LEGACY CHARTER SCHOOL
STUDENT TRANSPORTATION
AGREEMENT

THIS AGREEMENT (sometimes hereinafter "**Agreement**") is entered into on the __1st__ day of ____August_____, 2011, between the Board of Trustees of LEGACY CHARTER SCHOOL, 4015 S. Legacy Way., Nampa, Canyon County, Idaho 83686 (sometimes hereinafter referred to as the " **Board**"), and BROWN BUS COMPANY, 2111 East Sherman Avenue, Nampa, Canyon County, Idaho 83686-7391 (sometimes hereinafter referred to as the "**Contractor**").

RECITALS

The Board is interested in entering into a contract for the purpose of providing adequate transportation services for the school children of LEGACY CHARTER SCHOOL (sometimes hereinafter referred to as the "**District**") in conformity with local policies and legal requirements for a period of five (5) years.

Contractor has bid for the services sought by District, and Contractor's bid has been found by District to be acceptable.

In consideration of the foregoing and for other valuable consideration, District and Contractor hereby mutually agree as follows:

SECTION ONE

SCOPE OF CONTRACT

1.1 The following shall be deemed to be part of the contract memorialized by this Agreement:

a. The notice of award;

b. The provisions contained in this Agreement and recited; and

c. All provisions required by law to be inserted in this Agreement, whether

actually inserted or not.[1]

1.2 All of the above taken as a whole shall constitute the contract document; provided, however, that in the event of any inconsistencies between this written Agreement and the provisions of subparagraphs (a) through (c) of paragraph 1.1, above, the provisions of this written Agreement shall control if this Agreement specifically addresses the issue in question.

SECTION TWO

DEFINITIONS

The following words and expressions or pronouns used in substitute therefor shall, wherever they appear in this Agreement, be construed as follows, unless a different meaning is clear from the context:

a. The term "**Board**" shall mean the Board of Trustees of District or the Board's duly authorized representative.

b. The term "**contract**" or "**contract documents**" shall mean each of the various parts the contract referred to in Section One of this Agreement, both as a whole and severally.

c. The term "**Contractor**" shall mean B ROWN BUS COMPANY, an Idaho corporation, Contractor's assigns, and any person, firm, or corporation who or which shall at any time be substituted in Contractor's place.

d. The terms "**law**" or "**laws**" shall mean Federal law, the Constitution of Idaho, the statutes of Idaho, and any ordinance, rule, or regulation having the force of law that is applicable to this contract.

e. The term "**notice,**" in the context of notice to the Contractor, shall mean written notice deposited in the United States First-Class mail addressed to Contractor at 2111 East Sherman Avenue, Nampa, Idaho 83686-7391, or to such other address as may appear in an instrument executed by Contractor for that purpose and mailed by United States mail or delivered to District as a change of address. Notice to District means written notice deposited in the United States First-Class mail addressed to the Administrator of the District at 4015 S. Legacy Way, Nampa, ID 83686, or other duly authorized agent,[2] or delivered personally to the Administrator

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[1]Please see, in this regard, Section Twenty-Four of this Agreement.

[2]If the District's agent is to be other than the Administrator for any particular notice (see, *e.g.*, Section Twenty-One of this Agreement — Report of Accident), the District must provide Contractor reasonable prior notice of the authorized agent's name, address and telephone number.

of the District or other duly authorized agent.[3] Nothing contained in this contract shall, however, be deemed to preclude or render inoperative the service of any notice, direction, or other communication on Contractor personally, or if Contractor is a corporation, on any officer or director of Contractor.

SECTION THREE

TERM

3.1 **Initial Term.** This contract shall be effective from August 1, 2011, and shall continue for a total period of five (5) years, to end on July 31, 2016, unless sooner terminated in accordance with the provisions of this Agreement.

3.2 **Optional Additional Term.** Notwithstanding the termination date set forth in paragraph 3.1, above, prior to the end of the initial term, pursuant to Idaho Code § 33-1510, District, at its option, may renegotiate terms satisfactory to the District with Contractor and renew the contract, as amended by the renegotiated provisions, for an additional term not to exceed five (5) years. Any such renegotiated contract shall be in writing and in a form approved by the Idaho State Department of Education.

SECTION FOUR

GENERAL UNDERSTANDING AND PERFORMANCE OF WORK

Contractor shall perform the services and furnish the equipment and personnel as provided in the specifications, and shall do all things necessary or proper for the performance and completion of the work required by this contract, in the manner and at the times provided in the bid and specifications.

SECTION FIVE

DELEGATION OF AUTHORITY

District hereby delegates to Contractor the necessary authority to supervise and control students on the buses operated by Contractor while they are en route under such Board policies and administrative regulations and rules as are adopted by District. However, this authorization shall not include the right to administer corporal punishment, nor the right to eject any offender

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[3] Id.

under circumstances that may or are likely to result in injury or danger to the offender.

SECTION SIX

DESIGNATION OF STUDENTS

Contractor shall transport only those students designated by District or its duly authorized agents.

SECTION SEVEN

SCHOOL CLOSING

District agrees to inform Contractor, through duly authorized agents, as soon as reasonably possible when schools are to be closed because of weather or by reason of any other conditions that might arise.

SECTION EIGHT

SCHEDULE DETAILS

8.1 **Scheduling.** A description of each route shall be furnished by Contractor prior to the start of each school year, together with a time schedule and the designated stops to be observed on each route, such routes and schedules having been established prior to the start of the school year by coordinated effort and mutual agreement of District and Contractor. Changes in the routes, time schedules, or designated stops may be made, and any of the routes may be eliminated or consolidated at the discretion of District or its duly authorized agent to meet changed conditions. However, no change, elimination, or consolidation, except to meet unexpected or emergency situations, will be made until after Contractor has been given an opportunity to confer with District or its authorized representatives with respect to the change, elimination, or consolidation at least thirty (30) days in advance of the change, elimination, or consolidation. Adjustments in the sums to be paid to Contractor will be made for any increase or decrease in mileage resulting from a change, elimination, or consolidation of routes or additional services for high school or elementary school in the nature of school-sponsored activities, as provided in the specifications. District or its duly authorized agents may, from time to time, establish Board policies and administrative rules and regulations to be observed by Contractor in connection with all details incidental to the operation of the routes, including starting times, bus stops, discipline on the buses, and any situations that may from time to time arise in the performance of the

contract.[4]

8.2 **Route/Activity Busing Definitions.** The following are the definitions of the various routes and related bus services to be provided by Contractor pursuant to this contract. The rates set forth on the Contractor's Bid Form, attached hereto as Exhibit A and incorporated herein by this reference, are for the route/other transportation services as hereinafter specifically described:

8.2.1 **Daily Transportation.** The following Daily Transportation rates are for both year-around and conventional schooling.

a. *Regular Daily Route* is defined as transporting a group of students from designated bus stops to school at the beginning of each school day and transporting a group of students from school to their respective designated bus stops at the end of each school day. Bids for Regular Routes have been submitted on a per-route-per-day basis, with an sixty (80) -mile-per-day base and a four (4) -hour-per-day base. In instances where the four (4) -hour-per-day base is exceeded, the time will be rounded to the nearest one-fourth (¼) hour.

b. *Special Needs Route* is defined as transporting a student or group of students from designated bus stops to school at the beginning of each school day and transporting a student or group of students from school to their respective designated bus stops at the end of each school day, the said student or group of students being designated by the District as needing special assistance through an Individual Education Plan (I.E.P.) or Contractor policy. Routes will provide door-to-school-to-door service and require an assistant in addition to the driver. The assistant shall have the responsibility of maintaining the discipline, safety and welfare of the passengers of the bus. Bids for Special Needs Routes have been submitted on a per-route-per-day basis with an sixty (80) -mile-per-day base and a four (4) -hour-per-day base; and the bid price includes the assistant. In instances where the four (4) -hour-per-day base is exceeded, the time will be rounded to the nearest one-fourth (¼) hour.

c. *Lift Route* is defined as transporting a student or group of students from designated bus stops to school at the beginning of each school day and transporting a student or group of students from school to their respective designated bus stops at the end of each school day. Students transported on a Lift Route include students who are not ambulatory or who are designated by the District as needing special assistance through an Individual Education Plan (I.E.P.) or Contractor policy. The bus for a Lift Route is equipped with lifts to assist in loading wheel chairs. Routes provide door-to-school-to-door service and include an assistant in addition to the driver. The assistant shall have the responsibility for assisting in the loading and unloading process and for maintaining discipline, safety and welfare of the passengers on the bus. Bids for Lift Routes have been submitted on a per-route-per-day basis with an sixty (80) -mile-per-day base

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[4]Rules and regulations in this regard in force at the outset of the contract are agreed by the parties to be *Transportation Rules & Regulations for Legacy Charter School.*

and a four (4) -hour-per-day base; and the bid price includes the assistant. In instances where the four (4) -hour-per-day base is exceeded, the time will be rounded to the nearest one-fourth (¼) hour.

d. *Standby Buses* are to be used for the purposes of providing activity and field trips and replacement in the event of required and/or necessary service. Bids for Standby Buses have been submitted on a per-bus-per-day basis.

8.2.2 **Other Transportation Services.** The Other Transportation Services rates do not contemplate overnight trips. The cost of trips that require an overnight stay will be determined by mutual agreement of District and Contractor.[5] Other Transportation Services to be provided by Contractor are as follows:

a. *Community After-School Programs* are after-school programs requiring transportation of students from school to some after-school program location other than the students' regular bus stops at or near the students' homes. Bids for Community After-School Program Routes have been submitted as a rate per mile calculated on the round trip mileage beginning at the Contractor's bus housing facility and a rate per hour calculated on the total elapsed time for the round trip rounded up or down to the nearest one-half (½) hour, allowing time for adequate pre-trip and post-trip inspections.

b. *Field Trips* are defined as transporting students from school to some other location and back for non-competition activities. Bids for Field Trips have been submitted as a rate per mile calculated on the round trip mileage beginning at the Contractor's bus housing facility and a rate per hour calculated on the total elapsed time for the round trip rounded up or down to the nearest one-half (½) hour, allowing time for adequate pre-trip and post-trip inspections.[6]

c. *Activity Busing* is defined as transporting students from school to some other location and back for competition activities. Bids for Activity Busing have been submitted as a rate per mile calculated on the round trip mileage beginning at the Contractor's bus housing facility and a rate per hour calculated on the total elapsed time for the round trip rounded up or down to the nearest one-half (½) hour, allowing time for adequate pre-trip and post-trip inspections.[7]

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[5]There may be an additional *Overnight Charge* for transportation of students on extended trips where the driver is either required by state or Federal law to go off duty for a period of eight hours or the length of the trip necessitates the driver's staying overnight.

[6]Consistent with the introductory paragraph of this Section 8.2.2, there may be an additional *Overnight Charge* for transportation of students on extended trips where the driver is either required by state or Federal law to go off duty for a period of eight hours or the length of the trip necessitates the driver's staying overnight.

[7]*Id.*

d. *Shuttle Busing* is defined as transporting students from school to school or from school to site and from site to school. Bids for Shuttle Busing have been submitted as a rate per mile calculated on the round trip mileage beginning at the Contractor's bus housing facility and a rate per hour calculated on the total elapsed time for the round trip rounded up or down to the nearest one-half (½) hour, allowing time for adequate pre-trip and post-trip inspections.

e. *Additional Driver* is defined as a qualified driver or bus assistant.

f. *Student Safety Training* is defined as providing at-school training on bus rider safety and emergency procedures. Training includes all students K-12 and be done on a classroom basis. A "classroom," for purposes of this subparagraph, shall not consist of more than 36 students. Student Safety Training has been bid as a rate per classroom.

SECTION NINE

RESPONSIBILITY FOR STUDENTS

Contractor shall be fully responsible for the care and supervision of students during their period of transportation. The transportation of a student shall be deemed to have begun when the student prepares to board the school bus, and shall be deemed to have ended when a student has completed alighting from the bus at the student's designated bus stop or, in the event the bus driver deems the student's designated bus stop unsafe, a reasonably safe place in which to alight in view of the circumstances then prevailing.

SECTION TEN

COMPLIANCE WITH LAWS AND REGULATIONS

10.1 **Contractor Compliance with Governmental Authority.** Contractor and Contractor's drivers are required to comply with all Federal laws, the laws of Idaho, and all regulations or requirements of the State Motor Vehicle Department, Public Utilities Commission, and the State of Idaho and the local Board or any of them. Furthermore, all school bus drivers employed by Contractor must submit to a criminal history background check pursuant to Idaho Code § 33-130.

10.2 **Agreement is Subject to Governmental Appropriations.** It is understood and agreed that District is a governmental entity and this Agreement shall in no way or manner be construed so as to bind or obligate the District or the State of Idaho beyond the term of any particular appropriation of funds by the Idaho Legislature or the Congress of the United States as

may from time to time exist. In the event the Idaho Legislature or Congress fails, neglects or refuses to appropriate such funds as may be designated by and enable the District to continue the payment herein, this Agreement shall automatically be terminated and all future rights and liabilities of the parties hereto shall thereupon cease.

SECTION ELEVEN

PAYMENT

11.1 Billing, Payment and Verification Procedures.

a. *Billing and Payment.* On or before the eighth (8th) day of each month of each school year covered by this contract, Contractor shall submit to District a bill that shall include a detailed account showing the mileage covered in each category of transportation furnished during the preceding month. On or before the fifteenth (15th) day of the month in which the bill is submitted, District agrees to pay Contractor the contract price for those services that it shall find to have been rendered, computed on the basis of the bid submitted by the Contractor to District, adjusted by the terms of the adjustment provisions set forth in paragraphs 11.2 through 11.5, below, if applicable. Contractor agrees to submit to District a year-end summary for state reimbursement by August 1st of each year for the preceding one-year period.

b. *Past Due Billings*[8]. If payment is not received by the fifteenth (15th) day of the month which follows the month the billing was originally submitted, transportation will cease at the end of the month that the billing became past due.

c. *Verification.* District has the right to inspect Contractor's records at any reasonable time during Contractor's regular business hours to verify the accuracy of the information and data used to compile and calculate the billing. This right may include an annual audit within the scope of this Agreement; provided, however, that any such audit, if called for by District, shall be at the cost and expense of District, not Contractor.

11.2 Consumer Price Index (C.P.I.) Adjustment.

a. *Applicable C.P.I.* The annual Consumer Price Index ("**C.P.I.**") adjustment shall be based on the C.P.I. as defined by the Federal Government. The C.P.I. to be used will be the "Consumer Price Index for All Urban Consumers: U.S. City Average for All Items (1982-1984 = 100)" published monthly in the *Monthly Labor Review* of the Bureau of Labor Statistics of the United States Department of Labor ("**CPI-U**"). In the event the CPI-U is discontinued, the

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[8] Example of time line for past due billings: March billing - submitted April 8th, April 16th - billing past due, May 1st 30-day notice declaring the District in default, May 15th - amount still past due, transportation will cease if payment not received by May 31st.

alternate C.P.I. which will be used will be the "Consumer Price Index for All Urban Wage Earners and Clerical Workers: U.S. City Average for All Items (1982-1984 = 100)" published monthly in the *Monthly Labor Review* of the Bureau of Labor Statistics of the United States Department of Labor ("**CPI-W**"). In the event both the CPI-U and the CPI-W are discontinued, comparable statistics on the purchasing power of the consumer dollar published by the Bureau of Labor Statistics of the United States Department of Labor will be used for the computation.

b. *Diesel Price Alteration to CPI-U.* To avoid compounding of the Fuel Price Fluctuation Adjustment set forth below at paragraph 11.3, a diesel price alteration to the CPI-U will be made to remove the diesel fuel portion from the CPI-U index before applying the CPI-U for annual rate adjustments provided for in subparagraph (c), below. The alteration will be made in accordance with the recommended methodology by the State of Idaho Department of Education using information from the Bureau of Labor Statistics of the United States Department of Labor.

c. *C.P.I. Adjustment Calculation.* The base contract shall be for a term of five (5) years, beginning August 1, 2011. The prices bid by Contractor will be used for the operations during the first year of the contract, August 1, 2011, through July 31, 2012. Contractor compensation for the second, third, fourth, and fifth years of the contract, beginning on August 1 of each successive year, shall be based on the percentage of increase (or decrease) in the CPI-U.[9] The "Benchmark Month" for determining the change in the CPI-U shall be August 2011. If the increase (or decrease) in the CPI-U from the Benchmark Month to July 2012 is at least one percent (1%), the rates for the second year of the contract shall be adjusted by the amount of the increase (or decrease). This same procedure will be followed to determine the rate charges for each of the remaining years of the contract.[10]

11.3 **Fuel Price Fluctuation Adjustment.**

a. *Base Price.* To protect both the District and Contractor against future changes in fuel prices over which neither District nor Contractor has control, the District has determined a base price for fuel as of Monday, January 5, 2009. The base price of diesel #2 low sulfur fuel, is $**2.14** per gallon ("**Base Price**") as of that date. This price includes any applicable state and/or Federal taxes, in addition to state transfer fee, freight and supplier mark-up. The Base Price was determined by using theBoise Rack price which is based on the Oil Price Information Service (OPIS) average fuel price for the State of Idaho ("**OPIS Price**") for January 5, 2009 and it was confirmed with a local supplier.

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[9]This is the CPI-U adjusted as provided for in subparagraph (b), above.

[10]A sample calculation under this approach is as follows: If the CPI-U for August 2011 is 169.2 and the CPI-U for July 2012 is 170.3, there would be no adjustment for the second year of the contract (2012-2013), because the increase in the CPI-U was less than 1% [(170.3 - 169.2) ÷ 169.2 = 0.650%]. If, however, by July of 2012 the CPI-U was 173.1, the bid rates would be increased for the third year of the contract (2013-2014) by 2.305% [(173.1 - 169.2) ÷ 169.2 = 2.305%].

b. *Calculation of Adjustment.* Starting August 1, 2011, the Contractor's rates will be adjusted up or down for any difference in the then-current Boise Rack price based on the OPIS Price above or below the Base Price. For every incremental price change of at least five cents ($0.05) above or below the Base Price, there will be a fuel price adjustment added to or subtracted from the route rates in the amount of $1.00 per-route-per-day. Rate adjustments up or down will not be calculated more frequently than once per month. This adjustment is independent of the C.P.I. Adjustment of paragraph 11.2, above.

11.4 **Mandates by Local, State or Federal Government.** It is recognized that governmental mandates, whether local, state or Federal, that were unanticipated and/or did not exist at the time of bidding, that might require additional training, retrofitting of equipment or any other requirements that become necessary to fulfill the terms of the contract, might be adopted and effective during the period of the contract. Generally, such cost shall be borne by Contractor; however, if such mandates are qualified to be paid by the state or other governmental entity, Contractor, upon presentation of a statement of costs incurred, will be compensated by District as normal and necessary transportation costs of the District.

11.5 **Effect of Material Fundamental Changes to District Busing Model.** It is understood and agreed by District and Contractor that the bidding by Contractor for this contract was predicated on the student transportation model anticipated by the District. In the event any material changes are implemented by District during the term of this contract which would effect material fundamental changes in the existing student transportation model, the parties agree that all bid rates for the contract will be reviewed and renegotiated by the parties for the remainder of the contract term to take into account the altered District student transportation model.

SECTION TWELVE

INSPECTION

District reserves the right for its members or duly authorized agents to inspect any and all buses and their operation by riding as passengers or by other reasonable means.

SECTION THIRTEEN

TIME OF THE ESSENCE

Since the contract concerns a necessary public service, the provisions of the contract relating to the daily schedule and regulations that may be promulgated by District are of the essence of the contract. Accordingly, Contractor shall prosecute the work diligently to assure adherence to the schedules.

SECTION FOURTEEN

ASSIGNMENT OF CONTRACT

Contractor agrees not to assign this contract, or any interest in the contract, without the prior approval in writing of District, which approval shall not unreasonably be withheld.

SECTION FIFTEEN

FAILURE OF OPERATION

Except as otherwise specifically provided herein, in the event that Contractor fails to operate any route because of the failure of equipment or personnel, the amount of payment for the route may be deducted from the following month's payment at the then-current rate.

SECTION SIXTEEN

CONTRACT TERMINATION AND RIGHT TO DECLARE DEFAULT

16.1 **Termination Without Cause.**

a. *By District.* In the event District desires to terminate this Agreement it shall give Contractor written notification of that intent on or before the January 15 immediately preceding the upcoming school year for which the termination will first be effective. If, after the notice has been given, mutual agreement cannot be reached for continuing the contract, District may terminate the Agreement by giving a second written notice to Contractor on or before March 15 of the same year.

b. *By Contractor.* In the event Contractor desires to terminate this Agreement it shall give District written notification of that intent on or before the January 15 immediately preceding the upcoming school year for which the termination will first be effective. If, after the notice has been given, mutual agreement cannot be reached for continuing the contract, Contractor may terminate the Agreement by giving a second written notice to Contractor on or before March 15 of the same year.

16.2 **Grounds for District to Declare Default.** In addition to other rights District may have, District shall have the right to declare Contractor in default if:

a. Contractor is or becomes insolvent;

b. Contractor makes a general assignment for the benefit of creditors;

c. A voluntary or involuntary petition in bankruptcy is filed by or against Contractor;

d. Contractor fails to perform any bus route schedule when notified to do so by District;

e. Contractor abandons the work required under this Agreement;

f. Contractor refuses to proceed with the work required under this Agreement when and as directed by District;

g. Contractor, without just cause, reduces Contractor's working force to a number that, if maintained, would be insufficient, in the opinion of District, to carry out the work required under this Agreement;

h. Contractor sublets, assigns, transfers, conveys, or otherwise disposes of this contract other than as specified in this Agreement;

i. A receiver or receivers are appointed to take charge of the property of Contractor;

j. District is of the opinion that Contractor has willfully or in bad faith violated any of the material provisions of this Agreement;

k. Any applicable laws relating to Contractor's providing of services under this Agreement have been knowingly and repeatedly[11] violated by Contractor or Contractor's agents, servants or employees;

l. Any vehicles provided by Contractor are repeatedly[12] operated in a manner that imperils the safety of passengers; or

m. Any vehicles provided by Contractor are repeatedly[13] not kept reasonably clean or in reasonable mechanical condition.

16.3 **Grounds for Contractor to Declare Default.** In addition to other rights Contractor may have, Contractor shall have the right to declare District in default if:

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[11] "Repeatedly" means more than just one isolated incident.

[12] *Id.*

[13] *Id.*

a. District is or becomes insolvent;

b. District makes a general assignment for the benefit of creditors;

c. A voluntary or involuntary petition in bankruptcy is filed by or against District;

d. A receiver or receivers are appointed to take charge of the property of District;

e. Contractor is of the opinion that District has willfully or in bad faith violated any of the material provisions of this Agreement;

f. Non-payment by District pursuant to Section 11.1 (b).

16.4 **Notice, Hearing and Opportunity to Cure.** Before District shall exercise its right to declare Contractor in default, it shall give Contractor an opportunity to be heard, upon thirty (30) days' written notice which shall include the specific alleged ground(s) for the default, at which hearing Contractor may, at Contractor's expense, have a stenographer present; provided, however, that a copy of the stenographic notes, if any, shall be furnished to District upon request. Contractor shall not be ultimately determined to be in default under this Agreement if Contractor cures the alleged default(s) within the 30-day period after written notice of hearing on the alleged default(s) has been provided to Contractor.

16.5 **Interruption of Service.** In the event Contractor fails to provide the student transportation as provided for in this Agreement due to strike, work stoppage due to labor dispute, act of God, civil disturbance, fire, riot, war, governmental action, or any other condition or cause beyond Contractor's control, no penalty shall be assessed to Contractor by District and District shall excuse Contractor from performance under this Agreement. Should Contractor for any reason fail to provide student transportation as provided for in this Agreement, District may use Contractor's buses to transport and/or cause the students to be transported by any available means until Contractor is able to resume its regular operation. In the event District exercises the option of the immediately preceding sentence, it shall pay Contractor the same amount specified in the rate schedule applicable for that year, less all expenses and costs incurred by District in securing the services of such operating personnel.

SECTION SEVENTEEN

EXERCISE OF RIGHT TO DECLARE CONTRACTOR OR DISTRICT IN DEFAULT

17.1 **District .** The right to declare Contractor in default for any of the grounds

specified or referred to in Section 16.2 shall be exercised by sending Contractor a notice signed by the Chairman of Board, Secretary of the Board, or District's duly authorized agent setting forth the ground or grounds on which each default is declared.

17.2 **Contractor.** The right to declare District in default for any of the grounds specified or referred to in Section 16.3 shall be exercised by sending District a notice signed by the Contractor personally, or if Contractor is a corporation, by any officer or director of the Contractor, setting forth the ground or grounds on which each default is declared.

SECTION EIGHTEEN

DISTRICT'S RIGHTS AFTER TERMINATION

After the termination of Contractor's services for a default under this contract, District may employ another contractor or contractors to complete the terms of this contract, and hold Contractor responsible for any extra or added expense or damages suffered by District.

SECTION NINETEEN

OTHER REMEDIES

The contractual provisions outlined in this contract as to the rights of District after termination shall be in addition to any and all other legal or equitable remedies permissible under law.

SECTION TWENTY

INDEMNIFICATION

Contractor shall indemnify District from any loss that it may sustain from any cause arising out of the performance or lack of performance of this contract by Contractor. Likewise, District shall indemnify Contractor with respect to any loss that Contractor may sustain from any cause arising out of the performance or lack of performance of this contract by District.

SECTION TWENTY-ONE

REPORT OF ACCIDENT

Contractor agrees to notify the District's Administrator, or said the duly authorized

agent(s) of whom Contractor has been provided reasonable prior notice of name(s) and telephone number(s) by the District, by telephone of any vehicle accident involving a school bus while operating for the District. Contractor agrees to send, within twenty-four (24) hours of each reportable accident, a written report to the District describing all material details of such accident. All accident reports shall be completed and filed by Contractor in accordance with state laws and regulations and any additional requirements of the Idaho State Department of Education.

SECTION TWENTY-TWO

TITLES OF PARAGRAPHS

The various titles to the paragraphs in this Agreement are used solely for convenience and they shall not be used for the purpose of interpreting or construing any word, clause, paragraph, or subparagraph of this Agreement.

SECTION TWENTY-THREE

UNLAWFUL PROVISIONS DEEMED STRICKEN

All unlawful provisions of this contract shall be deemed stricken from the contract, and shall be of no effect. On the application of either party, the unlawful part shall be considered stricken without affecting the binding force of the remainder of the contract.

SECTION TWENTY-FOUR

APPLICABLE LAW

It is the intention of the parties to this contract that all legal provisions of law required to be inserted in this Agreement shall be and are inserted in it. However, if, by mistake or otherwise, some such provision is not inserted in the Agreement, or is not inserted in proper form, then on the application of either party the contract shall be amended so as to strictly comply with the law without prejudice to the rights of either party under the Agreement. [14] This Agreement shall be governed and interpreted by the laws of the State of Idaho.

[*The signature page follows.*]

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[14]Please see, in this regard, paragraph 1.1(c) of this Agreement.

IN WITNESS WHEREOF, the Board of Trustees of LEGACY CHARTER SCHOOL, Canyon County, Idaho, acting by _____ its Chairman, duly authorized, and BROWN BUS COMPANY, as Contractor, acting through its duly authorized corporate officer, Brent Carpenter, President, has set his signature and seals at Nampa, Idaho, the day and year first above written.

LEGACY CHARTER SCHOOL

By _____
Its Board Chairman

"District"

BROWN BUS COMPANY

By Brent Carpenter
Its President

"Contractor"

Attachment: Exhibit A, Rate Form

RATE FORM:

LEGACY CHARTER SCHOOL

Base rates to be used for school year 2011 – 2012.

Description	Base-Mile / Base-Hour	Rate Per Day / Route	Excess Hours Rate	Excess Miles Rate	Rate Per Hour	Rate Per Mile
Regular-Elem/Second	80 / 4.0	230.18	15.15	.80	--------	--------
Special Needs	80 / 4.0	302.22	30.30	.80	--------	--------
Lift	80 / 4.0	308.91	30.30	.80	--------	--------
Field Trip	N/A	--------	--------	--------	27.00	.60
Activity Trip	N/A	--------	--------	--------	27.00	.60
Shuttles	N/A	--------	--------	--------	27.00	.60
Additional Driver	N/A	--------	--------	--------	15.15	--------
Safety Training	N/A	No Chrg	No Chrg	No Chrg	No Chrg	No Chrg
Standby Buses	N/A	No Chrg	No Chrg	No Chrg	No Chrg	No Chrg

BROWN BUS COMPANY

By: Brent Carpenter, Its President
SIGNATURE OF CONTRACTOR