-run" payment if approved in advance by STS.

14. "Undeliverable" Child

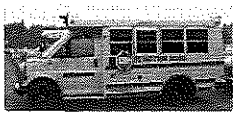
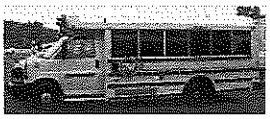
Vendor warrants and ensures that drivers and bus aides will exert special care to ensure that students assigned to special education routes are cared for according to the needs of the student. Special education students must be transported in accordance with STS's policies. The Vendor shall remain responsible for students transported on special education routes until the student is met by an authorized, responsible adult. The Vendor shall ensure that drivers and aides follow the STS Procedures and Guidelines for the Safekeeping of "Undeliverable" Children with Special Needs which procedure will be made available to Vendor in writing after award of this Agreement. The Vendor shall be compensated at the rate of twenty-five dollars ($25.00) per child to supervise an "undeliverable" child at a police station.

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.

All vehicles used to provide Services pursuant to this Agreement must be registered under the name of the Vendor and included in the insurance coverage carried by the Vendor.

Three types of diesel, gas or propane school buses listed below are required to perform services under this Agreement. In addition to complying with all local, state and federal laws and regulations, the vehicles must also comply with the following standards:
with the following standards:

			
Capacity	- Minimum 10 - 16-36 passengers - can include wheel chairs	- Minimum 10 - 30-36 passengers - can include wheel chairs	- Over 10 - 36-78 passengers - can include wheel chairs
Design Specs	- A bus body placed on a cutaway van chassis with a left-side driver's door - Single or dual rear wheels on drive axle	- A bus body mounted to either a stripped or a cowled chassis - Entrance door mounted behind the front wheels - Engine compartment next to the driver	- A bus body mounted to a cowled medium-duty truck chassis - Entrance door mounted behind the front wheels - Engine mounted forward on the windshield
Weight	- Type A-1: 14,500 lb or less - Type A-2: 14,500+ lb	- Type B-1: 10,000 lb or less - Type B-2: 10,000+ lb	Typically between 23,000 – 29,500 lb

Vendor shall provide at least one (1) spare school bus for every fifteen (15) route buses for each Type awarded. If Vendor is awarded less than fifteen (15) route buses, a minimum of one (1) spare school bus for each Type of bus operated must be provided. All spare buses shall be fully functional and in a ready state including the required GPS and audio video equipment.

Additional requirements include:

1. Age of School Buses
On the start of the school year of each year of the Term, the Vendor will not operate a Board run using a vehicle that exceeds a maximum age of thirteen (13) years and/or 250,000 miles effective as of the start of the school year of the then current year.

2. Radio Communications System Requirement
All school buses proposed must be equipped with telecommunication equipment required by the Board. As the state-of-the-art equipment changes, the Board reserves the right to approve or reject new technology that Vendor submits to the Board 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, or cellular phone type push to talk service.

3. Crossing Arm Control
Vendor shall ensure that all buses are equipped with Crossing Control Arms meeting SAE #J1133 as required by The Illinois Department of Transportation (IDOT); Illinois Admin. Code Part 440 & 442, Title 92; Chapter I. Vendor shall ensure that Crossing Control Arms are used in accordance with the Illinois State Board of Education rules including but not limited to 23 ILADC 275.115 and 92 ILADC 440.420(h).

4. IDOT Inspection Requirement

All school buses operating pursuant to this Agreement must have a valid Illinois Department of Transportation (IDOT) Inspection Sticker in the vehicle's front window at all times.

5. "Everyone off" Requirement

All buses operating pursuant to this Agreement shall be equipped with the following system: An electronic system that requires the driver to turn off the engine, walk to back of bus and disengage the alarm before exiting the bus. An alarm must sound if the switch on the rear of the bus is not pressed within sixty (60) seconds of turning the engine off. The system must be engaged automatically when the engine is started.

6. Vehicle Tracking System

As part of the Board's ongoing effort to improve the safety and security of students while continuing to improve efficiency and effectiveness of the transportation system, the Board has selected a GPS provider to be used by Vendor that will track buses and record student ridership. To complete the system, all vehicles must be equipped with the following:

- Vendor will acquire and install Zonar Systems V3 GPS hardware for locating and tracking school buses.
- Vendor will install Zonar Systems EVIR handheld device and use the bus aide time, student check, attendance tracking, and vehicle inspection functionalities. Vendor will contract directly with Zonar Systems for all Subscriber Services including activation, 24/7 access to Zonar Ground Traffic Control (Fleet Management Web Application), daily account monitoring, and all associated 3G wireless data charges.

In addition to all of the hardware, software, and services described above, Vendor may need to license and implement other Board-approved software systems for integration with the Zonar Systems V3 GPS devices and also the Chicago Public Schools current routing and scheduling software system. This requirement may include contracting with Edulog, a Board-approved vendor for all support and maintenance services associated with the software system. In addition, Vendor will license and implement any requirements CPS determines is needed for the functionality of the software system (including contracting for all support and maintenance services associated with the tracking system).

Vendor is responsible for purchasing, installing and maintaining all necessary equipment on each vehicle as directed by the Board.

7. Video Camera System Requirement

Vendor shall furnish at a minimum two (2) digital high end-compatible format video cameras with audio in buses. Cameras will be installed per Board specifications. Video surveillance shall be capable of recording a minimum of three (3) consecutive days on each media storage device. The system shall be able to record up to 30 frames per second (fps) on each video channel with a resolution of up to 720 x 480. All systems will be fully functional and operational. The system should be expandable to four cameras. The systems will be installed and operational in buses serving schools as deemed appropriate by the STS. Camera systems shall be installed by Vendor and operational as soon as practical after the Effective Date of this Agreement but in no case later than October 1, 2017. When the Board requests a recording on buses, the resulting recorded video shall be provided to the Board within 24 hours of the request.

8. Air Conditioning Requirement

At times a student's IEP will require the use of an air-conditioned vehicle. STS, at its discretion, may require the Vendor to provide an air-conditioned school bus to serve any route(s) as deemed appropriate by STS. With written authorization, Air Conditioning is approved between May 15 and September 30 or beyond times when specifically requested.

The additional amount paid for a required air-conditioned bus shall be fifteen dollars ($15.00) per school day per bus that a bus utilizes the air-conditioning, when air-conditioned bus service is

provided. STS may require the bus to serve a different route if it is determined that the air-conditioned bus is needed on a different route.

9. Route Signs
Each bus operating a route pursuant to this Agreement must display a route sign provided by STS located in the passenger-door-side forward-most window and the passenger-door-side rear window as prescribed by STS. Route signs must be present at all times during CPS routes and reflect the current run information. Each sign must contain the school destination name(s) and route number(s) of each route clearly printed. In the case of a tinted window, the sign holder must be affixed to the outside of the bus and the route sign inserted into the sign holder. The sign itself shall be laminated and weather-proof with two-inch black lettering on a white background.

10. 1-800- Sign- Poor Driving Reports
Each bus operating a route through this Agreement must display a sign provided by STS located on the driver side rear window that identifies STS's 1-800 phone number to report poor driving performance. It must be the only number listed. Any sign affixed to a tinted window must be permanently adhered to the outside of the window. The sign must be weatherproof, with 3-inch black lettering on a white background.

11. Bus Identification
Each bus, spare and route, must have the bus company name clearly identified on the side of the bus in at least four (4) inch black lettering on a white background. Any sign affixed to a tinted window must be adhered to the outside of the window and be weatherproof.

12. Advertising on School Buses
Vendor shall ensure that no school bus while operating routes will have advertising placed upon it unless such advertising has been authorized in writing by the Board.

13. Supplemental Equipment: Child Seating, Child Protection, Restraint Systems, Safety Belts and Cameras
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 is not limited to child safety seats (car seats/booster 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 which they are intended. The Vendor shall be reimbursed for reasonable costs for such seating systems and/or restraints if approved in writing in advance by STS.

Vendor shall also arrange for a third and/or fourth camera to be purchased and installed at the Board's request. Vendor will be reimbursed for any third and/or fourth camera(s) only 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.

Vendor will maintain an inventory of STS-reimbursed items purchased for special education students and will provide the inventory upon request of the STS. The inventory will be inspected at the time of the audit.

14. Additional Vehicle Requirements: In addition to the foregoing requirements, all vehicles making Board routes must:

a) Pass safety tests conducted by the Illinois Department of Transportation;

b) Have never been in junk or salvage status; or involved in serious accidents including those that necessitated repairs to the frame;

c) 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;

d) Be registered in the name of the Vendor and included under that Vendor's insurance coverage;

e) Be parked in secure locations when not making routes;

f) Be cleaned and inspected each morning and each afternoon prior to Board routes in a planned and systematic manner;

g) Be equipped with:

i. child safety door locks and locking windows;

ii. radio communication systems approved by the Board for communications between the terminal/dispatch center and the driver;

iii. properly working heating and air conditioning systems, locking windows, and child safety locks and properly maintained individual seat belts;

iv. dry chemical type fire extinguishers mounted in the manufacturer's automobile type bracket in a position accessible to the driver;

v. full first aid kits;

vi. 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 run and run number;

vii. vehicle surveillance systems (e.g., cameras) as required by the Board's Executive Director of Transportation; and

viii. proper restraint systems (properly used and in good condition) to secure the wheelchairs and a lift or manual ramps if serving students in wheelchairs.

D. <u>Preventative Maintenance Program for Vehicles</u>

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
   b. Exhaust System
   c. Drive Train
   d. Front End
   e. Suspension System
   f. Tires
   g. Safety Equipment
   h. Lights

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. All completed State of Illinois "School Bus Brake Inspection Report" forms must be maintained by Vendor for one year.

E. 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 two (2) 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 who shall provide written certification that the MVR's do not have any offenses as listed in Attachment 3 (Enumerated Offences in the Illinois School Code 105 ILCS 5/34-18.5(c), as may be amended from time to time). The certification will also list those drivers whose MVR records any of the offenses listed in Attachment 3. 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. A minimum of one (1) substitute driver must be maintained for every fifteen (15) buses assigned. 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 reckless driving charges within 3 years, or tickets for driving 25 mph over speed limit within the past 3 years, and

f) Have no DUI within the 3-year time limit as set forth in the IL school bus driver permit requirements [625 ILCS 5/6-106.1, 1a-1c, as amended].

Vendor shall comply with Criminal History Records Search as specified in the Agreement 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.

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
- Railroad crossing procedure
- Post trip walk through
- Student behavior management, customer service / dispute resolution, and mandated reporting
- Sensitivity training for students with disabilities
- Special operation requirements of school buses
- Drawstring warning / awareness
- Understanding city directions and addresses
- First aid
- Bus 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
- Operation of Zonar/EVIR system
- Stranded Student protocol, as detailed in Attachment 2

c) The behind-the-wheel instruction must contain, at a minimum, the following modules:
- Loading and unloading procedures
- Railroad crossing procedures
- Post-trip walk through
- Pre-trip inspection
- Bus evacuation
- Reference point driving
- Corner turning procedures
- Use of emergency signaling equipment
- Use of radio to communicate with dispatcher
- Defensive driving
- How to read and follow bus run sheets/directions
- Securement of wheelchair type devices for special education drivers
- Bus idling policy

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 Protocol and may include other topics covered during the initial training.

e) Annually, between July 1 and June 30, 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 training must, at a minimum, be scheduled on bi-monthly intervals to ensure that it occurs throughout the entire school year. This in-service training may include other topics covered during the initial training. However, loading and unloading procedures, Stranded Student Protocol, as detailed in **Attachment 2**, and the topics defined below should be discussed at every in-service training session. The Vendor may include additional items of instructions at their discretion as deemed necessary to ensure safety and timely arrival to school of CPS students. The number of in-service training hours for drivers employed after November 1 can be pro-rated based on the months remaining in the school year.

i. First Bi-Monthly Training (two hours)
- Loading and unloading procedures – including the danger zone, Stranded Students Protocol
- Railroad crossing procedures
- Post trip walk through
- Student behavior management, customer service, dispute resolution and mandated reporting
- Sensitivity training for students with disabilities including disability codes and description:
  - AUT Autistic
  - DD Developmentally Delayed
  - EBD Emotional Behavior Disorder
  - EMH Educable Mentally Handicapped
  - HI Hearing Impaired
  - LD Learning Disability
  - OHI Other Health Impairment
  - PHY Physically Handicapped
  - SPH Severely Profound Handicapped
  - SPL Speech and Language
  - TBI Traumatic Brain Injury
  - TMH Trainable Mentally Handicapped
  - VI Visually Impaired

- Use of Zonar/EVIR system

ii. Second Bi-Monthly Training (two hours)
- Loading and unloading procedures – including the danger zone, Stranded Students Protocol and Latch-Key Student procedures
- Special operational requirements for school buses
- Drawstring warning/awareness
- Understanding city directions, addresses, route sheets, and pick up and drop off procedures
- First aid
- Bus evacuation

iii. Third Bi-Monthly Training (two hours)
- Loading and unloading procedures – including the danger zone, Stranded Students Protocol and Latch-Key Student procedures
- Company operational policies and procedures
- Hazard/accident avoidance
- Safe driving practices
- Accident and incident procedures
- Pre-trip inspection
- Use of Zonar/EVIR system

iv. Fourth Bi-Monthly Training (two hours)
- Loading and unloading procedures – including the danger zone, Stranded Students Protocol and Latch-Key Student procedures
- Use of two –way radio or other communication device approved by the STS
- 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 Schools policies and procedures

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.

4. Uniform Requirements
Drivers shall be dressed professionally at all times while providing route service under this Agreement. At a minimum, drivers will wear a light-weight vest with the Vendor's name, or a coat or jacket with the Vendor's name, and a hat/cap with the Vendor's name on it. No hat is to be worn unless it contains the Vendor's name on it.

5. Picture ID Required
All of Vendor's drivers shall secure a Board picture identification badge to be issued by the CPS Safety and Security Department. The initial badge will be provided at no cost to Vendor or its employees; however, a fee will be charged for lost, damaged, or stolen badges. Such badge shall be worn and displayed at all times when transporting students under this Agreement. Failure of the Vendor's drivers to display the picture identification will be considered a serious violation of this Agreement and can result in liquidated damages as well as the removal of the Vendor's driver from providing service to that school or the loss of the route at the school to the Vendor.

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.

   Each Vendor-employed aide must:

   a) be at least 18 years of age and have good moral character;
   b) meet all physical requirements including, but not limited to working with drivers to load and unload students with the bus 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 bus 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 specified in the Agreement for any individual wanting to serve as a bus/vehicle aide under this Agreement.

2. School Bus/Vehicle Aide Training Program
   Prior to commencing Services under this Agreement, each new Vehicle-employed 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
      - Loading and unloading of students in a wheelchair
      - 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 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.

All records of all bus aides must be completed and be certified by the Vendor to meet the standards listed in this Section G. STS reserves the right to further define the training program at any time during the Term of this Agreement. STS also reserves the right to attend, schedule or perform training for Vendor-employed bus aides at any time during the Term of this Agreement.

4. Uniform Requirements
Vehicle aides shall be dressed professionally at all times while providing route service under this Agreement. At a minimum, vehicle aides will wear a light-weight vest with the Vendor's name, or a coat or jacket with the Vendor's name, and a hat/cap with the Vendor's name on it. No hat is to be worn unless it contains the Vendor's name on it.

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:

Report Type	Frequency
All Clear Report	Daily
Arrival/Departure time at/from school by GPS	Daily
Drug testing	Per occurrence
Run information	Weekly
Performance measurement information	Monthly
Medicaid Transportation Log	Monthly
Updated list of current drivers, bus aides, and vehicles	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. Performance Measurement
The Board has defined a set of common, minimum Key Performance Indicators ("KPI"). Vendor shall be measured based on the following KPI's, which will be reviewed on a quarterly basis with the Board's Executive Director of Transportation or his designee, and are subject to change:

Performance Metric	KPI's	Definition	Source
Safety	# of Accidents per 1,000 runs	# of accidents that occur per thousand runs as a percentage	STS Accident Database

	# of Safety Complaints per 1,000 runs	# of accidents that occur per thousand runs as a percentage	STS Complaint System
	Provides Safe Service	Percentage and Ranking from Principal Evaluations of "Provides Safe Service" and "Timely Student Behavior Rpts"	Principal Evaluations
	Daily Pre-Trip Inspection Completion Percentage	**Current:** Ranking based off bus audits **Future:** Percentage based on Zonar Report	**Current:** Audit Results **Future:** Zonar (EVIR)
	Incident Related Liquidated Damages per Bus	Amount of liquidated damages by safety incidents per bus	Verify Database/RTS/ Tracking Sheet
	Driver Training Compliance	Percentage of drivers that are current with training	Quarterly Spot Audits
	Preventative Maintenance Compliance	Percentage of Vehicles current on preventative maintenance schedule	Quarterly Spot Audits
Quality of Service	# of Quality Complaints per 1,000 runs	# of quality complaints that occur per thousand runs as a percentage	STS Complaint System
	On-time Performance	**Current:** Percentage based off current on-time audits **Future:** Percentage based on GPS report	**Current:** STS audits **Future:** GPS
	Spare Bus Compliance	Verify if vendors are compliant with having 1 spare bus per 15 active buses	Quarterly Spot Audits
	Provides Quality of Service	Percentage and Ranking from Principal Evaluations (7 Categories)	**Current:** Principal Evaluations **Future:** Customer (Parent) Surveys
	Quality Related Liquidated Damages per Bus	Amount of Liquidated damages by quality issues per Bus	Verify Database/RTS/ Tracking Sheet
	Driver Consistency	Percentage of Routes Operated by Regular Driver	Zonar (EVIR)
Cost Efficiency Initiatives	Proactive Cost Monitoring	Amount of cost efficiency liquidated damages per bus	Verify Database/RTS/ Tracking Sheet
	Cost Efficiency	Ranking of Vendors based on cooperation with CPS Cost Savings	CPS Internal Survey
Compliance	Compliance Incidents	Amount of liquidated damages by compliance issue per bus	Verify Database/RTS/ Tracking Sheet
	Compliance Performance	Ranking of Vendors based on CPS compliance and service goals	CPS Internal Survey

3. Driver, Vehicle Aide and Vehicle Lists
Vendor shall provide and maintain a written list of their drivers, vehicle aides and vehicles to the Board in an STS database. Lists will be required to be current at all times.

4. 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.

5. 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.

6. 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.

7. Quality Assurance Audits
Vendor shall cooperate with the Board in conducting quality assurance audits as determined appropriate by the Board. Audits will begin as early as 5:00 a.m. Monday through Friday on school days without prior notice and with 48 hour notice on non-school days. Vendor shall ensure that all vehicles are available for 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 both vehicles and all applicable Vendor records shall be an integral part of the audits.

8. 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.

9. Office and Equipment Requirement: Vendor shall maintain adequate facilities and equipment to ensure that buses are maintained in a safe condition and ensure drivers and other staff have a safe and adequate working environment. Adequate restroom facilities shall be provided. 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.

10. Dual Enrollment Service Routes
Limited one-way transportation service is required for students enrolled in private schools who take some instruction at a CPS school. The Board shall designate in writing when this service is

appropriate. This route will be subject to a ten mile minimum.

11. Management Training Program
Vendor is required to train key staff regarding all requirements of the Board. Key staff includes owners and personnel who manage or supervise office staff, bus drivers, and bus aides providing service under this Agreement. Training is to be conducted on an annual basis, between July 1 and June 30, with key staff receiving a minimum of eight (8) hours of in-service training covering the topics identified below. This training must, at a minimum, be scheduled on bi-monthly intervals to ensure that it occurs throughout the entire school year. The Vendor may include additional items of instructions as deemed necessary to ensure safety and the timely delivery of CPS students to school.

Training Content must include:

- Audit procedures and file documentations
- Liquidated Damages
- Subcontracting procedures
- Invoice adjustments
- Edulog and GPS
- Stranded Students Protocol and Latch-Key Student procedures
- CPS policies and procedures
- Banned drivers/Drivers Due Process Procedures

12. Recordkeeping for Management Training Program
Written documentation must be maintained that identifies the topics covered and dates training occurred for each key staff member throughout the life of the Agreement. The trainer must also be identified and sign the training record along with the signature of the trainees. All records of all key staff members must be complete and be certified by the Vendor to meet the standards listed in Paragraph 11 above. The recordkeeping format for all training will be provided to STS in an electronic format designated by STS to permit information to be portable for auditing purposes.

13. Bus Terminal Requirement:
All of Vendor's bus terminals must be of adequate size to park all buses inside a fenced and lighted area each night. No buses are to be parked in or around the terminal or on the street at night.

14. Garage Requirement:
Vendor is required to operate a garage to repair and maintain its buses. A minimum of one (1) indoor garage bay shall be available for providing maintenance on buses. A minimum of one (1) full time qualified mechanic must be employed for every twenty-five (25) school buses operated pursuant to the Agreement. The garage must be equipped as necessary to maintain the quantity of buses operated. Approval to operate a facility without a garage must be approved in advance in writing by STS.

A detailed request to allow a Vendor to operate without a garage and/or mechanical staff must be approved in writing in advance by STS. Vendor may not subcontract out any mechanical work, without prior written notice to, and prior written approval of STS at STS's sole discretion. All subcontractors must be appropriately certified by the state licensing authority. This request must be specifically approved by STS in writing to be authorized.

15. Road Service:
Each Vendor bus terminal (dispatch center) that has twenty-five (25) or more buses must have a service vehicle to perform road service calls. Those terminals with less than twenty-five (25) buses must have a documented road service resource on call.

16. Emergency Evacuation Drills:

Vendor will provide vehicles for two (2) emergency evacuation drills per school year for each school Vendor serves at no cost to the Board. Such vehicles will be used as part of the drills required by state regulations. The drills shall be conducted under the direction of the school principals. Schedules for such drills must be coordinated between principal and Vendor.

This Agreement will be posted on the CPS internet website.

EXHIBIT B

PRICING FOR SERVICES

Jack Harris Transportation, Inc. ("Vendor')

Board Report No. 17-0322-PR10-9

Period of Performance: August 1, 2017 until July 31, 2020

Vendor shall be paid in accordance with this Agreement and at the rates set forth below:

The pricing is based on 8 zones within the Board's district.

The zones were created based on traffic density within certain sections of the city as well as stop density. Factors such as percentage of runs ending in the same zones/neighboring zones, size of the zones, and distance to current vendor base terminals were also used to determine the 8 zones. The pricing structure contains two different components:

The Fixed Fee Zone Rate is paid daily per bus and will cover the following items: Non-driver Wages, Taxes & Licenses, Insurances, Overhead, Administrative Fees, Depreciation, Interest/Amortization, Driver Wages, Profit, and any other costs outside of the Fixed Fee - Cost Per Mile.

The Fixed Fee - Cost Per Mile - is paid daily per mile based on calculated live miles as described in the Agreement and will cover all maintenance, repairs, and fuel costs.

- The Fixed Fee - Cost Per Mile will be based on the calculated live miles for the run.
- The calculated mileage is not the actual miles driver drives which may vary by driving conditions such as weather or traffic. Mileage is obtained from the routing software and excludes deadhead miles.
- The Board will calculate/update new mileage as soon as the route is entered/altered in the routing software.
- The fixed rate will apply only once per day.
- The destination zone refers to the zone the school will be located of the final morning run.
- In case of tiers (pairs) the applicable zone will be the zone of the school of the last run (in case of a pair this would be the second run)
- Less than 0.3% of runs fall outside of Chicago City boundaries. CPS will use the closest zone price to calculate the fixed cost in these instances.
- A route refers to all the runs made by a single bus in a day.
  - Minimum mileage determinations:
    - In the case of first runs, the Board is ensuring that the Vendor's round trip first run mileage will average 22 miles per day. The average applies to the aggregate number of first runs (both AM and PM) operated across all Zones. In the case of only an AM or only the PM portion of a run is operated, 11 miles and 0.5 runs will be used in the calculation. A monthly calculation will be made purposes of this payment.
    - Mileage for the second (2^{nd}) runs in the morning and the second (2^{nd}) runs in the afternoon will be paid a minimum of six (6) miles for each morning and afternoon run(s).
    - Any additional runs (third or fourth) are not subject to a mileage minimum.
  - Mid-Day Runs: Mid-Day runs will be paid per mile; based on a minimum of 10 guaranteed miles.

- Shared Runs: Shared runs will be paid an additional $15.00 for every school after the first school per day on top of the standard rates.

The Board requires that the rates be honored for the first year. 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 transportation program. A rate adjustment can be made on an annual basis to the fixed zone rate and by 50% to the fixed fee cost per mile rate if the Vendor documents to the Board's Chief Procurement Officer, 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 Zone Rate at 100% and Fixed Fee cost Per Mile rate at 50%	Annually	Current: Fixed rate = $100. Per mile rate = $4/mile CPI 2016: 4% Forward: Fixed rate = $100 * 1.04 = **$104.** Per mile rate = $4 * 1.02 =**$4.08/mile**

The Board has a standard fuel surcharge policy in place. For every 7 cents increment in fuel price, a surcharge of 1 cent/mile (live mile) will be paid. The fuel surcharge will be adjusted quarterly from the baseline.

	Method	Type	Applies to	Frequency of Adjustment	Example
Fuel Surcharge	Based on Table provided, total calculated miles per supplier	Forward Credit or Debit	80% at Calculated Miles	Quarterly	• Total Calculated miles for Supplier A for Q1 = 10,000 • Fuel at time of Adjustment = $2.39 Fuel Surcharge Pay @ $2.39 based on table = $0.08/mile • Total Credit: = 10,000 * $0.08 = $800 for Supplier A for Q1 • Fuel Policy Base Price is $1.81-1.87

Fuel Surcharge Policy (Ultra Low Sulfur Diesel)

Fuel Surcharge Policy

The fuel surcharge policy shall apply to all the buses and will be based on the scale set below. Adjustment to the fuel rate will be made on 1st day of each quarter based on the OPIS PADD report diesel fuel price. The new diesel price will be calculated based on average recent quarter price. The table is designed to compensate approximately 80% of fuel price changes based on calculated miles.

The Fuel surcharge will be adjusted quarterly from the baseline.

Monthly Fuel Price (USD per Gallon)	Surcharge per Mile
Continuing at $0.07 increments	Continuing at $0.01 increments
$0.90 - 0.96	-$0.130

$0.97 - 1.03	-$0.120
$1.04 - 1.10	-$0.110
$1.11 - 1.17	-$0.100
$1.18 - 1.24	-$0.090
$1.25 - 1.31	-$0.080
$1.32 - 1.38	-$0.070
$1.39 - 1.45	-$0.060
$1.46 - 1.52	-$0.050
$1.53 - 1.59	-$0.040
$1.60 - 1.66	-$0.030
$1.67 - 1.73	-$0.020
$1.74 - 1.80	-$0.010
$1.81 - 1.87 (Baseline)	**$0 (Baseline)**
$1.88 - 1.94	$0.010
$1.95 - 2.01	$0.020
$2.02 - 2.08	$0.030
$2.09 - 2.15	$0.040
$2.16 - 2.22	$0.050
$2.23 - 2.29	$0.060
$2.30 - 2.36	$0.070
$2.37 - 2.43	$0.080
$2.44 - 2.50	$0.090
$2.51 - 2.57	$0.100
$2.58 - 2.64	$0.110
$2.65 - 2.71	$0.120
$2.72 - 2.78	$0.130
Continuing at $0.07 increments	Continuing at $0.01 increments

From August 1, 2017 to July 31, 2018, the parties agree that the Vendor shall be paid current rates + the annual CPI adjustment at a cost per mile rate of $4.20.

From August 1, 2018 to July 31, 2019, the parties agree that the Vendor shall be paid a 1% increase on current rates in 2017-2018 except for the AC Unit Per Bus Cost and Share Run Cost rates + the annual CPI adjustment at a cost per mile rate of $4.24 (which already includes a 1% increase).

From August 1, 2019 to July 31, 2020, the parties agree that the Vendor shall be paid a 1% increase on current rates in 2018-2019 except for the AC Unit Per Bus Cost and Share Run Cost rates + the annual CPI adjustment at a cost per mile rate of $4.28 (which already includes a 1% increase).

EXHIBIT B
JACK HARRIS TRANSPORTATION, INC.

PRICING FOR SERVICES

Fixed Fee	Variable Fee
Pricing for a Type C yellow school bus.	
Vendor shall provide Services in the destination zone(s) listed below at the following price(s):	The cost per mile rate shall be ($/mile)

Destination School Zone	Daily Price
1	N/A
2	N/A
3	$182.42
4	$182.42
5	$154.43
6	$171.01
7	$169.97
8	$173.08

$/mile
$ 4.20

Fixed Daily Rate Accessorials

Daily Fixed Rate shall be applied once per day according to the following prices:

Service	Rate ($)
Bus Aide First Route	$ 92.00
Bus Aide Second Route / Midday Run	$ 32.00
AC Unit Per Bus Cost	$ 15.00
Share Run Cost (For every school after first school on a run)	$ 15.00
Rapid Response	$ 400.00
Lift Per Bus	$ 10.00

Field Trips - Fixed Cost Structure

Overview:

An hourly rate (in USD) is provded for the following field/athletic trip tiers. These rates will be used as a guideline throughout the year. These are maximum rates vendors can charge schools. Vendors and schools may agree to lower rates.

The Fixed Cost Structure for Field Trips is separated into two (2) distinct sections: Weekday Rates and Weekend Rates. Any additional hour incurred will be a proration of the next hour's rate.

WEEKDAY RATES

Passenger Bus: Weekday

Cost Drivers	2 Hour Rate	4 Hour Rate	6 Hour Rate	8 Hour Rate	12 Hour Rate	18 Hour Rate	24 Hour Rate	Overnight Rate
Fixed Rate per Hour	$90.00	$90.00	$90.00	$90.00	$100.00	$100.00	$100.00	$100.00
Multi-Bus Discount %	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Adjusted Fixed Rate	**$85.50**	**$85.50**	**$85.50**	**$85.50**	**$95.00**	**$95.00**	**$95.00**	**$95.00**
Price Breakdown								
Total Bus Rental Cost	$57.29	$57.29	$57.29	$57.29	$63.65	$63.65	$63.65	$63.65
Total Driver Cost	$28.22	$28.22	$28.22	$28.22	$31.35	$31.35	$31.35	$31.35
Additional Lift Cost per Bus	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00
Additional Fee for Extra Time	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00

WEEKEND RATES

Passenger Bus: Weekend

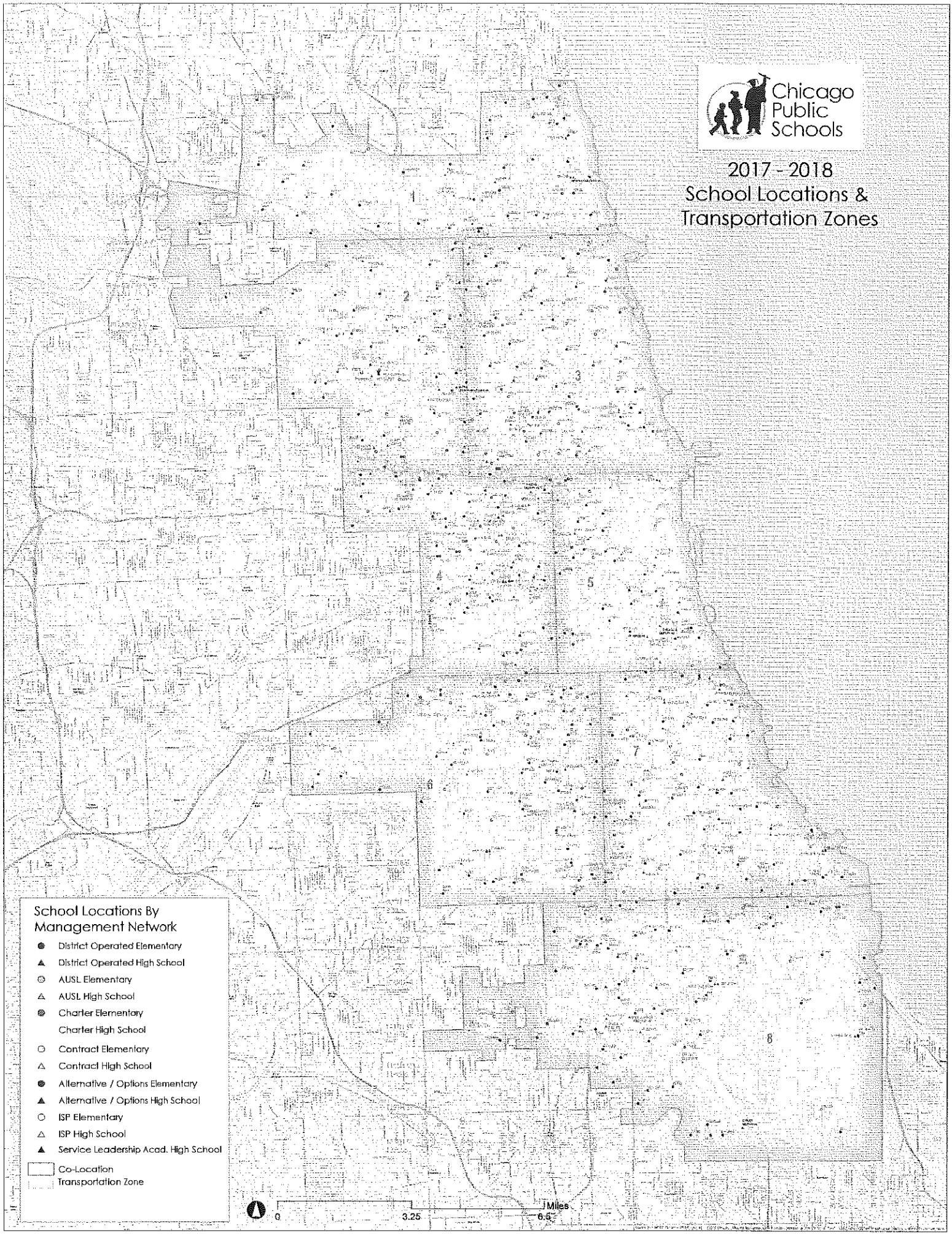
Cost Drivers	2 Hour Rate	4 Hour Rate	6 Hour Rate	8 Hour Rate	12 Hour Rate	18 Hour Rate	24 Hour Rate	Overnight Rate
Fixed Rate per Hour	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00	$100.00
Multi-Bus Discount %	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Adjusted Fixed Rate	**$98.00**	**$98.00**	**$98.00**	**$98.00**	**$98.00**	**$98.00**	**$98.00**	**$98.00**
Price Breakdown								
Total Bus Rental Cost	$65.66	$65.66	$65.66	$65.66	$65.66	$65.66	$65.66	$65.66
Total Driver Cost	$32.34	$32.34	$32.34	$32.34	$32.34	$32.34	$32.34	$32.34
Additional Lift Cost per Bus	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00	$15.00
Additional Fee for Extra Time	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00	$75.00

ATTACHMENT 1

MAP OF ZONES WITH ZONE DESCRIPTIONS

The latitude and longitude coordinates and street boundaries are provided below for each zone:

Zone ID	Southwest	Northeast	Zone Description
1	41.9659, -87.86149	42.01923, -87.66401	Bounded by the City Limits on the West and North, Lake Michigan on the East, Lawrence Avenue on the South
2	41.88798, -87.7749	41.96833, -87.7183	Bounded by the City Limits on the West, Lawrence Avenue on the North, Central Park Avenue on the East, Lake Street on the South
3	41.88488, -87.7168	41.96962, -87.64491	Bounded by Central Park Avenue on the West, Lawrence Avenue on the North, Lake Michigan on the East, Lake Street on the South
4	41.81726, -87.74332	41.88495, -87.67667	Bounded by the City Limits on the West, Lake Street on the North, Damen Avenue on the East, 43rd Street on the South
5	41.81572, -87.67519	41.88603, -87.61277	Bounded by Damen Avenue on the West, Lake Street on the North, Lake Michigan on the East, 43rd Street on the South
6	41.73453, -87.74098	41.81588, -87.65538	Bounded by the City Limits on the West, 43rd Street on the North, Racine Avenue on the East, 87th Street on the South
7	41.73592, -87.65341	41.81705, -87.59217	Bounded by Racine Avenue on the West, 43rd Street on the North, Lake Michigan on the East, 87th Street on the South
8	41.6836, -87.73933	41.73814, -87.52958	Bounded by the City Limits on the West, 87th Street on the North, Lake Michigan on the East, the City Limits on the South


Chicago Public Schools
2017 - 2018
School Locations &
Transportation Zones
1
2
3
4
5
6
7
8
School Locations By Management Network
District Operated Elementary
District Operated High School
AUSL Elementary
AUSL High School
Charter Elementary
Charter High School
Contract Elementary
Contract High School
Alternative / Options Elementary
Alternative / Options High School
ISP Elementary
ISP High School
Service Leadership Acad. High School
Co-Location
Transportation Zone
0
3.25
6.5
Miles

ATTACHMENT 2

Revised Protocol for Children Left Stranded
(As of 2/22/16)

Historically, CPS has been faced with the dilemma of what to do with children who have not been picked up from school by the close of our business day, or who have no one to meet their bus. When a student is stranded, because a parent, guardian, or emergency contact does not come to pick him/her up, or a responsible adult is not available to meet the bus, specific procedures must be followed:

A. Students who are stranded at school

If, after school, a parent/guardian or person on the student's emergency contact form does not pick up a student who cannot travel home independently, the following steps should be taken:

1. The Principal or the Principal's designee, who must be a member of the professional educational staff of the school building, will remain with the student until the student is picked up by a parent, guardian, or emergency contact OR until a police officer or *Department of Child and Family Services Division of Child Protection Investigator* (CPI) takes *protective custody* of the student.

IMPORTANT: It is best practice for two employees, at least one of whom is an educational professional (Teacher, Teacher's Aide, Assistant Principal, or Principal), **to remain with the student stranded at the school building.**

2. School staff shall call the parent or guardian who usually picks up the student. If that person cannot be reached, staff should leave a voice message, if possible, stating, "If the parent, guardian, or emergency contact does not come to the school to pick up the child by **4:30 p.m.**, the school will be obligated to call the *Chicago Police Department* and the *Department of Child and Family Services* Hotline to report child neglect." Staff should leave the same voice message with all emergency contacts.

3. If by 4:30 p.m., the parent, guardian, or emergency contact has not been reached and/or no one has come to pick up the student, school staff shall call:
    a. DCFS Hotline at 1-800-25-ABUSE (252-8273) to report child neglect; and
    b. CPS Student Safety Center at 773-553-3335 to explain that a student is stranded and to provide the *student's emergency contact* information.
    c. Please have the principal or school call the Safety Center when the outcome is determined, specifically the school or principal should let the Safety Center know when the student is picked up by parent/guardian/emergency contact, or when police has picked student up from school or principal has dropped the student off at the Police Station with Watch Commander.

4. *The CPS Student Safety Center* shall:
    a. Continue to attempt to locate the parent, guardian, or emergency contact;

b. Arrange for the *Chicago Department of Family and Support Services* to provide transportation if the parent, guardian or emergency contact requires assistance to get to school;
c. As a last resort, call 911 to ask the police to come to the school to take protective custody of the student;
d. If the police decline to come to the school, advise the Principal or his/her designee that they may transport the student to the local police station, and ask to speak to the Watch Commander.

IMPORTANT: At least one school employee shall always remain with the student at school or the police station until the parent, guardian, or emergency contact arrives or until a CPI or Police Officer takes *protective custody* of the student.

B. Students who are undeliverable by a school bus

If, after school, a parent/guardian or person on the student's emergency contact form is not available when the student is delivered by a school bus, the following steps should be taken:

1. The Bus Driver or Bus Aide shall call the bus company dispatch office. The Bus Driver shall wait 10 minutes. If after 10 minutes, a parent, guardian, or emergency contact has not arrived, a flyer shall be left on the door of the home where the student is dropped off, listing the number of the bus company Dispatcher and indicating that if the parent, guardian, or emergency contact has not contacted the Dispatcher by 4:30 p.m., a report of child neglect will be made to the *Illinois Department of Children and Family Services Hotline.*

2. The Dispatcher must contact CPS Student Transportation (STS) at 773-553-2860. STS will work to find other contact information for the parent or guardian.

3. If not resolved, STS shall call the *CPS Student Safety Center* at 773-553-3335.

4. The *CPS Student Safety Center* shall:
   a. Call the Principal to arrange for an educational professional to be present at the school when the Bus Driver returns the student to the school;
   b. Call all individuals listed on the emergency contact form to ask them to contact the Bus Company Dispatcher. If there is no answer, if possible, leave a voice message requesting that they contact the bus company Dispatcher and indicating that if a parent, guardian, or emergency contact person does not come to the school by **4:30 p.m.**, the school will be obligated to call the *Department of Children and Family Services Hotline* to report child neglect;
   c. Arrange for the *Chicago Department of Family and Support Services* to provide transportation if the parent, guardian, or emergency contact requires assistance to get to the school.

5. At the end of the bus route, if the parent, guardian, or emergency has not arranged to pick up the student, the bus driver shall return to the school and deliver the student to an education professional (Teacher, Teacher's Aide, Assistant Principal, or Principal).

6. At 4:30 p.m., if a parent guardian or emergency contact has not come to pick up the student the school shall:
    a. Call the *Department of Child and Family Services* Hotline at 1-800-25-ABUSE (252-2873) to report child neglect;
    b. Call the police to take *protective custody* of the student;
    c. If the police decline to come to school, advise the Principal or his/her designee that they may transport the student to the local police station and ask to speak to the Watch Commander.
    d. Please have the principal or school call the Safety Center when the outcome is determined, specifically the school or principal should let the Safety Center know when the student arrives back at the school from the bus, when the student is picked up by parent/guardian/emergency contact, or when police has picked student up from school or principal has dropped the student off at the Police Station with Watch Commander.

IMPORTANT: At least one school employee shall always remain with the student at the school or the police station until the parent, guardian, or emergency contact arrives or until a CPI or Police Officer takes *protective custody* of the student.

Thank you for your continued cooperation and for complying with the rules and guidelines for Chicago Public Schools.

ATTACHMENT 3

Enumerated Offenses in Illinois School Code, 105 ILCS 5/34-18.5 referencing 105 ILCS 5/21B-80

(Updated 8/2016)

1. **Any offense defined in the Cannabis Control Act, except those defined in Sections 4(a), 4(b), 4(c), 5(a) and 5(b) and any offense for which an individual receives Section 10 probation, provided that the terms and conditions of Section 10 probation are successfully fulfilled** (720 ILCS 550/1 *et seq.*, except those defined in 720 ILCS 550/4(a), 4(b) and 4(c), and 720 ILCS 550/5(a) and 5(b), and successful completion of probation under 720 ILCS 550/10).

    a. **720 ILCS 550/4: It is unlawful for any person knowingly to possess cannabis.**

        i. 4(a): not more than 2.5 grams of any substance containing cannabis is guilty of a Class C misdemeanor

        ii. 4(b): more than 2.5 grams but not more than 10 grams of any substance containing cannabis is guilty of a Class B misdemeanor

        iii. 4(c): more than 10 grams but not more than 30 grams of any substance containing cannabis is guilty of a Class A misdemeanor; provided, that if any offense under this subsection (c) is a subsequent offense, the offender shall be guilty of a Class 4 felony

    b. **720 ILCS 550/5: It is unlawful for any person knowingly to manufacture, deliver, or possess with intent to deliver, or manufacture, cannabis.**

        i. 5(a): not more than 2.5 grams of any substance containing cannabis is guilty of a Class B misdemeanor

        ii. 5(b): more than 2.5 grams but not more than 10 grams of any substance containing cannabis is guilty of a Class A misdemeanor

    c. Note: Pursuant to Section 5/21B-80, enumerated convictions under the Cannabis Control Act are a bar to employment for seven (7) years following the end of the sentence for the criminal offense.

    d.

2. **Any offense defined in the Illinois Controlled Substances Act, except any offense for which an individual receives Section 410 probation, provided that the terms and conditions of Section 410 probation are successfully fulfilled** (720 ILCS 570/100 *et seq.*, except successful completion of probation under 720 ILCS 570/410);

    a. Note: Pursuant to Section 5/21B-80, enumerated convictions under the Illinois Controlled Substances Act are a bar to employment for seven (7) years following the end of the sentence for the criminal offense.

3. **Any offense defined in the Methamphetamine Control and Community Protection Act, except any offense for which an individual receives Section 70 probation, provided that the terms and conditions of Section 70 probation are successfully fulfilled** (720 ILCS 646/1 *et seq.*, except successful completion of probation under 720 ILCS 646/70];

a. Note: Pursuant to Section 5/21B-80, enumerated convictions under the Methamphetamine Control and Community Protection Act are a bar to employment for seven (7) years following the end of the sentence for the criminal offense.

4. **Any offense defined in Section 11-1.20 (formerly 5/12-13)** (720 ILCS 5/11-1.20 = criminal sexual assault);

5. **Any offense defined in Section 11-1.30 (formerly 5/12-14)** (720 ILCS 5/11-1.30 = aggravated criminal sexual assault);

6. **Any offense defined in Section 11-1.40 (formerly 5/12-14.1)** (720 ILCS 5/11-1.40 = predatory criminal sexual assault);

7. **Any offense defined in Section 11-1.50 (formerly 5/12-15)** (720 ILCS 5/11-1.50 = criminal sexual abuse);

8. **Any offense defined in Section 11-1.60 (formerly 5/12-16)** (720 ILCS 5/11-1.60 = aggravated criminal sexual abuse);

9. **Any offense defined in Section 11-6, inclusive** (720 ILCS 5/11-6: indecent solicitation of a child; 11-6.5: indecent solicitation of an adult; 11-6.6: solicitation to meet a child using electronic means);

10. **Any offense defined in Sections 11-9 (11-9 renumbered as Section 11-30) through 11-9.5, inclusive** (720 ILCS 5/11-9.1: sexual exploitation of a child; 11-9.1A: permitting sexual abuse of a child; 11-9.1B: failure to report sexual abuse of a child; 11-9.2 custodial sexual misconduct; 11-9.3 presence within school zone by child sex offenders prohibited; approaching, contacting, residing with, or communicating with a child within certain places by child sex offenders; 11-9.4-1 sexual predator and child sex offender; presence or loitering in or near public parks) through 11-9.5 (sexual misconduct with a person with a disability);

11. **Any offense defined in Sections 11-14.1 through 11-21, inclusive** (720 ILCS 5/11-14.1 = solicitation of sexual act; 11-14.3 = promoting prostitution; 11-14.4 = promoting juvenile prostitution; 11-15 = soliciting for a prostitute (repealed eff. 7/1/11); 11-16 = pandering (repealed eff. 7/1/11); 11-17 = keeping a place of prostitution (repealed eff. 7/1/11); 11-18 = patronizing a prostitute; 11-18.1 = patronizing a minor engaged in prostitution; 11-19 = pimping (repealed 7/1/11); 11-20 = obscenity; 11-20.1 = child pornography; 11-20.2 = duty of film and print processors to report sexual depiction of children; 11-21 = harmful material (prurient interests);

12. **Any offense defined in Section 11-23 (if punished as a Class 3 felony)** (720 ILCS 5/11-23 = posting of identifying or graphic information on a pornographic Internet site or possessing graphic information with pornographic material);

13. **Any offense defined in Section 11-24** (720 ILCS 5/11-24 = child photography by a sex offender);

14. **Any offense defined in Section 11-25** (720 ILCS 5/11-25 = grooming);

15. **Any offense defined in Section 11-26** (720 ILCS 5/11-26 = traveling to meet a minor);

16. Any offense define in Section 11-30 (if punished as a Class 4 felony) (720 ILCS 5/11-30: public indecency, third or fourth violation)

17. Any offense defined in Section 12C-45 (Section 12-4.9 renumbered as Section 12C-45 = Drug induced infliction of harm to a child athlete);

18. Any offense defined in Section 12-32 (720 ILCS 5/12-32 = ritual mutilation);

19. Any offense defined in Section 12-33 (720 ILCS 5/12-33 = ritualized abuse of a child);

20. Any offense define in Section 26-4 if punished pursuant to (d)(4) or (d)(5) of the Section (720 ILCS 5/26-4 = unauthorized video recording and live video transmission)

21. Perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 (705 ILCS 405/2-1, *et seq.*;

22. First degree murder;

23. Attempt to commit first degree murder;

24. Conspiracy to commit first degree murder;

25. Soliciting first degree murder;

26. Class X felony;

27. Attempt to commit Class X felony;

28. Conspiracy to commit Class X felony;

29. Soliciting Class X felony;

30. Any attempt to commit any of the foregoing offenses; and

31. Any offense committed or attempted in any other state or against the laws of the United States which, if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.