

**TRANSPORTATION CONTRACT
FOR
GRAND RAPIDS PUBLIC SCHOOLS**

Between

GRAND RAPIDS PUBLIC SCHOOLS

And

DEAN TRANSPORTATION, INC.

**Initial Contract Term
July 1, 2020 to June 30, 2025**

**Contract Extension Provision
July 1, 2025 to June 30, 2030**

FINAL Revision 07/16/2025

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GRAND RAPIDS PUBLIC SCHOOLS

TRANSPORTATION CONTRACT

THIS AMENDED CONTRACT (the "Contract") is made and entered into as of July 1, 2025, by and between Dean Transportation, Inc., a Michigan corporation ("Dean"), 4812 Aurelius Road, Lansing, Michigan 48910, and Grand Rapids Public Schools ("GRPS"), a Michigan school district, 1331 Martin Luther King Jr. Street SE, Grand Rapids, Michigan 49506.

PREMISES

A. GRPS provides transportation for resident and non-resident public school pupils enrolled in GRPS schools, resident non-public school pupils enrolled in non-public school in the district, and other authorized persons, including transportation "to and from school" and for special trips, Community Based Instruction trips, GRPS sponsored activities, field trips, and school-related special events, excursions and any other purpose reasonably designated by GRPS (the "Transportation Services"). The Transportation Services also include all transportation necessary to meet GRPS regular and integrated special education home-to-school and building-to-building shuttles.

B. GRPS has accepted the proposal by Dean to be the private contractor to provide full Transportation Services pursuant to GRPS' policies, procedures, and adopted guidelines.

C. The Parties desire to confirm the terms and conditions under which GRPS will contract with Dean to provide the Transportation Services.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND MUTUAL PROMISES UNDER THE CONTRACT, THE PARTIES AGREE AS FOLLOWS:

ARTICLE I **TERM**

1.1. **Term.** The initial term of the Contract shall be for five (5) years, commencing July 1, 2020 and terminating June 30, 2025, with an option for negotiation of rates and other terms for a Second Term of the Contract comprising July 1, 2025 and terminating June 30, 2030. For purposes of the Contract, the term "Contract Year" shall mean each one-year period commencing July 1 and ending June 30 during the term of the Contract.

1.2. **Contract Rate Negotiation and Extension.** The parties have met prior to June 30, 2025 to negotiate rates and other terms for the second term of the Contract. Thereafter, the parties shall meet prior to June 30, 2030 to consider and negotiate an additional extension of the Contract beyond the Second Term.

ARTICLE II **THE SERVICES**

2.1. **Meaning of the "Services".** "Services" to be provided by Dean generally mean all obligations and responsibilities of Dean under the Contract, and in particular includes the Scope of Services as set forth in Appendix A to be carried out in accordance with the standards of the Contract and all applicable legal requirements, whether current or enacted in the future.

The Services shall be provided on school days and on other days designated by GRPS.

2.2. **Additions.** Additions to the Services or the Transportation Services may be made at any time with the written approval of Dean and GRPS.

2.3. **Deletions.** Deletions from the Services or the Transportation Services shall be made during the Contract term only for good cause or with the written approval of Dean and GRPS.

2.4. **Limitation of GRPS Obligations.** GRPS is not at any time obligated to request other transportation services of Dean, nor to pay for the Services not received.

2.5. **GRPS Right to Contract Separately.** Dean acknowledges that GRPS expressly retains the right to contract separately with Dean or other vendors for non-student or non-"home-to-school" student transportation services in any instance where GRPS transportation needs exceed Dean's capacity to provide that service for any reason and until such time as Dean can fulfill such increased system needs, including but not limited to any permanent or temporary individual student, family or program-specific needs.

ARTICLE III **ROUTING, SCHEDULING AND STOPS**

3.1. **Routes, Schedules, and Stops.** Dean shall establish routes and schedules to provide the Transportation Services by the most reasonable, direct route in compliance with applicable legal requirements. Pick-up and drop-off stops for students shall be established by Dean in compliance with applicable legal requirements, and subject to the directives and approval of GRPS Administration to the extent such directives are consistent with applicable legal requirements. Upon request, Dean shall provide GRPS Human Resources, GRPS Finance/Business Officials, or GRPS Chief Operating Officer ("GRPS Administration") with schedules, a list of pick-up and drop-off stops for students or other related information and shall make any change reasonably requested by GRPS Administration.

In all special education cases where students are not required to ride dedicated Special Education buses, routes, schedules and stops must conform to all Individual Education Plan ("IEP") and other applicable legal requirements. The Transportation Director (as defined in Section 4.15) or his/her designee shall be invited to those IEP conferences where knowledge of the student's behavioral or medical protocol could potentially impact Dean's ability to safely transport the student and other passengers riding with the student.

The Parties recognize that geographic shifts in the GRPS student population across building attendance areas or the addition, deletion, or changes in GRPS student transportation

needs could alter some components of the transportation system. Dean shall continue to observe all Transportation Guidelines as developed and approved by GRPS, and the GRPS Superintendent or the Superintendent's designee shall have the final approval for school bus routes and stops as required by Michigan school code. The Parties agree, consistent with Kent ISD transportation consortium policy, that non-resident students and Dean staff shall be afforded the same consideration for their travel safety as resident students of the district in which they reside at the time of an inclement weather or other road-safety closure determination whether such decision is made by the resident district's administration or state/county/local officials who make the determination that the roads are unsafe for travel for any reason.

3.2. **Compliance with Plan.** Dean acknowledges that GRPS, pursuant to its obligations under Section 1711 of the Revised School Code, as amended, and Rule 139 of the Special Education Code (R340.1839) has the right to review and monitor the delivery of the Transportation Services to ensure their compliance with applicable legal requirements and GRPS' directives.

3.3. **Routing Standards and Coordination.** Dean shall establish routes and schedules for the safety and convenience of students, so as to deliver students within a reasonable time prior to the beginning of the various school programs and so as to return students to their respective stops within a reasonable time after the close of the programs. Dean shall implement routing and scheduling to assure that students are transported safely, efficiently and in a timely manner. Dean shall make every effort to ensure that each student is not on the vehicle more than a maximum period of time approved by GRPS Administration. Dean shall perform the work diligently so as to assure adherence to the schedules, and Dean assumes responsibility for timely delivery of students to school programs. At no time shall the GRPS office or garage be used as a depot for the transfer of students. GRPS reserves the right to modify the target ride times outlined in paragraphs (a) through (d) and to approve pick-up / drop-off times where such time(s) might exceed the current target when deemed by GRPS to be immaterial or, by way of example, where the unique logistical requirements of the transport(s) would require a stand-alone or new run that is not approved by GRPS to be added. Additionally, ride time does not include the time required by students / staff to exit the building pre- or post-bell, nor the time to (un)load vehicles, including any such (un)loading procedures in place by GRPS and Dean. For purposes of this section, ride time shall mean the time from departure from the pick-up location to arrival at the destination.

Ride Time Targets established by GRPS may fall into four (4) general categories subject to ongoing review and modification based upon the district's goals and needs, including the impact of Hub Stops on any of the ride-time goals for the general route categories below:

- (a) **Neighborhood Busing.** Transportation that serves students who attend a program within their program's attendance boundary and are eligible for transportation. The ride time target for this category is set at 60 minutes.
- (b) **Resident / Cross-GRPS In-District Busing.** Transportation that serves students who have been approved to attend GRPS programs or theme schools outside of the attendance boundary of the program they would otherwise be assigned, yet the program they attend is still within the recognized district boundaries of GRPS. The ride time target for this category is set at 90 minutes.

- (c) **Out-of-District / Regional Program Busing.** Transportation that serves GRPS students who reside in-district but who attend regional or ISD programs that are outside of the recognized district boundaries of GRPS, such as KCTC, Lincoln School or any other location across Kent ISD, including Michigan School for the Deaf and Michigan School for the Blind in Flint. The ride time target for this category is set at 90 minutes.
- (d) **Cross-County / Non-Resident Busing.** Transportation for GRPS students who are presently living in otherwise non-resident locations, but are approved to attend programs within GRPS district boundaries or regional programs offered by Kent ISD or neighboring school districts. The ride time target for this category is set at 90 minutes.

3.4. **Changes in Established Routes or Stops.** Dean shall give GRPS Administration timely notice of substantial changes to established routes, schedules and stops. Dean shall implement changes to established routes, schedules or stops as soon as possible after request by GRPS Administration, ideally within three, but no longer than five, working days, unless mutually agreed upon by all affected parties (i.e. - for late student additions or changes immediately prior to the start of the school year). GRPS shall invite Dean to participate and assist GRPS in analyzing any proposed changes to building times, program locations, walk versus bus boundaries, pick-up / drop-off windows at schools, and all other parameters that might impact the overall scope, efficiency and cost of the transportation system.

3.5. **Continuity of Drivers on Routes.** Dean acknowledges that it is in the best interest of students that the drivers or attendants (if applicable) become totally familiar with routes, drops and individual student requirements, and accordingly, Dean shall make maximum effort to assure continuity of drivers on specific routes. Such continuity shall apply to morning, noon, and afternoon routes whenever possible, where such consistency results in the most efficient and/or cost-effective solution from GRPS's perspective. Additionally, Dean shall enter into no agreement that permits its driving or any applicable attendant staff to bid off of their daily "to-and-from" school route for the express purpose of covering a field trip, sports trip, or other extra-curricular trip, but understands that Dean may require coverage of field trips, sports trips, or other extracurricular trips by a "to-and-from" school route driver under special circumstances. Additionally, GRPS reserves the right to request the removal of a driver or any attendant (if applicable) from a given route or from the transportation of GRPS students in instances where GRPS believes that excessive absenteeism by such staff member is adversely impacting any of the affected students' educational experience.

3.6. **Routing Information Availability.** Dean shall notify the parent or guardian of each student prior to the beginning of each school year, and prior to any subsequent change, of route, schedule and stop locations and times for each student. Dean shall maintain and promptly submit to GRPS Administration upon reasonable request, information relating to a route, schedule or stop, as well as the names, birth dates, and impairment categories of the special needs students receiving the Transportation Services, their pickup and drop-off times and locations and the schools or programs to which they are transported.

3.7. **Dispatch.** Dean shall ensure that:

- (a) An appropriate size and type of vehicle is assigned to each run each day;

(b) The vehicle assigned to each run is in compliance with applicable legal and contractual maintenance and licensing requirements;

(c) All runs are assigned to a driver who is available to drive them; and

(d) All runs are assigned to a driver who possesses all relevant endorsements or credentials needed under federal and/or state laws or regulations to drive the type of vehicle assigned to that run and to transport the students assigned to that run.

3.8. **Vehicle Breakdowns.** In the event of a mechanical failure or breakdown of any vehicle while providing the Transportation Services, Dean shall respond as quickly as possible with a spare vehicle for transport of students to their destination in accordance with the Contract. In order to assure compliance with this obligation, Dean shall maintain an adequate number of spare vehicles for its fleet as per the Scope of Services outlined in Appendix A.

3.9. **Family and Public Communications.** Dean shall promptly, courteously, and appropriately address any complaint or concern brought to its attention by a parent, guardian or other family of a student receiving the Transportation Services and shall so notify GRPS Administration in writing of any complaint or concern within 24 hours of receipt. Dean and GRPS shall cooperate in maintaining a good public relations program with the community and news media so that any pertinent items affecting the Transportation Services can be brought to the attention of the public. Dean and GRPS shall work collaboratively to ensure an appropriate Communication Plan is in place to facilitate prompt and proactive communication for GRPS students and parents. The Communication Plan shall comprise the expectations, cooperation, tools and technology needed and integrated by and between Dean and GRPS to ensure that the expectations of communication between Dean, GRPS and the students and families of GRPS are met. In the event that GRPS is required to document safety or security concerns arising out of a complaint or incident involving Dean, Dean will provide the names of any and all bus drivers or other Dean employees and/or contractors associated with the complaint or incident.

ARTICLE IV **DRIVERS AND SUPERVISION**

4.1 **Meaning of Drivers, Attendants and Nurses.** The term "drivers" wherever used in the Contract means any person, whether permanent, temporary, trainee, or substitute, driving a vehicle in connection with the Transportation Services. The term "attendants" wherever used in the Contract means any person, whether permanent, temporary, trainee, or substitute, whose duties are to assist the driver on a vehicle immediately before, during or after a work shift in monitoring a student's behavioral/medical protocol as outlined under a student's IEP or as requested by GRPS Administration to provide more general behavioral general education student support in connection with the Transportation Services. The term "attendant" wherever used in the Contract shall incorporate and refer collectively to both special education aides ("aides") and regular education monitors ("monitors") and shall mean an employee of Dean. Unless later negotiated by both parties, the "drivers" and "attendants" shall be employees of Dean, and any "nurses" or "para-pros" shall be employees of GRPS consistent with ¶ 4.2, *infra*. Drivers will be supervised and

trained by Dean with the same training available to GRPS Staff including "nurses" and "para-pros" at negotiated pricing.

4.2 **Nurses, Paraprofessionals, and Child Care Workers as Employees of GRPS.** As employees of GRPS or a third-party contractor with which GRPS has a current contract, GRPS or any third-party contractor shall have sole authority to hire, discipline and terminate nurses, paraprofessionals, and child care workers (collectively referred to as "nurses"), but GRPS may consider Dean's recommendations with respect to such matters. Dean shall assign routes and shall consult with GRPS concerning continuing assignment of nurses to provide the Transportation Services. Nurses shall mean any person, whether permanent, temporary, trainee, substitute, or contracted through a staffing agency, whose duties are to assist the driver on a vehicle immediately before, during or after a work shift in monitoring severe student medical or specialty behavioral protocols, as outlined under a student's IEP, where the severe medical or specialty behavioral needs of a student are deemed by Dean and GRPS to exceed the expertise of Dean's aide and monitor staff

4.3. **General Standard.** Dean shall only use drivers qualified and competent both in the operation of the vehicles they drive and in dealing with and handling regular education and special needs students with whom they will interact. Dean shall ensure that the drivers are screened, qualified, licensed, certified, trained initially and annually in student transportation services, and successfully tested for on-road driver's skills, all in accordance with applicable legal requirements, and in particular, the Pupil Transportation Act.

4.4. **Pre-Employment Screening.** Dean shall implement a pre-employment interview and/or screening program for all candidates for employment as drivers. The screening program shall be designed to identify those candidates who may be suitable for assignment to the Transportation Services for regular education and special needs students. Dean warrants and represents that it shall comply with all applicable state and federal laws regarding the hiring of workers (such as the Immigration Reform and Control Act), and Dean shall indemnify GRPS for all claims, damages, penalties, and interest, if such laws are violated.

4.5. **Licenses and Permits.** Every driver must have and maintain a valid Driver's License, appropriate to the vehicle that is being driven, with endorsements as required of School Bus Drivers by the State of Michigan including any applicable federal licensing requirements.

4.6. **Driver Qualifications.** Drivers shall meet and/or comply with all applicable federal and state legal standards. Dean shall indemnify GRPS for and defend GRPS against all claims, damages, penalties, and interest, if such laws are violated.

4.7. **Health and Physical Requirements.** Every driver shall be in good health and physical condition to provide the Transportation Services. Dean shall give drivers pre-employment and annual physical examinations. Each driver shall submit to Dean and also carry when providing the Transportation Services a physician's certificate of examination, all in accordance with applicable legal requirements, the requirements of the Job Description, and in particular, the Pupil Transportation Act.

4.8. **Background Checks.** Dean shall conduct, through the Michigan State Police, a criminal background check of all drivers who will be in contact with students, and a check of motor vehicle operation violations for drivers, all in accordance with applicable legal requirements, and in particular, the Pupil Transportation Act and the Revised School Code (MCL 380.1230, 1230a). Each driver shall have a certified safe driving record and no felony conviction for drugs, child abuse, (including being) listed on the Sex Offender Register), or any other felony related to the safe transportation of children (whether or not associated with the operation of a motor vehicle) or conviction at any time of driving under the influence of alcoholic beverages or a controlled substance. Dean shall only employ drivers known to it to have six points or less on his/her driving record pursuant to the State of Michigan points system maintained by the Michigan Secretary of State. Dean shall maintain copies of the Michigan Secretary of State abstracts, conviction record transcripts and references on all drivers as required by law-. If GRPS conducts on-site and/or has a preferred vendor for Live Scan (or similar) fingerprinting for GRPS staff, GRPS shall provide such screening for Dean staff on a priority basis to assist Dean with the expeditious screening of any potential applicants for the transportation system.

4.9. **Safety Program.** Dean acknowledges that safety is a paramount concern of GRPS, and accordingly, Dean shall plan and implement a comprehensive safety program and shall ensure the availability of a qualified supervisory employee to conduct the program. The program shall include, but not be limited to, regularly scheduled safety meetings for drivers, attendants and nurses, and at a minimum shall meet and/or comply with all applicable federal and state legal standards.

4.10. **Special Expertise.** When a run requires transportation of students with special needs (such as special medical care), or when a vehicle or its equipment operation requires any special expertise (such as a wheel chair lift or a transit type bus), all drivers transporting those students or operating those vehicles shall first demonstrate proficiency and/or complete special training relevant to those special requirements (e.g., all drivers, attendants or nurses who will lift handicapped children must be physically capable of performing the required lifting). GRPS Administration may also establish and require compliance with other requirements that are rationally related to the special services to be performed.

4.11. **Driver Education and Continuing Education.** Dean shall ensure that every driver and driver supervisor shall have successfully completed the basic bus driver education program and continuing education programs as required by the Michigan Department of Education and shall meet and/or comply with all applicable federal and state legal standards.

4.12. **Pre-Service and In-Service Training.** Dean shall provide the drivers at least 24 hours pre-service training and at least eight hours each year in-service training covering safety practices, procedures, law, and student care and discipline, which shall be successfully completed by drivers. In particular, Dean shall provide the following:

- (a) Training under applicable legal requirements, and in particular, training required by the Michigan Department of Education to maintain the validity of the School Bus Drivers Certificate;

(b) Topics related to driving skills, behavioral problems, and public relations with students, parents and school personnel, first aid, basic medical information, emergency procedures, student evacuation drills, including, but not limited to, evasive maneuvers, pre-trip procedures, work-injury procedures, accident procedures, etc.;

(c) Training to meet requirements in first aid, adult/child/infant Cardio Pulmonary Resuscitation, handling infectious diseases, blood borne pathogens, and behavior management;

(d) Specialized training as is necessary to prepare drivers, attendants or nurses to serve special needs students;

(e) Specific training on Diversity, Equity and Inclusion for drivers, attendants and transportation office staff to prepare them to engage and serve the students, families, GRPS staff and the Grand Rapids community in way that reflects respect, understanding, seeks collaborative solutions, while valuing the contributions of all; and

(f) Any new procedures under applicable legal requirements, and in particular, the Pupil Transportation Act.

Dean shall employ or subcontract with state-certified school bus trainers and examiners who will be available to meet the training, evaluation, and instructional needs of drivers providing the Transportation Services.

4.13. **Retraining.** Dean may require retraining after a preventable accident or incident or after driver's evaluation. A driver assigned such retraining may not continue to provide the Transportation Services until such retraining has been successfully completed.

4.14. **Drug Use Prohibition and Prevention.** Drivers, attendants or nurses shall not smoke, or possess, consume or be under influence of or impaired by alcoholic beverages or controlled substances on vehicles while providing the Transportation Services or prior to undertaking such duty within the time frames specified in applicable legal requirements, and in particular, the Pupil Transportation Act, regulations of the U.S. Department of Transportation and any of its applicable operating agencies, or otherwise in the exercise of reasonable judgment. Dean shall conduct or cause to be conducted tests under applicable legal requirements, designed to determine the presence of illegal drugs, controlled substances, or alcohol. Such tests shall be administered to:

(a) All drivers, nurses and attendants, and mechanics prior to their assignment to provide the Transportation Services;

(b) Any driver involved in an accident while providing the Transportation Services, but not absolved of fault at the scene of the accident by a Law Enforcement Officer;

(c) Any driver whom GRPS or Dean has reasonable cause to believe has reported to work, is providing the Transportation Services or is otherwise on GRPS property while under the influence of or impaired by drugs or alcohol; and

(d) Any driver selected for random drug and alcohol tests.

Accumulative results of such tests shall be the responsibility of Dean. Dean shall maintain and enforce a policy and undertake all other steps necessary to comply with drug and alcohol testing regulations of the U.S. Department of Transportation and any of its operating agencies, and the federal Drug-Free Workplace Act of 1988 as applicable.

4.15. **Dean Transportation Director.** Dean shall provide an on-site, full-time experienced Transportation Director acceptable to GRPS who shall be available to respond at all times routes are being run, and who shall be responsible for the performance of the Services and Transportation Services with sufficient authority delegated by Dean with respect to all matters relating to performance of the Services.

4.16. **Adequate Management and Supervision.** Dean shall be responsible that its employees are in compliance with the Contract and applicable legal requirements, and Dean shall provide adequate and sufficient management/supervisory staff to fulfill this responsibility. If Dean has reason to believe that an employee is not in compliance with, or not conducting himself or herself in accordance with applicable legal requirements, including the Pupil Transportation Act, Dean shall take all corrective or enforcement measures pursuant to applicable legal requirements, and in particular, the Pupil Transportation Act, and including notification of proper officials under applicable legal requirements. In addition, Dean will ensure that there is a supervisor available between 6:00-10:00 a.m. and 2:00-6:00 p.m. to be physically present in Dean's primary office on all days GRPS students are being transported by Dean.

ARTICLE V **STUDENT CARE, SUPERVISION AND DISCIPLINE**

5.1. **Responsibility.** Dean shall be responsible for the care and supervision of students during their period of transportation, with the support of GRPS Staff for any student disciplinary matters. The transportation of a student shall be deemed to have begun when the student prepares to board the vehicle and shall be deemed to have ended when the student has completed alighting from the vehicle at a reasonably safe place in which to alight in view of the circumstances then prevailing. Dean shall be responsible for management of drivers and attendants as outlined in Appendix A *Scope of Services*, and GRPS shall be responsible for the management, certification and training of any nurses or para-pros.

5.2. **School Bus Attendant and Nursing Assignments.** If requested, Dean shall assign school bus nurses hired and/or provided by GRPS based on the individual requirements of students as outlined by the IEP and directed by the Special Education Request for Transportation Form. These nurses may be assigned because of the nature and/or severity of the special needs of a student, or may be assigned due to the age of the student, such as for pre-school students. School

bus nurses shall meet the training and other requirements set forth in Article IV on DRIVERS AND SUPERVISION which are by their terms also applicable to nurses.

Similarly, Dean shall supervise and assign school bus attendants, hired and provided by Dean, based on the individual requirements of students as outlined by the IEP and directed by the Special Education Request for Transportation Form, or based on a determination of need for enhanced run and driver support that has been approved by GRPS in advance. These attendants may be assigned because of the nature and/or severity of the special needs of a student, or for a group of students on bus(es), or may be assigned due to the age of the student, such as for pre-school students. School bus attendants shall meet the non-CDL training and other requirements set forth in Article IV on DRIVERS AND SUPERVISION which are by their terms to such attendants.

5.3 **Student Discipline.**

a) Students during their period of transportation shall be under the direct authority, supervision and control of the driver of the vehicle as specified by applicable legal requirements, and in particular, the Michigan Department of Education rules.

b) Drivers are authorized and required to supervise and to control students during their period of transportation, but such authorization shall not include the right to administer corporal punishment or the right to eject any offender. The school of attendance shall be responsible for student discipline.

c) Dean shall report to GRPS Administration any incidents of material misconduct by a student during a period of transportation and any corrective action taken. GRPS Administration shall provide forms for this purpose. Except in extreme circumstances, or when it constitutes a danger, no student shall be suspended from the Transportation Services without following the GRPS guidelines for suspension. Any instance of a student or parent making any verbal, physical or sexual assault threat against another student or against any transportation staff member shall be considered an extreme circumstance and shall be prioritized by Dean and GRPS to be addressed within 48 hours (or by the next school day if the threat / incident occurs on a day immediately preceding a weekend or school break period.) This shall include not only direct physical assault or threat thereof, but the brandishing of any object with the threat of harm, or the throwing of any object or projectile whether on-board or off the bus in the vicinity of the bus.

d) GRPS and Dean shall assist with student discipline including attendance by drivers at parent/teacher/administrator conferences or appeals concerning transportation-related disciplinary problems. Dean shall make its office, driver and attendant staff available for training provided by GRPS as it relates to student interaction standards, expectations, as well as any behavior management techniques to help ensure consistency between expectations in the buildings as well as on the bus. GRPS shall provide Dean with access to GRPS software for purposes of electronically submitting student safety incidents and/or behavioral concerns to ensure expeditious communication and collaborative management of any such incidents.

e) When staffing is available, GRPS shall provide staffing at any hub stop for purposes of student management, as well as to help ensure the orderly transfer of students between buses, and Dean Drivers and Attendants shall be responsible to the students on-board the vehicle while (un)loading or waiting at any hub stop.

ARTICLE VI

FACILITIES, VEHICLES, EQUIPMENT AND FUEL

6.1. **Facilities.** Dean shall store, dispatch and maintain the vehicles and equipment utilized for provision of the Transportation Services, and shall maintain an office from which to manage the Transportation Services at facilities located within or in convenient proximity to the school district. As of the inception of this Contract, the Parties have conducted environmental testing and invested in a new parking surface and enhanced on-site fuel filtration systems in preparation for the potential sale of the transportation facility and grounds, located at 900 Union Avenue in Grand Rapids, by GRPS to Dean. If and until such time as a sale of GRPS's Operations and Transportation Facility is completed, Appendix C shall describe the provision of and any compensation for the Facilities if such Facilities are provided by GRPS to Dean via lease, rental, or other transaction for the purposes of providing Services for GRPS. The availability of such facilities by GRPS in no way mandates the utilization of such facilities by Dean; and moreover, GRPS and Dean collectively recognize their responsibility to identify and deliver the Transportation Services in the safest and most efficient manner possible, seeking collaborative solutions wherever possible. If and when such sale is completed, the Parties shall negotiate any appropriate modifications to Appendix B, Appendix C and/or any other aspects of this Contract impacted by a transfer of ownership.

6.2. **Meaning of "Vehicles".** The term "vehicles," wherever used in the Contract means school buses or other appropriate vehicles utilized by Dean to provide the Transportation Services. Vehicles shall either be school buses or student transportation vehicles, as such terms are defined in the Michigan Vehicle Code, and shall meet applicable legal requirements.

6.3. **Vehicle Equipment.** Vehicles shall be equipped as required by the Pupil Transportation Act and applicable passenger protection federal motor vehicle safety standards and marked and painted in accordance with the specifications of the Pupil Transportation Act. Vehicles shall be equipped with radio or cellular phone two-way communication to comply with applicable legal requirements and to fulfill the requirements of the Contract. Notwithstanding any other provision of this Contract, vehicles transporting students shall be equipped with a four-camera system at a price set forth in Appendix B for Dean-provided and/or District-funded equipment with internet capabilities sufficient to ensure that GRPS may view video footage in real time. If the Dean-provided system is elected by GRPS, then Dean is solely responsible for the purchase, installation, and maintenance of all on-board cameras. GRPS shall be responsible for the video review and student behavior follow-up for any incident documented by the on-bus video system including any video/audio redaction that may be necessary under FERPA/IDEA to protect student privacy rights. Dean shall be responsible for the video review and driver / attendant behavior follow-up for any such incident documented by the system including any video redaction that may be necessary under FERPA/IDEA to protect student privacy rights. GRPS shall reserve the right

to make the determination that a given Dean staff person is no longer eligible to provide service under the Contract based on any adverse behaviors documented by any video system.

At the request and discretion of GRPS, the Parties shall work collaboratively on the acquisition of any and all electric vehicle ("EV") assets and related technology. Notwithstanding any other provision for non-obligation in Section 6.8 of this Contract, in the event of any contract termination or non-renewal for any reason, any EV vehicles, chargers and related equipment owned and paid for by Dean and approved by GRPS for use to provide the Services under this Contract shall be purchased by GRPS using the formula described in Section 6.8, unless otherwise agreed to in writing by the Parties.

6.4. **Vehicle Identification.** Dean shall maintain a list of vehicles to be used to provide the Transportation Services, in accordance with Michigan Department of Education and any other federal or state requirements.

6.5. **Vehicle Sufficiency.** Dean shall provide vehicles in sufficient number and type to efficiently transport all students for whom Dean provides the Transportation Services, including an adequate number of spare vehicles to ensure continuous service without interruption per the Scope of Services outlined in Appendix A. Vehicles shall be of sufficient capacity to permit every student transported to be seated.

6.6. **Vehicle Inspection.** Dean shall cause vehicles to be periodically inspected in accordance with the requirements of the Pupil Transportation Act and shall not use vehicles for the Transportation Services, except to the extent inspected and permitted pursuant to the requirements of the Pupil Transportation Act. Upon request, Dean shall promptly make any vehicle available to GRPS Administration at any time for inspection by GRPS Administration, its designees and/or the Michigan State Police Motor Carrier Division.

6.7. **Vehicle Maintenance.** Dean shall maintain all vehicles and equipment in first class condition that are to be used for the Transportation Services and must pass any and all inspections by the Michigan State Police Motor Carrier Division. GRPS and Dean acknowledge that timely, adequate and complete maintenance of all vehicles and equipment used for the Transportation Services is of the utmost importance, and accordingly, Dean shall utilize GRPS's computerized maintenance system, or provide a computerized maintenance system with a comprehensive program of scheduled preventative maintenance and inspections. Dean will, at its sole cost, install, maintain, and repair all hydraulic bus lifts located within or on GRPS's Transportation Buildings at 900 Union Avenue NE, Grand Rapids, Michigan 49503 that are necessary for maintenance and repairs of the buses with the mutual understanding that GRPS shall be responsible for any infrastructure maintenance of the building in which the lift is located including but not limited to any plumbing, electrical, concrete or other modifications or upgrades required for installation and code compliance for any new lifts.

6.8. **Sale-Back or Lease of Fleet Vehicles.** In the event that the Contract is terminated, regardless of reason, GRPS shall have the right (but not the obligation) to purchase or lease (with option to purchase) the vehicles owned by Dean, and still in use for Services at the time of Contract termination for the express purpose of GRPS directly operating such fleet vehicles. At no time

shall Dean be requested or required to sell Dean-owned vehicles to GRPS or any other entity for the immediate or future expectation of the vehicle being operated by non-GRPS staff. Any subsequent determination by GRPS to sell a vehicle purchased from Dean shall first be made available for re-purchase by Dean under the same formulaic purchase price provided in this Section 6.8 of the Contract.

In the event that this Contract is terminated, regardless of reason, or upon expiration of this Contract, Dean shall transfer to GRPS, at no cost to GRPS, full ownership and possession of any and all vehicles and/or equipment acquired using grant funds. Dean shall execute all necessary documents to effectuate the transfer of title and ownership to GRPS within sixty (60) days of the termination date. Dean agrees that such vehicles shall be free of all liens and encumbrances at the time of transfer.

At any time during or immediately at the termination of the Contract between Dean and GRPS, by virtue of implicit payments incorporated into the Per Mile charges of this Contract, GRPS shall have the right to exercise its option to purchase some or all of the vehicles as described above at a price determined by taking Dean's full acquisition cost (including sales tax) and reducing this cost by 97% of the number of years in service for each vehicle(s) divided by a fourteen year vehicle "life limit". Payment for purchase of the vehicles shall be due immediately prior to the transfer of title.

ARTICLE VII **RECORDS AND REPORTS**

7.1. **Special Format Operating Records.** Dean shall maintain and submit to GRPS Administration operating records in a format approved by GRPS Administration as follows:

(a) All information relating to routes and schedules, including the names, birth dates, and impairment categories of special needs students being transported under the Contract, their pick-up and drop-off locations, and the schools to which they are transported;

(b) All information relating to drivers, including for each driver, name, address, permit and license number, normal routing assignment, and normal vehicle assignment; and

(c) All information relating to vehicles, including vehicle model, year, body type, odometer reading, and inspection and maintenance record.

7.2. **Operating Records and Reports.** Dean shall promptly make available to GRPS Administration any such operating records that GRPS Administration may request.

7.3. **Data for State Filings.** Dean shall timely provide the data necessary for GRPS Administration to file all State of Michigan reports required for state funding, reporting, or otherwise on a timeline identified by GRPS consistent with MDE reporting requirements, including but not limited to, the following:

- (a) SM 4107 Bus Inventory;
- (b) SM 4094 Transportation Expenditures; and
- (c) SE4159SL Special Education Logs.

7.4. **Accident Reports.** All accidents or safety incidents involving students, injury, or damage to non-Dean property shall be verbally reported immediately to GRPS Administration. A written report for all accidents or safety incidents involving students, injury, or damage to non-Dean property shall be submitted to GRPS Administration within 24 hours. Accident reports shall clearly provide, at a minimum, the following:

- (a) Whether students were on the vehicle or loading or unloading from the vehicle at the time of the accident, including a list of occupants and contact information if applicable;
- (b) Whether any identifiable injuries occurred and the names of the injured persons;
- (c) The driver, location, involvement of other vehicles (including description and license plate numbers), and nature and extent of any property damage;
- (d) Any accident and incident reports completed by Dean office staff, drivers, attendants or nurses; and
- (e) Name and badge number of the reporting officer.

7.5. **Police and State Reports.** Dean shall further obtain and provide to GRPS Administration any accident reports obtainable from law enforcement agencies as soon after the accident as they become available. Dean shall submit all required reports to the Michigan Department of Education and the Michigan State Police Motor Carrier Division. An accident shall be defined as any incident in which there was any damage to any property, vehicle, and/or any injury to any person.

ARTICLE VIII **COMPENSATION**

8.1. **Compensation.** GRPS shall pay Dean for providing the Services under the Contract compensation in accordance with the terms of Appendix B. On or before the 20th day of each month, Dean shall provide to GRPS a statement of charges on such form as mutually agreed upon by GRPS and Dean. GRPS shall pay Dean for such charges within 15 calendar days from the date the statement is received.

8.2. **Dean Responsibility for Costs.** Dean shall procure at its expense all transportation office staff, drivers, attendants, and mechanics necessary with the sole exception of district-employed bus nurses, unless otherwise agreed to in writing by GRPS Administration. Such

expense shall include all costs of employment, including employee compensation, benefits, payroll taxes, workers' compensation insurance, unemployment insurance, vehicles, vehicle maintenance, fuel, facilities subject to Appendix C if provided by GRPS, hardware, telephone line and usage, cell phone, standard office equipment and supplies and any other related costs of employment or operations, mandatory or otherwise, unless specifically provided otherwise in the Contract. Utilization of GRPS Facilities and the existing infrastructure by Dean if applicable as per Section 6.1 shall be addressed under Appendix C.

In addition, due to the customized integration of GRPS' existing VersaTrans transportation routing software with other GRPS applications, Dean shall utilize said software in the daily operations of its responsibilities under the Contract. When replacement of existing GRPS Transportation Department client-station hardware is required, Dean shall provide client-station hardware sufficient to utilize the GRPS routing software. Dean shall provide the routing software and support for routing software-related issues, including network support for the software. GRPS shall provide support for any potential integration of GRPS student data with Dean VersaTrans routing software, including access to any student address, daycare, school/program, impairment, behavioral, medical or emergency contact data to the extent that such data might impact Dean's ability to safely transport GRPS students pursuant to the requirements of FERPA. Dean may in collaboration with GRPS, install athletic/field trip tracking software at Dean's expense, providing training to GRPS athletic department and secretarial staff on its utilization for purposes of submitting trips requests and updates.

8.3. **Material Changes in the Services or Transportation Services.** In the event that the Services or Transportation Services materially change during the term of the Contract, including any extensions or renewals, then at the request of either Party, the rate(s) of compensation payable under the Contract shall be renegotiated in good faith.

ARTICLE IX

INDEMNIFICATION AND INSURANCE

9.1. **Indemnification by Dean.** To the extent permissible by law, Dean shall hold harmless, defend, indemnify, or cause to be reimbursed, GRPS, its Board, and agents and representatives, from all losses, damages, claims, causes of action, liabilities, fees, and costs, of every kind and nature, caused by, relating to or arising from any act, neglect, default, or omission of Dean, or by any person, firm, or corporation employed by Dean or acting directly or indirectly for Dean (excluding GRPS employees), in connection with Dean's performance under the Contract.

9.2. **Indemnification by GRPS.** GRPS has advised Dean that it does not have the legal authority to indemnify Dean or any other third party. Subject to the forgoing and to the extent permissible by law, GRPS shall hold harmless, defend, indemnify, or cause to be reimbursed, Dean, its officers, agents and representatives from all losses, damages, claims, causes of action, liabilities, fees, and costs, of every kind and nature, caused by, relating to or arising from any act, neglect, default, or omission of GRPS, or by any person, firm, or corporation employed by GRPS or acting directly or indirectly for GRPS, in connection with this Contract.

9.3. **Types of Dean Insurance.** Dean shall obtain and maintain in full force and effect the following insurance covering all insurable risks associated with its obligations under the Contract and insuring the interests of itself and GRPS, generally of the following types and limits:

(a) Workers' Compensation Insurance on Dean employees in accordance with Michigan statutory requirements;

(b) Comprehensive General Liability Insurance, covering the actions, activities and performance of Dean and its employees assigned under this Contract; coverage to be broad form including contractual liability, not excluding sexual harassment and molestation; limits of coverage shall be no less than \$3,000,000 per occurrence/\$3,000,000 annual aggregate; and

(c) Errors & Omissions and Professional Liability insurance on Dean employees shall be obtained and maintained by Dean; limits of coverage shall be no less than \$500,000 per occurrence/\$1,000,000 annual aggregate.

(d) Comprehensive Automobile Liability Insurance (fleet vehicles, owned, hired, and non-owned).

(i)	Bodily injury:	\$1,000,000 each Person
		\$1,000,000 each Occurrence
		\$2,000,000 Aggregate

(ii)	Property Damage:	\$1,000,000 each Occurrence
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(e) Umbrella Excess Liability (over Automobile)

(i)	Combined Bodily Injury and/or	
	Property Damage:	\$9,000,000 each Occurrence

(ii)	Combined Bodily Injury and/or	
	Property Damage:	\$9,000,000 aggregate

If during the Contract, changed conditions or other pertinent factors should in the reasonable judgment of GRPS render the insurance limits inadequate, Dean will furnish or request such additional coverage as may reasonably be required and available under the circumstances. The limits of coverage as may be agreed upon by the Parties shall not be construed as a limit on Dean's potential liability to GRPS.

9.4. **Insurer Qualifications.** The insurance must be affected under valid and enforceable policies and issued by insurers licensed and admitted to do business in Michigan and have an A.M. Best rating of at least A.VI. Dean's insurance carrier must be reputable and

acceptable to GRPS, but acceptance of any licensed qualifying carrier shall not be unreasonably withheld.

9.5. **Evidence of Insurance.** GRPS, its Board, and employees shall be named as additional insureds for all insurance policies (excluding Workers Compensation) required by Section 9.3, including, but not limited to, the Comprehensive General Liability Coverage. An approved certificate of insurance evidencing the required insurance and the additional insureds shall be provided to GRPS prior to the commencement of services by Dean under this Contract. The required insurance shall not be cancelable, non-renewable, reduced or materially changed without at least 30 days written notice to GRPS. Failure to request or obtain evidence of insurance shall not be construed as a waiver of Dean's obligation to provide the required insurance.

ARTICLE X

REMEDIES INCLUDING TERMINATION

10.1. **GRPS Remedies.** In addition to any other rights GRPS may have, GRPS shall have the right to declare Dean in default if:

- (a) Dean becomes insolvent, makes an assignment for benefit of creditors, or if a petition in bankruptcy is filed by or against it;
- (b) Dean shall refuse to provide the Services when and as directed by GRPS, including where the Contract's core to-and-from school service standards as outlined under Section 12.6(a) consistently fall below an on-time rate of 90% as determined under that section;
- (c) Dean shall assign, transfer, or otherwise convey the Contract other than as herein specified;
- (d) GRPS shall be of the opinion that Dean is or has been willfully or in bad faith violating any of the provisions of the Contract;
- (e) Dean or its agents, servants, or employees have violated any applicable legal requirements;
- (f) The Services or Transportation Services have been provided in a manner that imperils the safety of the passengers;
- (g) Dean's licenses or permits legally required to perform Services have been suspended or revoked;
- (h) Deans is subject to liens due to non-payment of payroll taxes; or
- (i) Dean fails to adhere to the routes, runs, and schedules reasonably requested by GRPS Administration where the Contract's core to-and-from school service standards

as outlined under Section 12.6(a) consistently fall below an on-time rate of 90% as determined under that section;

(j) Dean fails to maintain vehicles in accordance with legal vehicle standards or in accordance with GRPS's vehicle standards; or

(k) Dean fails to make timely payments (if applicable) under Appendix C.

10.2. **Dean Remedies.** In addition to any other rights Dean may have, Dean shall have the right to declare GRPS in default if:

(a) GRPS ceases to exist as an entity or disbands its association, for any reason;

(b) Requests for the Services fall below that level determined annually by agreement of the parties, on or before each anniversary of this Contract, as a minimum level of the Services;

(c) GRPS substantially refuses to provide support and assistance, including nurses, information services, or student disciplinary support contemplated by this Contract or otherwise made necessary by the requirements of this Contract to allow Dean to reasonably perform its obligations under the Contract;

(d) Dean shall be of the opinion that GRPS is or has been willfully or in bad faith violating any of the provisions of the Contract, including, but not limited to, in bad faith withholding approvals or imposing directives where the Contract gives GRPS authority to approve or direct;

(e) GRPS or its agents, servants, or employees have violated any applicable legal requirements;

(f) GRPS fails to make payment to Dean pursuant to the requirements of the Contract and such nonpayment is not cured within thirty (30) days after notice from Dean to GRPS.

10.3. **GRPS Remedy Procedure.** Upon default, GRPS may terminate this Contract for cause, provided that GRPS shall give Dean written notice specifying Dean's default. If within thirty (30) days after receipt of such notice, Dean shall not have either corrected such default or proceeded diligently to correct such default, then GRPS may, at its option, terminate the Contract on the date specified in such notice.

10.4. **Dean Remedy Procedure.** Upon default, Dean may terminate this Contract for cause, provided that Dean shall give GRPS written notice specifying GRPS's default. If within thirty (30) days after receipt of such notice GRPS shall not have either corrected such default or proceeded diligently to correct such default, then Dean may, at its option, terminate the Contract on the date specified in such notice.

10.5. **Oversight.** Dean and GRPS shall meet at least quarterly to review the quality of the Services, Transportation Services or any other issue that may arise under the Contract.

10.6. **Force Majeure.** In the event and to the extent either Party is unable to perform its obligations under this Contract because of any act of nature, civil disturbance, fire, flood, riot, war, terrorist attack, picketing, strike, lockout, work stoppage, loss of transportation facilities, oil or fuel shortage or embargo, governmental action or any condition or cause beyond such Party's control, such Party shall be excused from performance of the Contract. In an event such as pandemic, or any similarly impactful event, where transportation needs may be modified or suspended due to remote learning or re-structured educational delivery needs, the standard and extended closure structures in Appendix B shall apply, and the Parties shall work collaboratively on any resulting modification to the transportation system.

ARTICLE XI

WARRANTIES AND REPRESENTATIONS

11.1. **Confirmation of Warranties and Representations.** Dean acknowledges and confirms the effectiveness and reliability of any representations, warranties and covenants expressed by Dean in its proposal.

11.2. **Truth of Proposal and Reports.** Dean hereby warrants and represents to GRPS that all information contained in its proposal, and in any data or reports submitted to GRPS, pursuant to or in preparation of the Contract, is or shall be complete, true and correct.

GRPS hereby warrants and represents to Dean that all information, data or reports submitted to Dean pursuant to or in preparation of the Contract, is or shall be complete, true and correct in all material respects.

11.3. **Familiarity.** Dean warrants and represents that it is familiar with the local conditions, i.e., roads, weather, urban versus suburban versus rural, etc., under which the Transportation Services are to be provided.

11.4. **Binding Contract.** Dean warrants and represents that (i) it is a duly organized entity with full power and authority to enter into and perform the Contract; (ii) all necessary approvals for the execution, delivery, and performance of the Contract by Dean have been obtained; (iii) the Contract has been duly executed and delivered by Dean; and (iv) the Contract constitutes the legal and binding obligation of Dean, enforceable in accordance with its terms.

GRPS warrants and represents that (i) it is a duly organized entity with full power and authority to enter into and perform the Contract; (ii) all necessary approvals for the execution, delivery, and performance of the Contract by GRPS have been obtained; (iii) the Contract has been duly executed and delivered by GRPS; and (iv) the Contract constitutes the legal and binding obligation of GRPS, enforceable in accordance with its terms.

11.5. **General.** Dean and GRPS agree that their representations, warranties, and covenants shall survive the execution and delivery, and if appropriate, the termination of the Contract.

11.6. **Termination of Services by Change in GRPS Transportation Policy.** If during the term of the Contract GRPS by District policy eliminates Regular Education Transportation Services, then the District shall be liable to Dean only for: (i) unemployment claims expense as it relates only to those employees working on-site directly under the GRPS Transportation Services Contract and who Dean is unable to relocate to other operating Contracts, (ii) the difference between the "buy-back" value (calculated using the formula described in Section 6.8) of all fleet vehicles used exclusively under the GRPS Transportation Services Contract and the fair market value of the fleet as determined by a mutually agreed upon third party purchaser of the fleet, or by open sale of the fleet under competitive bidding, and (iii) the residual / unamortized value of documented start-up costs incurred by Dean at the inception of the Contract as determined by multiplying the documented start-up cost(s) by the quotient of the original remaining life (in months) of the Contract at the point of termination of Services divided by the Contract extension term (in months.)

This section shall not represent a penalty to GRPS, but is intended to address in advance the remedies to Dean for financial losses that could result in the event of the unexpected early termination of the Contract, while outlining for GRPS what Dean's primary losses would be in the event of such loss of contract. If Transportation Services were later reinstated by subsequent change in District policy during the original term of the Contract, Dean would hold the first right of refusal to resume such Services under the terms and conditions of this Contract.

ARTICLE XII

COMPLIANCE WITH LAWS, PLAN AND STANDARDS

12.1. **Meaning of "Applicable Legal Requirements".** The term "applicable legal requirements" as used in the Contract means all federal, state and municipal laws and regulations applicable to:

(a) The transportation of students to or from schools, school-related events, and extracurricular activities, including requirements as to students who must be offered Transportation Services, and persons other than students who may or may not be offered transportation services in vehicles with students;

(b) The equipping, condition and testing of school buses and other student transportation vehicles; and

(c) The qualification, licensing, testing, screening, training, and manner of vehicle operation of drivers providing student transportation services, including, but not limited to, the Michigan Vehicle Code MCL 257.1 - 257.1877, the Michigan Pupil Transportation Act. MCL 257.1801 - MCL 257.1877 and the Revised School Code, MCL 380.1 to 380.1853, and all regulations thereunder, including, but not limited to, the regulations of the Michigan Department of Education or the Michigan State Board of

Education or Superintendent of Public Instruction, and the Michigan State Police, and the policies of the State Board of Education.

12.2. **Familiarity with Applicable Legal Requirements.** Dean acknowledges its contractual and professional obligation to be fully familiar with all federal and state laws, or regulations and local ordinances or any other governmental requirement with legal effect applicable to the Transportation Services or its other obligations under the Contract, all of which are referred to in the Contract as "applicable legal requirements," and Dean warrants, represents and covenants that it is fully familiar with, and takes full responsibility for continuing familiarity, understanding and compliance with all applicable legal requirements.

12.3. **Compliance with Applicable Legal Requirements.** Dean shall comply with all federal, state, and municipal laws and regulations bearing on the performance of the Contract as referred to throughout the Contract as "applicable legal requirements," including Family Educational Rights & Privacy Act (FERPA) requirements as addressed in Appendix D. Both Parties agree not to discriminate illegally in employment because of race, color, creed, religion, national origin, age, marital status, sex, height, weight, disability, veteran status, sexual orientation or gender identity.

12.4. **Compliance with Plan.** All Parties shall comply with all provisions of GRPS's regular education and special education transportation plan. In the event any portion of the GRPS plan relating to the provision of Transportation Services is being considered by GRPS for possible amendment, Dean shall be notified and consulted. In the event any such provision is amended, and either GRPS or Dean believes the amendment significantly affects the cost of providing the Services, either Party shall have the right to renegotiate in good faith any portion of Appendix B regarding compensation which may be affected by such amendment.

12.5. **Change in Applicable Legal Requirements.** In the event that there is any change in applicable legal requirements requiring a material change in the delivery methodology or underlying cost of providing the Services, then at the request of either Party, the rate(s) of compensation payable under the Contract shall be renegotiated in good faith.

12.6. **Service and Performance Standards.** GRPS relies on Dean to provide safe and reliable Transportation Services on behalf of the students, families, staff and community it serves. With this in mind, in addition to all other responsibilities identified under the Contract, Dean shall meet certain performance standards outlined below during the Contract. Dean will be expected to maintain these standards at all times, and the Parties may subsequently review and modify such Performance Standards as appropriate during the term of this agreement:

A. **Late or Missed Runs.** After the initial month of school each Fall, if more than 5% of the month's to-and-from-school-and-home bus runs operated by Dean are not within 10 minutes of their scheduled drop-off or pick-up windows, Dean shall credit GRPS \$100 per bus that is more than 10 minutes late, per day. On-time performance will be tracked using GPS when Dean Transportation arrives at a school in the morning and departs a school in the afternoon. Additionally, the parties understand and agree that GRPS administration, principals, and other staff have undertaken significant efforts to maintain

positive relationships with GRPS students, parents, and the broader community in response to repeated delays and the last-minute cancellation of Transportation Services. In addition, if pursuant to the same testing standards GRPS staff must stay late to ensure students are safely transported home or to an event, Dean agrees to pay a flat rate of Two-Hundred Dollars and 00/100 (\$200.00) per hour until the actual arrival time of the vehicle up to a maximum of five hours for each day any GRPS staff member is required to stay late—such charges by GRPS to Dean shall not be the result of any circumstances arising outside of Dean's control. GRPS will invoice Dean on a monthly basis for such payments and Dean agrees to pay the invoices within 30 days of receipt.

This section excludes any special to-and-from school transportation requests that conflict with the transportation system's drop-off / take-home routing, including off-route services such as McKinney-Vento transportation requests that do not fit into the regular route structure, which cannot be controlled by GRPS or Dean.

Additionally, the Parties agree in good faith, that this provision shall not apply when runs are delayed due to conditions beyond Dean's control, such as road / traffic conditions, loading delays, student medical / behavioral needs, late/inaccurate information or trip requests, *Force Majeure* as defined in Section 10.6 of this Contract, or other factors deemed valid in good faith by GRPS as a valid explanation for a bus delay. At a minimum, Dean shall be responsible to have departed the bus garage in time to arrive within the on-time window at the school under normal conditions—any subsequent delay in the route not attributable to late departure from the garage, at-fault accident by the driver, vehicle breakdown, or route(s) consolidated by Dean shall be considered as potentially valid explanations.

B. **Late or Missed Special Trips.** Consistent with the good faith conditions within Dean's control identified in Section 12.6(A), if for a given month, more than 5% of Dean trip buses that were properly requested by GRPS arrive more than 10 minutes late for any field trips or athletic trips, Dean shall credit GRPS \$100 per trip (not to exceed the cost of the trip) that was more than 10 minutes late. It is not the intent of GRPS for Dean to be penalized for circumstances outside of Dean's control.

C. **Operation of a Bus That Is Unfit For Service.** If a bus is deemed to be unfit for service (by applicable school bus inspection standards) by either the Michigan Department of Transportation ("DOT") during a DOT roadside inspection, or by any member of law enforcement responding to a roadway accident, GRPS shall be immediately notified of such an occurrence and the amount of one thousand dollars (\$1,000.00) will be immediately credited by Dean to GRPS on the corresponding monthly invoice. The credit shall be over and above the immediate repair of the cited defect, and any other items failing to meet school bus inspection standards, prior to the bus being returned to service, at Dean's sole expense.

D. **Operator Safety Benchmark.** At the end of each year of the Contract (i.e., June 30), Dean shall provide GRPS with its company-wide At-fault DOT Injury Accident Rate Per Million Miles (IAR-IYr). If the IAR-IYr for Dean's service to GRPS and its

company-wide IAR-IYr both exceed 1.19, Dean shall credit back to GRPS an amount equal to ten thousand and 00/100 dollars (\$10,000.) (*Note: The benchmark of 1.19 was mutually agreed upon by the Parties based on Federal Motor Carrier Safety Administration Analysis Division national data published in April 2015 for the 2013 Fatality and Injury Crashes involving Buses.)

E. **Technology and Enhanced Communication.** GRPS and Dean are committed to investing in technologies that will enhance both student safety and provide more proactive parent communication. Dean shall ensure that whenever a bus will be 10 minutes or more late for pick-up or drop-off, it will timely initiate the necessary “robo calls” (or similar technologies) to ensure GRPS families are informed prior to the late pick-up or drop-off. If a bus is involved in a crash while students are on-board, Dean will immediately notify any school impacted, the families of all children on the bus, the GRPS liaison to Dean, and GRPS’s Public Safety Department. In addition to existing state-of-the-art integrated routing software, on-board electronic child reminder systems, on-board cameras (when approved), and live-time GPS technologies, GRPS and Dean will collectively continue to evaluate the implementation of:

- a. On-board video camera systems for enhanced safety and security of students and staff as and where appropriate;
- b. Expedited student information system data flow and validation of student contact information from GRPS to Dean, acknowledging that this data sharing is also dependent upon timely and accurate enrollment and home contact information from students/families; and,
- c. Beta testing of and deployment of route tracking tools to improve communication for parents by providing live-time updates to route delays or deviations during inclement weather, traffic conditions, etc.

F. **Bus Stop Pick-Up / Drop-off Issues.** GRPS and Dean are committed to proactively communicating with parents, students and staff regarding any changes to bus stop times and locations in a manner that will enhance student safety via technology and proactive parent communication. Furthermore, GRPS and Dean will continue to work collaboratively on stop location policy, pick-up / drop-off policies and protocols, and parent notification plans that help eliminate the risk of students de-boarding at an incorrect location as well as any confusion in expectations between GRPS, Dean, drivers and parents.

G. **Problem Resolution.** At the request of GRPS, Dean and GRPS will meet to discuss and address any Service and Performance Standard concerns expressed by GRPS under Section 12.6 of this Contract. The Parties shall work together to review and analyze any data necessary to determine the underlying causes and reasons for such concern(s) and to determine whether such issues are fully attributable to Dean or whether there are

mitigating factors unforeseen by the Parties at the inception of this Contract. The Parties shall collectively identify and proactively implement any appropriate measures (by GRPS, Dean or any other affected party) in order to properly address and resolve any concern(s) arising under this section. In light of the continuing staffing issues experienced by Dean, the parties agree such concerns are not “unforeseen” as the term is used herein.

ARTICLE XIII **MISCELLANEOUS**

13.1 **Non-Assignment.** Neither the Contract nor any part of it shall be assigned or subcontracted by Dean without the prior written consent of GRPS.

13.2 **Notices and Communications.** All notices, requests, or other communications related to the Contract shall be made in writing and may be given by personal delivery or depositing the same in the United States mail, postage prepaid, to the signatory on the Contract or his/her authorized successor, addressed as set forth in the beginning of the Contract or a different representative as directed in writing by a Party.

13.3 **Modifications, Amendments, or Waivers.** Modifications, amendments, or waivers of any provision of the Contract may only be made upon the written mutual consent of the Parties.

13.4 **Completeness of Contract.** All prior agreements between the Parties regarding the provision of the Services are hereby terminated. The Contract and any additional or supplementary documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the Parties and no other agreement, oral or otherwise, regarding the subject matter of the Contract, or any part thereof shall have any validity or bind the Parties.

13.5 **Waiver of Breach.** The waiver by a Party of any breach of any provision of the Contract by the other Party shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision of the Contract.

13.6 **Severability.** The terms and provisions of the Contract are severable and in the event any of them shall be held to be invalid, the Contract shall be interpreted as if such invalid term or provision were not part of the contract.

13.7 **Attached Appendixes.** All of the attached appendices form an integral part of the understandings and agreements between the Parties and are as such a part of the Contract.

[SIGNATURES ON FOLLOWING PAGE]

Dated: _____

08.13.25

GRAND RAPIDS PUBLIC SCHOOLS

By: _____

Headware Bly

Its: _____

Superintendent

DEAN TRANSPORTATION, INC.

Dated: _____

8/14/2025

By: _____

[Signature]

Its: _____

PRESIDENT

APPENDIX A
SCOPE OF SERVICES

The Parties hereby agree that the Scope of Services requested of Dean by GRPS as of the date of this Appendix is as follows:

1. Dean shall provide complete Regular Education Transportation Services under the terms of this contract. Regular Education Transportation Services shall include Special Needs students who are not required by IEP to utilize dedicated Special Needs Transportation Services, which are provided by Dean through the Kent Intermediate School District Special Education Transportation Consortium contract. Regular Education Transportation Services also includes GRPS students who are enrolled in GRPS but reside within the boundaries of a different school district. To the extent that the Parties cannot know the quantity and location of non-resident students year-to-year or over the course of the school year, GRPS and Dean shall work collaboratively based on their historical experience to determine a number of runs available to serve non-resident students.
2. Dean shall provide complete Field Trip, Sports Trip, Extracurricular Trip transportation services to GRPS under the terms of this contract. Dean acknowledges that GRPS expressly retains the right to contract separately with Dean or other vendors for non-student or non-“home-to-school” student transportation services for runs or trips that Dean is unable to cover, but to the extent to which GRPS does not exclusively utilize Dean buses for any non-“home-to-school” student transportation, Dean shall be released of any and all obligation to maintain spare buses or drivers for the purposes of providing non-“home-to-school” transportation, GRPS shall coordinate with Dean in advance of any changes to game times and/or athletic conferences for sports programs to help ensure collaborative planning for any transportation logistics that conflict with to/from school services and the overall transportation system fleet capacity. The Parties shall work in good faith to maximize the efficiency of Extra Trip demands to balance standing fleet resources with peak capacity demands.
3. If required by GRPS or the State of Michigan, Dean shall provide enhanced cleaning of the bus fleet pursuant to a specific Cleaning Schedule with corresponding pricing that shall be agreed to in writing referred to as Exhibit A of this Agreement. GRPS shall have the right to require a Cleaning Schedule that exceeds State of Michigan or local health department requirements at its discretion, subject to the pricing of such schedule.

The Parties agree pursuant to Article II Paragraphs 2.2 and 2.3 that additions to and/or deletions from the Service must be agreed to in writing and subject to all other conditions of the Contract. Appendix A (Scope of Service) may be modified at any time pursuant to the conditions of the Contract.

Additionally, in the event that the State of Michigan's funding levels and related formulas are increased or reduced relative to those levels established for the 2024-25 fiscal year, GRPS reserves the right to modify its Transportation Service levels accordingly (within the laws of the State of Michigan and any applicable Federal Law), and to renegotiate with Dean any applicable adjustments in pricing if necessary, as a result of increased or decreased levels of service.

APPENDIX B
TRANSPORTATION COMPENSATION

CONDITIONS:

1. Billings will be calculated on a Per Mile basis for Driver/Vehicle for "To and From School" transportation. All non-"To and From School" transportation shall be billed hourly as outlined below.
2. Regular run changes shall be assessed on a per mile operated basis
3. Regular run bus miles shall be determined from the GRPS Transportation Facility located at 900 Union Avenue, Grand Rapids, Michigan 49503, unless an alternate location is mutually agreed upon. If an alternate location is chosen, the parties shall meet to review and adjust the billing rate structure if necessary, to ensure that neither party is adversely impacted by either the change in operating location or the alternate location utilized for billing purposes.
4. A minimum miles charge of 75 miles per day per bus on home-to-school runs shall apply, unless an alternate method is mutually agreed upon.
5. Information relative to routes, actual or minimum miles per regular run bus, bus size or passenger capacity, fuel costs, or other run or passenger information reasonably necessary to accomplish the billing, reimbursement process or comply with all of the GRPS's fiscal responsibilities under the law shall be furnished to the GRPS by Dean upon reasonable request.
6. Field trips, CBI trips, or other special trips shall be charged on an hourly charge. Dean reserves the right to provide field trips or special trips at the reduced charge, or at no charge, at the discretion of Dean (such as Special Olympics trips). Time calculations shall be determined by utilizing the same beginning and ending location as for Item 3, or by the amount of time such trip adds to the run providing the trip, whichever is less.
7. In the event that there are significant, documented increases or decreases in the costs of providing transportation services under this Agreement, Dean and the GRPS may, by mutual agreement, adjust the base rate to reflect the cost changes.
8. GRPS shall receive a discount from the ordinary daily rate charge on those days when the schools and/or classes are closed, or transportation services are suspended, to ensure the health, security, and safety of pupils, for the reason of inclement weather, medical epidemic, state-declared emergency, or any other lawful reason, including instructional delivery shifts to distance learning that reduce or eliminate the anticipated need for transportation for periods of the regular school year or summer program.

The Parties collectively recognize that the Per Mile Billing Methodology utilized under this Contract affords GRPS and Dean a simple mechanism to capture and spread the fixed costs of Dean's management, dispatching, route planning, staffing, training, vehicles, vehicle insurance, maintenance, facilities, insurance, technology & software, etc. evenly throughout GRPS's school

year for the convenience of invoicing and budgeting between GRPS and Dean. While the transportation of GRPS students is the ultimate purpose of this Contract, the pricing covers myriad other requirements of Dean that occur regardless of whether student transportation occurs on a given day.

- a. **Standard Closures / Transportation Suspension.** GRPS shall receive a **45% discount from the Bus & Driver daily rate charge** (based on the average daily run miles for the affected billing period, or the most recently completed if the closure carries into a subsequent billing period) for the day or those days when transportation services are suspended as outlined in this section for both academic year and summer program periods.

GRPS shall receive an **85% discount from the Bus Attendant daily rate charge** (based on the average daily run hours for the affected billing period, or the most recently completed if the closure carries into a subsequent billing period) for the day or those days when transportation services are suspended as outlined in this section for both academic year and summer program periods.

- b. **Extended Closures / Transportation Suspension.** If the closure period exceeds ten (10) scheduled school days and Dean is notified in advance by GRPS of such duration, so that Dean may preemptively reduce staffing and/or services as practical, then GRPS shall receive a **50% discount from the Bus & Driver daily rate charge** (based on the average daily run miles for the affected billing period, or the most recently completed if the closure carries into a subsequent billing period) on those days when transportation services are suspended as outlined in this section for both academic year and summer program periods.

GRPS shall receive an **85% discount from the Bus Attendant daily rate charge** (based on the average daily run hours for the affected billing period, or the most recently completed if the closure carries into a subsequent billing period) for the day or those days when transportation services are suspended as outlined in this section for both academic year and summer program periods.

GRPS shall have the option, but under no circumstances the obligation, to request of Dean "*Modified Service*" during any Transportation Suspension period. Under such a request by GRPS, Dean has warranted that its internal compensation policies, developed at the sole discretion of Dean for its employees, would result in affected employees, who are available to perform ancillary tasks as assigned by Dean in support of GRPS, receiving their average hours as calculated by Dean. During such requests, a 7.5% discount would be applied to then applicable standard Bus & Driver Per Mile base rates and Attendant Per Diem and Hourly rates during the Transportation Suspension period.

- c. **Credit Back to District of Make-up Days.** If the combined in-session /operational service days (for which GRPS is invoiced at regular rates) plus inclement weather / special closure days (for which a discounted fee was applied)

exceeds a weighted average of 191.3 expected days for affected runs (including Summer Program days), the discounted rate fee for any such days above the expected days shall be credited back to GRPS.

- d. Additionally, the Per Diem rate was calculated utilizing a system-wide average of academic year service days and summer runs equivalent to 191.3 average days per academic year run (e.g., 99 Academic Year runs at 176 days and 36 Summer Program runs at 42 days.) If there were a significant modification to the system as described in Appendix A (e.g., 10% or more increase or decrease in overall system size), Dean and GRPS may, by mutual agreement, adjust the base charges to reflect such cost changes.

9. The base mileage charge shall be adjusted based on the per gallon cost of #2 diesel fuel (net of federal and state taxes) as determined by the Petroleum Administration for Defense District Midwest Region (PADD II) reported in the "Retail On-highway Diesel Prices" published by the Energy Information Agency of the Department of Energy or other mutually agreed upon fuel price index. The fuel adjustment shall increase or decrease the base transportation rate by \$0.0145 per mile (or \$0.22 per "Live" hour for Field/Sports/Special Trips) for each ten (10) cent per gallon increase or decrease in fuel costs, relative to the Benchmark Price Per Gallon below.

EXAMPLE 1: If the actual price of fuel for the billing month were \$3.13 per gallon, or \$0.13 above the Benchmark (\$3.00), then the effective Per Mile billing rate for that month would be calculated as: \$7.696 (Base Rate) + \$0.0145 (Fuel Escalator) = \$7.7105 Per Mile X Total Run Miles.

EXAMPLE 2: If the actual price of fuel for the billing month were \$3.08, or \$0.08 above the Benchmark (\$3.00), then there would be no adjustment to the Per Mile Billing Rate: \$7.696 (Base Rate) + \$0.0000 (Fuel Escalator) = \$7.696 Per Mile Billing Rate.

EXAMPLE 3: If the actual price of fuel for the billing month were \$2.78, or \$0.22 below the Benchmark (\$3.00), then the effective Per Mile billing rate for that month would be calculated as: \$7.696 (Base Rate) - \$0.0290 (Fuel Escalator) = \$7.667 Per Mile X Total Run Miles.

CHARGES

1. BUS (HOME-TO-SCHOOL BASE RATE CHARGE)	RE	SE	A/C*
Base Rate Per Mile (2025 - 26)	\$ 7.696	\$8.015	\$0.042
Base Rate Per Mile (2026 - 27)	\$ 8.000	\$8.332	\$0.044
Base Rate Per Mile (2027 - 28)	\$ 8.316	\$8.661	\$0.046
Base Rate Per Mile (2028 - 29)	\$ 8.644	\$9.003	\$0.048
Base Rate Per Mile (2029 - 30)	\$ 8.985	\$9.359	\$0.050

Air Conditioning (A/C) Maintenance Per Mile* (By I.E.P. or District requirement) +
Installation of A/C at Cost

2025-26 Cellular Solid State DVR Camera* (2-Camera Base) \$9.21 Per Diem (±\$0.123/mile)

2025-26 Z-Pass & Synovia Here-Comes-the-Bus \$6.30 Per Diem (±\$0.084/mile)

Per Mile Bus & Driver rates include Z-Pass Hardware, Service/ Support and Maintenance fees; Up to 10,000 Student Cards for the initial "Year I" implementation of the system, plus up to 2,500 replacement cards each contract year thereafter; one (1) card printer for GRPS to utilize in production of cards with additional card printers available to GRPS at Dean's cost from Zonar; Zonar Enhanced Data for Synovia's Here-Comes-the-Bus application; all maintenance labor and installation for one (1) Z-Pass unit per non-lift-equipped bus and two (2) Z-Pass units per lift-equipped bus. GRPS would administer issuance of new and replacement cards and any district-provided card holders for students (using the Z-Pass card printer) at the time of enrollment or when a student's card becomes lost or unusable.

1(B). **GRPS-MANDATED REGULAR EDUCATION ATTENDANT ("MONITOR")**

	Per Diem	Variable Hourly
2025-26 Attendant Rate	\$108.88	\$27.22
2026-27 Attendant Rate	\$113.18	\$28.30
2027-28 Attendant Rate	\$117.65	\$29.42
2028-29 Attendant Rate	\$122.30	\$30.58
2029-30 Attendant Rate	\$127.13	\$31.79

This rate is for para-professional staff who are not expected to hold nursing or similar certifications. If, due to legislation or otherwise, attendants are required to have such certification, and the rate of pay is greater than for existing trained lay- persons a new rate may be added for such certified personnel.

2. **FIELD TRIPS, SPORTS TRIPS, OR OTHER SPECIAL TRIPS**

The following rates apply to GRPS-requested trips and may be extended by mutual agreement of GRPS and Dean to additional partners designated and approved by GRPS within the framework that any partners designated by GRPS will not request trips that exceed the system's capacity and/or conflict with peak to/from school transportation and/or GRPS trips.

Per Hour (2025-26)	\$69.35 (live time/vehicle in-service time) \$43.63 (waiting time if driver required to stay)
Per Hour (2026-27)	\$72.09 (live time/vehicle in-service time) \$45.35 (waiting time if driver required to stay)
Per Hour (2027-28)	\$74.94 (live time/vehicle in-service time) \$47.14 (waiting time if driver required to stay)
Per Hour (2028-29)	\$77.90 (live time /vehicle in-service time) \$49.00 (waiting time if driver required to stay)
Per Hour (2029-30)	\$80.98 (live time/vehicle in-service time) \$50.94 (waiting time if driver required to stay)

3. FUEL ADJUSTMENT BASE COST

Benchmark Price Per gallon #2 Diesel Fuel: \$3.00

Note: During this Contract the Parties reserve the right to adjust the Fuel Benchmark and the corresponding Per Mile, Per Hour rates and Cost Certainty calculations to more accurately reflect actual and/or then current fuel pricing to afford more accurate forecasting of costs.

4. COST CERTAINTY

Both Parties recognize that the GRPS Transportation System is a fluid operating environment wherein the GRPS student population shifts, delivery parameters (such as building times), run miles, and other operational variables may impact the comparability of year-to-year data.

The Cost Certainty assumes the following basic operational parameters:

- 99± RE + SE Runs operating on a 176-day Academic Year Calendar as the "BASELINE" for Cost Certainty.
- 36 RE and SE Runs operating on a weighted average 42-day Summer Calendar
- Approximately 1,589,336 RE + SE Run Billable Miles
- Fuel Benchmark of \$3.00 per gallon for #2 ULSD
- Excludes: Parental Reimbursement, Parochial School Funding, Transit Passes, Athletic/Field Trips, Non-Region III/IV School Bus Service, Ambucab & Taxi Services as well as COVID-related cleaning mandates beyond the pre-COVID (March 16, 2020 shutdown) 30-minute per work per bus cleaning and sanitization schedules.

Dean warrants the following cost estimates (in 2025-26 dollars and adjusted for subsequent periods based on the change in per mile rates outlined in Item 1 of this section) by taking into consideration the potential variances in academic year (AY) runs (special education and regular education combined):

	RE+SE	Increment	AY RE + SE RUN COUNT RANGE - COST CERTAINTY FOR TO/FROM SCHOOL TRANSPORTATION										
	BASELINE		74	79	84	89	94	99	104	109	114	119	124
MILEAGE RANGE	1,984,336	375,000	\$10,152,000	\$10,708,000	\$11,190,000	\$11,766,000	\$12,248,000	\$12,805,000	\$13,332,000	\$13,885,000	\$14,391,000	\$14,946,000	\$15,452,000
	1,889,336	300,000	\$10,095,000	\$10,649,000	\$11,130,000	\$11,704,000	\$12,185,000	\$12,740,000	\$13,265,000	\$13,797,000	\$14,322,000	\$14,875,000	\$15,380,000
	1,814,336	225,000	\$10,037,000	\$10,589,000	\$11,069,000	\$11,642,000	\$12,122,000	\$12,675,000	\$13,198,000	\$13,729,000	\$14,253,000	\$14,804,000	\$15,307,000
	1,739,336	150,000	\$9,980,000	\$10,530,000	\$11,009,000	\$11,580,000	\$12,058,000	\$12,610,000	\$13,132,000	\$13,662,000	\$14,183,000	\$14,733,000	\$15,235,000
	1,664,336	75,000	\$9,923,000	\$10,472,000	\$10,949,000	\$11,519,000	\$11,995,000	\$12,545,000	\$13,068,000	\$13,593,000	\$14,114,000	\$14,662,000	\$15,163,000
	1,589,336	0	\$9,866,000	\$10,413,000	\$10,889,000	\$11,457,000	\$11,931,000	\$12,481,000	\$12,998,000	\$13,525,000	\$14,045,000	\$14,591,000	\$15,090,000
	1,514,336	(75,000)	\$9,809,000	\$10,354,000	\$10,829,000	\$11,394,000	\$11,868,000	\$12,415,000	\$12,932,000	\$13,458,000	\$13,975,000	\$14,520,000	\$15,018,000
	1,439,336	(150,000)	\$9,751,000	\$10,295,000	\$10,769,000	\$11,332,000	\$11,805,000	\$12,351,000	\$12,866,000	\$13,390,000	\$13,905,000	\$14,449,000	\$14,945,000
	1,364,336	(225,000)	\$9,694,000	\$10,237,000	\$10,709,000	\$11,270,000	\$11,742,000	\$12,286,000	\$12,799,000	\$13,322,000	\$13,836,000	\$14,378,000	\$14,872,000
	1,289,336	(300,000)	\$9,637,000	\$10,178,000	\$10,649,000	\$11,209,000	\$11,679,000	\$12,222,000	\$12,732,000	\$13,254,000	\$13,767,000	\$14,308,000	\$14,800,000
	1,214,336	(375,000)	\$9,580,000	\$10,119,000	\$10,588,000	\$11,147,000	\$11,616,000	\$12,157,000	\$12,666,000	\$13,187,000	\$13,697,000	\$14,236,000	\$14,728,000

	RE	Increment	AY RE + SE RUN COUNT RANGE - COST CERTAINTY FOR TO/FROM SCHOOL TRANSPORTATION PER MILE WTD AVG RE EQUIVALENT										
	BASLINE		74	79	84	89	94	99	104	109	114	119	124
MILEAGE RANGE	1,964,336	375,000	\$5.065	\$5.342	\$5.583	\$5.870	\$6.111	\$6.388	\$6.651	\$6.917	\$7.180	\$7.457	\$7.709
	1,889,336	300,000	\$5.237	\$5.524	\$5.773	\$6.071	\$6.321	\$6.608	\$6.881	\$7.157	\$7.429	\$7.716	\$7.978
	1,814,336	225,000	\$5.422	\$5.720	\$5.979	\$6.289	\$6.548	\$6.847	\$7.129	\$7.416	\$7.699	\$7.997	\$8.268
	1,739,336	150,000	\$5.623	\$5.933	\$6.203	\$6.525	\$6.794	\$7.105	\$7.399	\$7.698	\$7.992	\$8.301	\$8.584
	1,664,336	75,000	\$5.843	\$6.167	\$6.447	\$6.783	\$7.063	\$7.387	\$7.694	\$8.004	\$8.311	\$8.634	\$8.928
	1,589,336	0	\$6.084	\$6.421	\$6.715	\$7.065	\$7.357	\$7.696	\$8.015	\$8.340	\$8.661	\$8.997	\$9.305
	1,514,336	(75,000)	\$6.348	\$6.701	\$7.008	\$7.374	\$7.681	\$8.035	\$8.369	\$8.710	\$9.044	\$9.397	\$9.719
	1,439,336	(150,000)	\$6.639	\$7.010	\$7.332	\$7.716	\$8.038	\$8.410	\$8.760	\$9.117	\$9.468	\$9.839	\$10.176
	1,364,336	(225,000)	\$6.963	\$7.353	\$7.692	\$8.096	\$8.435	\$8.825	\$9.194	\$9.570	\$9.939	\$10.328	\$10.683
	1,289,336	(300,000)	\$7.325	\$7.736	\$8.094	\$8.520	\$8.877	\$9.290	\$9.678	\$10.075	\$10.464	\$10.875	\$11.250
	1,214,336	(375,000)	\$7.731	\$8.166	\$8.545	\$8.996	\$9.374	\$9.811	\$10.222	\$10.643	\$11.055	\$11.490	\$11.886

SE		Increment	AY RE + SE RUN COUNT RANGE - COST CERTAINTY FOR TO/FROM SCHOOL TRANSPORTATION PER MILE WTD AVG SE EQUIVALENT										
BASELINE			74	79	84	89	94	99	104	109	114	119	124
MILEAGE RANGE	1,964,336	375,000	\$5.275	\$5.564	\$5.814	\$6.114	\$6.364	\$6.653	\$6.927	\$7.204	\$7.478	\$7.766	\$8.029
	1,889,336	300,000	\$5.454	\$5.752	\$6.012	\$6.323	\$6.583	\$6.882	\$7.166	\$7.453	\$7.737	\$8.036	\$8.308
	1,814,336	225,000	\$5.646	\$5.957	\$6.227	\$6.549	\$6.819	\$7.130	\$7.424	\$7.723	\$8.018	\$8.328	\$8.611
	1,739,336	150,000	\$5.856	\$6.179	\$6.460	\$6.795	\$7.076	\$7.400	\$7.706	\$8.017	\$8.323	\$8.645	\$8.940
	1,664,336	75,000	\$6.085	\$6.422	\$6.714	\$7.064	\$7.356	\$7.693	\$8.012	\$8.336	\$8.655	\$8.992	\$9.298
	1,589,336	0	\$6.336	\$6.687	\$6.993	\$7.357	\$7.662	\$8.015	\$8.347	\$8.686	\$9.019	\$9.370	\$9.691
	1,514,336	(75,000)	\$6.611	\$6.978	\$7.299	\$7.680	\$7.999	\$8.368	\$8.716	\$9.070	\$9.419	\$9.786	\$10.122
	1,439,336	(150,000)	\$6.914	\$7.300	\$7.636	\$8.036	\$8.371	\$8.758	\$9.123	\$9.495	\$9.860	\$10.246	\$10.597
	1,364,336	(225,000)	\$7.252	\$7.658	\$8.011	\$8.431	\$8.784	\$9.191	\$9.574	\$9.966	\$10.351	\$10.756	\$11.126
	1,289,336	(300,000)	\$7.628	\$8.057	\$8.429	\$8.873	\$9.245	\$9.675	\$10.079	\$10.492	\$10.898	\$11.326	\$11.716
	1,214,336	(375,000)	\$8.052	\$8.505	\$8.899	\$9.369	\$9.763	\$10.218	\$10.646	\$11.083	\$11.513	\$11.966	\$12.378

The above estimates are reflective of providing all GRPS Regular and Special Education transportation services. The above estimates shall represent the maximum cumulative cost (subject to fluctuation in fuel price for all To/From school) to the GRPS for Dean to provide said Services, whether such Services are performed by Dean on behalf of GRPS or on behalf of the Kent Intermediate School District for GRPS SE transportation services and equipment. This warranty assumes:

- 1.) The "basic operational parameters" outlined in Item 4 of the Charges;
- 2.) GRPS shall not change any parameters of Appendix C that would shift additional cost responsibility to Dean that was not originally included in the cost estimate;
- 3.) GRPS shall make no changes in the delivery parameters of the Transportation System;
- 4.) Shifts in student population could result in an increased or decreased number of runs subject to the approval of GRPS; and,
- 5.) GRPS shall have the right to review and approve any runs developed by Dean to ensure maximum run efficiency within the requirements of the Contract;

- 6.) If increases or decreases in the operating requirements of the GRPS transportation system, such as significant changes in service days, runs, summer programming, spare bus needs, special trips services, after-school programming or other aspects materially impact the base rate charges (e.g., Per Mile, Bus Nurse and/or Athletic/Field Trip charges), then the Parties shall meet in good faith to reset such rates.
- 7.) Mileage ranges for Cost Certainly grid are based on billable miles as projected as if school where in full in-person operation, with discounting for "standard" or "extended" closures occurring subsequent to determination of the appropriate Per Mile rate given the system's run size and mileage requirements.
- 8.) Billable rate(s) for To/From School Transportation would be adjusted either up or down (relative to the Baseline Rates) to correspond to the Cost Certainty rates of the above grid with assurance to GRPS that the overall projected charges shall not exceed the stated amounts for a given run and mileage combination, assuming the aforementioned calendar schedule for academic year and summer programming, as well as the pre-identified fuel benchmark. The Cost Certainty grid has been agreed upon by the Parties to proactively and dynamically adapt to potential changes in the run needs and lengths of GRPS, while protecting both from unknown and unforeseen changes in to/from school transportation requirements.

5. INSURANCE.

At the extension of the Contract, the cost of all liability insurance required of Dean under the terms of the Contract was included in Dean's cost analysis and the Per Mile and Per Hour rates identified in Appendix B. GRPS and Dean may explore the possibility of GRPS providing automotive liability insurance for the school bus / pupil transportation vehicle fleet. Should GRPS elect to provide fleet insurance, the Parties shall either renegotiate the affected Per Mile and Per Hour rates, or establish a mutually agreed upon alternative means of reimbursing GRPS for Dean's reduced cost of providing the Service.

6. PRE-2024 BUS CREDIT

The Pre-2024 Bus Credit for a 99-Run system was estimated based upon 110 total Pre-2024 school buses for Year 1, reduced each subsequent year in the Cost Projections provided to GRPS by an amount equivalent to the number of estimated replacements for each given year. By way of example, the credit presented in the cost projections was calculated as 110 estimated Pre-2024 buses x **\$2,108.72** (credit per bus per year) for an estimated total **Year 1 (2025-26)** credit of \$231,959. The degree to which the actual number of runs and buses requiring replacement and/or retirement in any given year deviates from the original 2024-25 projections would affect the projected Pre-2024 Bus Credit in a pro-rata manner for each subsequent year. Credit will be issued during the primary academic year billing periods of September through May in nine (9) equal installments that could be impacted by an increase/decrease in the number of Pre-2024 buses during a given month.

APPENDIX C
FACILITY LEASE AGREEMENT

The Parties to this Contract have discussed the potential sale of the property and facilities described in this Appendix C; however, if and until the purchase agreement and sale of the property (described herein) are executed and completed by GRPS and Dean, the Parties hereby extend this Facility Lease Agreement ("Lease") that was originally entered into effective 6/10/05, by and between Grand Rapids Public Schools ("Landlord") located at 1331 Martin Luther King Jr. St. SE, Grand Rapids, Michigan 49506 and Dean Transportation, Inc. ("Tenant") located at 4812 Aurelius Road, Lansing, Michigan 48910, and is hereby extended for the term of this Contract effective July 1, 2020.

Landlord is the owner of land and improvements commonly known and numbered as 900 Union Avenue NE, Grand Rapids, Michigan 49503 and described as (1) the "Transportation Buildings": the buildings or portions thereof historically used by Landlord in its provision of student transportation services, including clerical, dispatch, route planner, supervisor, director, breakroom(s), restroom(s) and maintenance facilities and storage; and (2) the "Bus Corral": the fenced parking area or portions thereof historically used by Landlord in its provision of student transportation services located adjacent the Transportation Buildings, including that space historically made available to transportation staff for school bus, pupil transportation vehicles, district vehicle, and transportation staff personal vehicle parking.

Landlord makes available for lease the Transportation Buildings for use by Tenant's transportation staff for the provision of Services to GRPS. Included with the Transportation Buildings shall be the phone system hardware and wiring infrastructure, as well as the existing local area network infrastructure utilized for computer information systems.

Landlord makes available for lease a portion of its campus designated as the Bus Corral for use as parking for school buses, pupil transportation vehicles and/or Tenant employee parking.

The Transportation Buildings designated for use by Tenant combined with that the Bus Corral shall be known and referred to collectively as the "Leased Premises." In the event Tenant seeks to expand their presence within The Transportation Building or any other property or building, such expansion will be detailed in a written amendment to this Lease.

Landlord desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from Landlord for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. **Term.**

- A. Landlord hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from Landlord, for an "Extension Term", in one (1) year (July 1 - June 30) commitments

as mutually agreed to by GRPS and Dean, beginning July 1, 2020 and ending June 30, 2030, or for the duration of the Contract if terminated prior to end of the extension term.

2. **Rental.**

- A. Tenant shall pay to Landlord during the first year a Leased Premises rental of \$150,000 per year (July 1 through June 30), with the annual rental amount indexed to match the Contract rate increases outlined in Appendix B of the Contract for Years 2 through 5 of the Contract term, and shall be paid in equal monthly installments. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Landlord at 1331 Martin Luther King Jr. St. SE, Grand Rapids, Michigan 49506 or at such other place designated by written notice from Landlord or Tenant. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.
- B. The rental for any renewal lease term, if created as permitted under this Contract, shall be in an amount equal to the immediately preceding term's rental amount increased by the percentage increase in the Contract under which Tenant requests use of Landlord Building and Grounds, or as otherwise agreed upon by both parties.

3. **Use**

The Leased Premises may be used and occupied by Tenant as a school bus transportation office and for no other purpose, providing that Tenant also must comply with all applicable zoning ordinances, laws, rules, or regulations. Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device beyond fuel and/or fluids regularly recognized and understood to be used in the maintenance of school transportation vehicles, to the extent they remain available.

4. **Sublease and Assignment.**

Except as set forth below, Tenant shall not sublease all or any part of the Leased Premises, or assign this Lease in whole or in part without Landlord's consent, such consent not to be unreasonably withheld or delayed. Tenant shall have the right without Landlord's consent, to assign this Lease to a corporation with which Tenant may merge or consolidate, to any subsidiary of Tenant, to any corporation under common control with Tenant, or to a purchaser of substantially all of Tenant's assets.

5. **Repairs.**

During the Lease term, Tenant shall make, at Tenant's expense, all necessary repairs to the Leased Premises, to include such items as routine cleaning, maintenance and repairs of floors and interior walls stemming from Tenant use, and other parts of the Leased Premises damaged or worn through normal occupancy. Tenant shall perform all maintenance, repair and replacement upon Lease Premises necessitated by acts or neglects of Tenant, its agents, employees, or invitees. Repairs shall not include major mechanical systems (such plumbing,

electrical, water/gas lines, HVAC, data lines, phone system, storage tanks, or similar items), the ceiling, exterior walls, building corrosion/deterioration, doors, windows, interior walls if due to structural failure of the building or its infrastructure, or the roof, subject to the obligations of the parties otherwise set forth in this Lease. Nor shall Repairs include work performed on Landlord grounds for use as the Bus Corral, for such events as soil erosion, parking surface deterioration, drainage correction, sinkage, Underground Storage Tank and/or related component failure or other significant events that adversely affect the usability for the purposes intended of such Leased Premises.

6. **Alterations and Improvements.**

Tenant, at Tenant's expense, shall have the right following Landlord's consent to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Leased Premises from time to time as Tenant may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Tenant shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Leased Premises, and fasten the same to the premises. All personal property, equipment, machinery, trade fixtures and temporary installations, whether acquired by Tenant at the commencement of the Lease term or placed or installed on the Leased Premises by Tenant thereafter, shall remain Tenant's property free and clear of any claim by Landlord. Tenant shall have the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.

7. **Property Taxes.**

Tenant shall be responsible for paying all personal and real property taxes with respect to Tenant's personal property at the Leased Premises.

8. **Insurance.**

- A. If the Leased Premises or any other party of the Building is damaged by fire or other casualty resulting from any act or negligence of Tenant or any of Tenant's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and Tenant shall be responsible for the costs of repair not covered by insurance.
- B. Landlord shall maintain fire and extended coverage insurance on the Building and the Leased Premises in such amounts as Landlord shall deem appropriate. Tenant shall be responsible, at its expense, for fire and extended coverage insurance on all of its personal property, including removable trade fixtures, located in the Leased Premises.
- C. Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive broad form general liability insurance with respect to the respective activities of each in the Transportation Buildings with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof.

Landlord shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability insurance, and Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of Tenant's insurers to notify Landlord in writing that a policy is due to expire at least (30) days prior to such expiration. Landlord shall not be required to maintain insurance against thefts within the Leased Premises or the Building.

9. **Utilities.**

Tenant shall pay all charges for water, sewer, gas, Transportation Buildings and Tenant vehicle electricity, telephone line and usage, internet, Building custodial and other services and utilities used by Tenant on the Leased Premises during the term of this Lease unless otherwise expressly agreed in writing by Landlord. In the event that any utility or service provided to the Leased Premises is not separately metered, Landlord shall pay the amount due and separately invoice Tenant for Tenant's pro rata share of the charges. Tenant shall pay such amounts within fifteen (15) days of invoice. Tenant acknowledges that the Leased Premises are designed to provide standard office use electrical facilities and standard office lighting. Tenant shall not use any equipment or devices that utilizes excessive electrical energy or which may, in Landlord's reasonable opinion, overload the wiring or interfere with electrical services to other tenants.

10. **Signs.**

Following Landlord's consent, Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant, any signs which are permitted by applicable zoning ordinances and private restrictions. Landlord may refuse consent to any proposed signage that is in Landlord's opinion too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises or use of any other tenant. Landlord shall assist and cooperate with Tenant in obtaining any necessary permission from governmental authorities or adjoining owners and occupants for Tenant to place or construct the foregoing signs. Tenant shall repair all damage to the Leased Premises resulting from the removal of signs installed by Tenant.

11. **Entry.**

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business on the Leased Premises.

12. **Parking.**

During the term of this Lease, Tenant shall have the non-exclusive use in common with Landlord, other tenants of the Leased Premises, their guests and invitees, of the non-reserved common automobile parking areas, driveways, and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas adjacent the Transportation Building or in reasonable proximity

thereto, for Tenant and Tenant's agents and employees. Consideration for Tenant's usage of such spaces shall be covered by the monthly remuneration by Tenant to Landlord for occupancy and use of Leased Premises described above.

13. Building Rules.

Tenant will comply with the rules of the Building adopted and altered by Landlord from time to time and will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing.

14. Damage and Destruction.

Subject to Section 8 A. above, if the Leased Premises or any part thereof or any appurtenance thereto is so damaged by fire, casualty or structural defects that the same cannot be used for Tenant's purposes, then Tenant shall have the right within ninety (90) days following damage to elect by notice to Landlord to terminate this Lease as of the date of such damage. In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Tenant's purposes, Landlord shall promptly repair such damage at the cost of the Landlord. In making the repairs called for in this paragraph, Landlord shall not be liable for any delays resulting from strikes, governmental restrictions, inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Landlord. Tenant shall be relieved from paying rent and other charges during any portion of the Lease term that the Leased Premises are inoperable or unfit for occupancy, or use, in whole for Tenant's purposes. In the event the Leased Premises are not damaged to such extent that they are rendered wholly untenable, then Tenant shall continue to occupy that portion of the Lease Premises that are tenantable and rent shall abate proportionately to the portion occupied. Rentals and other charges paid in advance for any such periods shall be credited on the next ensuing payments, if any, but if no further payments are to be made, any such advance payments shall be refunded to Tenant. The provisions of this paragraph extend not only to the matters aforesaid, but also to any occurrence which is beyond Tenant's reasonable control and which renders the Leased Premises, or any appurtenance thereto, inoperable or unfit for occupancy or use, in whole or in part, for Tenant's purposes.

15. Default.

If default shall at any time be made by Tenant in the payment of rent when due to Landlord as herein provided, and if said default shall continue for fifteen (15) days after written notice thereof shall have been given to Tenant by Landlord, or if default shall be made in any of the other covenants or conditions to be kept, observed and performed by Tenant, and such default shall continue for thirty (30) days after notice thereof in writing to Tenant by Landlord without correction thereof then having been commenced and thereafter diligently prosecuted, Landlord may declare the term of this Lease ended and terminated by giving Tenant written notice of such intention, and if possession of the Leased Premises is not surrendered, Landlord may reenter said premises. Landlord shall have, in addition to the remedy above provided, any other right or remedy available to Landlord on account of any Tenant default, either in law or equity. Landlord shall use reasonable efforts to mitigate its damages.

16. Quiet Possession.

Landlord covenants and warrants that upon performance by Tenant of its obligations hereunder, Landlord will keep and maintain Tenant in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Premises during the term of this Lease.

17. Condemnation.

If any legally, constituted authority condemns the Building or such part thereof which shall make the Leased Premises unsuitable for leasing, this Lease shall cease when the public authority takes possession, and Landlord and Tenant shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

18. Subordination.

Tenant accepts this Lease subject and subordinate to any mortgage, deed of trust or other lien presently existing or hereafter arising upon the Leased Premises, or upon the Building and to any renewals, refinancing and extensions thereof, but Tenant agrees that any such mortgagee shall have the right at any time to subordinate such mortgage, deed of trust or other lien to this Lease on such terms and subject to such conditions as such mortgagee may deem appropriate in its discretion. Landlord is hereby irrevocably vested with full power and authority to subordinate this Lease to any mortgage, deed of trust or other lien now existing or hereafter placed upon the Leased Premises of the Building, and Tenant agrees upon demand to execute such further instruments subordinating this Lease or attorning to the holder of any such liens as Landlord may request. In the event that Tenant should fail to execute any instrument of subordination herein required to be executed by Tenant promptly as requested, Tenant hereby irrevocably constitutes Landlord as its attorney-in-fact to execute such instrument in Tenant's name, place and stead, it being agreed that such power is one coupled with an interest. Tenant agrees that it will from time to time upon request by Landlord execute and deliver to such persons as Landlord shall request a statement in recordable form certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), stating the dates to which rent and other charges payable under this Lease have been paid, stating that Landlord is not in default hereunder (or if Tenant alleges a default stating the nature of such alleged default) and further stating such other matters as Landlord shall reasonably require.

19. Notice.

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord to:

Director of Finance
Grand Rapids Public Schools 1331 Martin Luther King Jr. Street SE
Grand Rapids, MI 49506

If to Tenant to:

Chief Executive Officer
Dean Transportation, Inc.
4812 Aurelius Rd.
Lansing, MI 48910

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other party.

20. **Brokers.**

Tenant represents that Tenant was not shown the Premises by any real estate broker or agent and that Tenant has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

21. **Waiver.**

No waiver of any default of Landlord or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by Landlord or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

22. **Memorandum of Lease.**

The parties hereto contemplate that this Lease should not and shall not be filed for record, but in lieu thereof, at the request of either party, Landlord and Tenant shall execute a Memorandum of Lease to be recorded for the purpose of giving record notice of the appropriate provisions of this Lease.

23. **Headings.**

The headings used in this Lease are for convenience of the parties only and shall not be considered in interpreting the meaning of any provision of this Lease.

24. **Successors.**

The provisions of this Lease shall extend to and be binding upon Landlord and Tenant and their respective legal representatives, successors and assigns.

25. **Consent.**

Landlord shall not unreasonably withhold or delay its consent with respect to any matter for which Landlord's consent is required or desirable under this Lease.

26. **Performance.**

If there is a default with respect to any of Landlord's covenants, warranties or representations under this Lease, and if the default continues more than fifteen (15) days after notice in writing from Tenant to Landlord specifying the default, Tenant may, at its option and without affecting any other remedy hereunder, cure such default and deduct the reasonable cost thereof from the next accruing installment or installments of rent payable hereunder until Tenant shall have been fully reimbursed for such expenditures. However, in the event that Landlord's failure cannot reasonably be cured within the fifteen (15) day period, Tenant shall have no right to perform Landlord's covenant or agreement so long as Landlord commences such performance during the fifteen (15) day period and diligently pursues completion of such performance thereafter. If this Lease terminates prior to Tenant's receiving full reimbursement, Landlord shall pay the unreimbursed balance plus accrued interest to Tenant on demand.

27. **Surrender of Leased Premises.**

Tenant covenants and agrees to surrender possession of Leased Premises to Landlord upon expiration of term of this Lease, or upon earlier termination of this Lease in as good condition and repair as the same shall be at the commencement of this Lease, ordinary wear and tear excepted.

28. **Compliance with Law.**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. Landlord shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

29. **Environmental Warranty:** Dean represents, warrants and covenants to GRPS the following: Dean's use of the Facility and its activities thereon shall comply with all "Environmental Laws," which, for purposes of this Agreement, shall mean all federal, state and local environmental laws, including, but not limited to, The Hazardous Materials Transportation Act, (49 USC §§ 1801 et seq.), Federal Water Pollution Control Act (33 USC §§ 1251 et seq.) ("Clean Water Act"), the Resource Conservation and Recovery Act (42 USC §§ 6901 et seq.) ("RCRA"), Safe Drinking Water Act (42 USC §§ 300f), Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), Clean Air Act (42 USC §§ 7401 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §§ 9601 et seq.) ("CERCLA"), the Emergency Planning and Community Right-to-Know Act, (42 USC

§§11001 et seq.) ("EPCRA"), the Michigan Natural Resources and Environmental Protection Act (MCL § 324.101 et seq.) the administrative rules and regulations promulgated under such statutes, or any other similar federal, state or local law or administrative rule or regulation of similar effect, each as amended and as in effect and as adopted as of the date of execution of this Agreement.

The Parties acknowledge that Dean's "Use" as defined in Paragraph 3 above may involve the use, generation and storage of Hazardous Substances as defined below; however, Dean shall not dispose of or allow the release, spillage or emission of Hazardous Substances on the Facility. For purposes of this Agreement, "Hazardous Substances" shall mean (i) any hazardous or regulated substance as defined by Environmental Laws (ii) any other pollutant, contaminant, hazardous substance, solid waste, hazardous material, radioactive substance, toxic substance, noxious substance, hazardous waste, particulate matter, airborne or otherwise, chemical waste, medical waste, crude oil or any fraction thereof, radioactive waste, petroleum or petroleum-derived substance or waste, asbestos, PCBs, radon gas, all forms of natural gas, or any hazardous or toxic constituent of any of the foregoing, whether such substance is in liquid, solid or gaseous form, or (iii) any such substance the release, discharge or spill of which requires activity to achieve compliance with applicable law.

Dean shall immediately and promptly notify GRPS of any release, discharge, spill or emission of Hazardous Substances on, to or from the Facility, and any complaint, summons, citation, notice, directive, order, claim, litigation, judicial or administrative proceeding, inquiry or investigation judgment, letter or other communication from any governmental agency, department, bureau, office or other authority, or any third party involving violations of Environmental Laws with respect to the Facility.

GRPS shall be responsible for: (1) Any environmental conditions existing on the Facility prior to the commencement of the Term, (2) any environmental conditions resulting from GRPS's use and activities that also occur at the same Facility, and (3) procuring any applicable baseline testing to document the existence / levels of any hazardous substances or contamination at the inception of the lease if such baseline is desired by GRPS.

30. Environmental Indemnification.

A. Dean hereby agrees to indemnify, defend and hold harmless GRPS, its successors, assigns, officers and members of its Board of Education (in their individual and official capacities) and employees, from and against any and all fines, charges, penalties, losses, costs, damages, liabilities, cleanup or response activity costs and/or expenses (including reasonable attorneys' fees and actual consultants' fees) incurred by GRPS as a result of any claims, demands, actions, causes of action, suits, proceedings, investigations, assessments and audits, whether of law or in equity (collectively "Claims") attributable to (i) any third party claim or demand in connection with any Hazardous Substances generated, stored, leaked, spilled, discharged, emitted, or otherwise disbursed, in, on, under, above or about the Facility, or violation of any Environmental Laws, from and after the date of this Agreement; (ii) injuries sustained or other tort actions brought for Claims arising out of or related to any Hazardous Substances; (iii) the presence, disposal (including off-site

disposal), escape, leakage, discharge, emission, release or threatened release of any Hazardous Substances in, on, under, above, from or about the Facility; and (iv) compliance with any administrative notice, order, request or demand relative to any Hazardous Substances on the Facility or violation of any Environmental Laws, but only to the extent such hazardous substances have been quantifiably demonstrated to exceed such levels prior to Tenant's occupation of the Facility and that are not the result of any use or actions of GRPS staff, agents, or equipment, GRPS at its discretion may obtain the services to (a) conduct an environmental review of the portions of the Facility to be used by Dean and (b) draft a report of findings to establish a baseline for the environmental conditions or that portion of the Facility. If conducted, such a baseline report shall be reviewed and approved in writing by the Parties contemporaneously with issuance as a condition of this Agreement. Said report shall be the basis to implement this Section.

B. Dean's indemnification described above specifically includes, but is not limited to, the direct obligation of Dean to promptly perform any remedial or other activities required or ordered by any administrative agency or government official, or are otherwise necessary to avoid injury or liability to any person or property, to prevent the spread of any pollution and/or contamination resulting from the acts or negligence of Dean employees/vendors / agents, or to permit the continued safe use of the Facility.

31. Final Agreement.

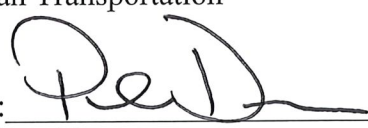
This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties, including the terms and conditions of any Purchase Agreement for this property entered into by Landlord (GRPS) and Tenant (Dean). If a sale of the property to Dean by GRPS were completed during the term of this agreement this Agreement shall terminate as of the effective date of any new Agreement between Dean and GRPS regarding on-going utilization of the property and facilities covered by this Appendix C.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord:
Grand Rapids Public Schools

By: 
Its Superintendent

Tenant:
Dean Transportation

By: 
Its President

APPENDIX D
FERPA COMPLIANCE AGREEMENT

Grand Rapids Public Schools (GRPS) requires any third party (other than as required by law) to whom student information is released for educational purposes sign the following agreement. Failure to sign will be interpreted as a failure to agree and student information will not be released. The "third party" in this agreement is Dean Transportation, Inc. (Referred to as the third party for purposes of this agreement.)

Student information is protected by the Family Educational Rights & Privacy Act (FERPA) and may also be protected by the Individuals with Disabilities Education Act (IDEA). By signing this agreement, the third party:

- Understands that pursuant to FERPA 34 CFR Part 99, Section 99.31(1)(i)(B), GRPS shall provide the third party with any information regarding a student's I.E.P., medical condition, behavioral condition, physical limitations, adaptive equipment needed or used, and special health emergency instructions that might in any way impact the third party's ability to safely transport the student, or likewise, to communicate to emergency responders a student's needs in the event of an incident.
- Agrees that all student information, inclusive of any and all video and audio recording(s) of students captured by on-board bus technology (whether within or outside the bus) is confidential and presumed to be subject to FERPA and/or IDEA.
- Specifies in the attached body of the agreement the specific educational purpose for which the student information is required.
- Agrees to use the student information provided for the specific, limited educational purpose and intent stated in this agreement. Any other use is prohibited.
- Agrees that GRPS reserves the right to modify or limit the student information requested and that the student information provided a third party will be on a need-to-know basis specifically limited to the educational purpose of the contract.
- Agrees that any and all student information will not be maintained, stored or kept on file (electronic or any other media) after the stated educational purpose has been fulfilled. Specifically, any and all student information is to be deleted from any electronic storage; paper copies or any other media are to be destroyed and notice of this destruction is to be sent to GRPS. This includes any data in aggregate form if that aggregation requires the retention of individual student records.
- Agrees to limit the distribution of student information to only those employees who have a legitimate education need to access the information.
- Agrees that student information will not be re-disclosed to any other party without the prior knowledge and prior written consent of GRPS.
- Agrees that any re-disclosure of student information will disqualify the disclosing party from receiving information in the future, and the third party under this compliance agreement, to whom the information was originally released, will indemnify the District against any and all liability (including but not limited to damages of any nature, attorney's fees and any and all legal costs) arising out of the third parties' use and disclosure of educational records and personally identifiable student information in violation of FERPA or in violation of any other statutory or common law privacy rights.
- Agrees to keep a log of any and all persons who have accessed the student information and present this log to GRPS upon demand.