STUDENT TRANSPORTATION CONTRACT

Independent School District #203

Hayfield, Minnesota 55940

This agreement made effective February 5,2026 by and between Independent School District #203, Hayfield, MN hereinafter described as SCHOOL DISTRICT and Hayfield Bus Company, Inc., hereinafter described as CONTRACTOR shall remain in effect for four (4) consecutive academic years 2026-2027, 2027-2028, 2028-2029, 2029-2030.

SECTION I – GENERAL

A. DURATION. The service shall be for the 2026-2027 through academic school year 2029-2030 school years. The District reserves the right to renew the contract for an additional four years with the provision that the rates are to be re-negotiated between the parties bi-annually after the expiration of the first original two-year contract rates. Terms and conditions will be reviewed by both parties each year if there are changes in the State Department of Education or State and Federal laws.

B. REGULAR AND SPECIAL NEEDS TRANSPORTATION. The "Contractor" shall furnish equipment and personnel sufficient to provide daily transportation for eligible District #203 students as identified by the "School District" for the duration of this contract.

1. **REGULAR STUDENT TRANSPORTATION** is to include Exhibit #2
    a. Regular Routes (basic morning and afternoon transportation).
    b. Regular Routes shall be scheduled to ensure that no student will be required to ride longer than 75 minutes in the morning or afternoon.
    c. Shuttles between schools and other facilities within the district.
    d. Extracurricular and field trips.
2. **SPECIAL NEEDS STUDENT TRANSPORTATION**. This category is inclusive to the "Student Transportation Contract" and is defined in Exhibit #1.

C. SERVICE OUTSIDE OF DISTRICT. "Contractor" shall furnish equipment and personnel as required by the "School District" to provide daily transportation of students outside the District for the duration of the contract to such schools in other districts designated according to the School District's requirements.

D. ADDITIONAL SERVICE REQUIREMENTS. "Contractor" shall furnish equipment and personnel as required by the "School District" to provide daily transportation of students to field trips, and athletic events as designated by the "School District".

E. OPTION TO RESCIND OR RENEW. The "School District" reserves the right to rescind this contract at the end of the 2029-2030 academic years or to renew the contract for up to an additional 10 years at its own discretion.

SECTION II – CONTRACTOR RESPONSIBILITIES

A. GENERAL. It is agreed by both parties that the "Contractor" shall transport school pupils as directed by the "School District" from any points on the designated routes to and from designated schools according to routes and schedules as approved (and reviewed periodically) by the "School District" during the period of the contract.

B. SPECIFIC. It is agreed by both parties that the "Contractor" shall fulfill all obligations of those regulations which are mandated or which may be mandated for student transportation by Minnesota Department of Transportation or the Minnesota Department of Education (MDE). The "Contractor" responsibilities shall include but not necessarily be limited to the following:

1. Furnish chassis and school bus bodies conforming to all state and federal laws and/or regulations relating to school buses.
2. Keep such buses within school district boundaries to help assure the efficient and proper operation and maintenance of the school bus fleet.
3. Have such school buses maintained by qualified mechanics to ensure availability of a serviceable and well-maintained fleet.
4. Keep said school buses properly fitted with whatever equipment and/or safety devices as may be required by the State relating to safe operation of school buses.
5. To employ qualified drivers in good health and as otherwise prescribed by the State of Minnesota, and in possession of valid school bus driver's licenses as issued by the Department of Motor Vehicles. The contractor is responsible for conducting thorough background checks and references for all drivers.
6. To furnish all necessary school buses in adequate numbers to properly fulfill the requirements and covenants of this agreement.
7. To establish rules for the enforcement of all regulations governing conduct and procedures relating to school bus drivers employed by the contractor.
8. To take appropriate action with any driver violating the rules of conduct or not meeting the qualifications of such requirements as may be established herein or may be added to by State regulation from time to time. To have available serviceable standby equipment in such numbers to make all necessary trips required by the terms of this agreement.

9. To provide the School District a direct means of immediate communication by and between its management and that of the School District by having available an unpublished, private, and open telephone line which may be immediately used in any urgent or emergency.

10. To provide transportation of any open enrollment students within district boundaries, along established bus routes but at a point that accommodates open enrollment students and provides safe operation including turnaround of the school bus.

SECTION III – SCHOOL DISTRICT RESPONSIBILITIES

A. GENERAL.

1. Both parties agree that the School District shall make every effort to cooperate with the contractor in accomplishing the mission of safe, efficient, and reliable transportation of the School District students.

2. The School District shall in no way adopt or promote policies which are contrary to any state or local rules or regulations for the safe and efficient transportation of its students.

3. The District shall ensure the "Contractor" complies with all applicable rules, regulations, local ordinances, and State laws relating to road conditions and/or restrictions which may affect the successful performance of this agreement.

B. SPECIFIC. The "School District" responsibilities shall include but not be limited to the following:

1. To support the "Contractor" in student discipline issues as defined in "School District" transportation policy when students violate school bus rules.

2. To participate in an elevated level of cooperation and communication with the "Contractor" in all matters which concern the safety and efficient transportation of students within the School District. In the absence of a building principal or director an administrative representative of the School District's district office shall respond to the "Contractor's" needs or concerns.

3. To communicate with contractor management fully and in a timely manner during threatening weather and/or snow emergencies.

4. To provide the "Contractor" with Student Emergency Cards for all students with special transportation needs. Attachment (1), Hayfield Bus Company Student Emergency Card, will be completed by District Special Services personnel for each student requiring special accommodation in transportation.

SECTION IV – FLEET AND EQUIPMENT REQUIREMENTS

A. VEHICLES

1. All vehicles must be maintained in a safe operating condition, and the "Contractor" shall maintain interior and exterior cleanliness.

2. All maintenance records and annual inspection reports shall be made available to the school district upon request.

3. Vehicles will have a current Minnesota Inspection Certificate.

B. ADDITIONAL EQUIPMENT

1. Equipment unique to meet the needs of an individual student shall be identified by the School District. Harnesses and car seats shall be provided by the "School District" as required.

2. Two-way radios. All buses will be equipped with two-way radio communication capability with the contractor's terminal.

3. A direct telephone line shall be provided for the School District #203 in the event of an emergency or matters of an urgent nature.

4. Video Cameras. The contractor agrees to install and maintain complete video camera systems on each bus route.

5. If required by the "School District", special needs vehicles may be required to be equipped with wheelchair lifts.

SECTION V – INSURANCE

A. Insurance coverage:

1. The "Contractor" agrees to keep in effect bodily injury liability and property liability insurance for each bus up to the amount of $1,000,000 per occurrence.

2. Additionally, the "Contractor" shall carry umbrella liability coverage of a minimum of $4,000,000 per occurrence for bodily injury and property damage.

B. Certificates of insurance will be filed with the school district and the "School District" will be listed as additional insured.

SECTION VI – SERVICES PROVIDED

A. Daily Transportation Service to and from school for eligible students, as designated by the "School District".

B. Regular transportation routes may be changed as required with approval of the Superintendent of the schools.

C. The number of students transported on any one bus shall not exceed the rated manufacturer's capacity. Scheduling of the students for arrival at the various school locations shall conform to regular school schedules, or to the schedule established by the "School District" administrators.

D. As required, students with special needs shall be picked up immediately in front of or as near as possible to his/her home. A student may be loaded or unloaded at his/her home or school only from the right side of the vehicle except on a one-way street (where the non-traffic side of the vehicle may be used).

E. No unauthorized person shall be allowed in any vehicle while engaged in the transportation of students for the "School District". The District reserves the right to assign attendants to any vehicle in the best interest of any student as determined by the District.

F. Driver shall be given pre-trip orientation prior to starting any route. Before the first school day, drivers will make practice runs of the regular routes.

G. The "Contractor" agrees to provide a minimum of six (6) hours of in-service time per year for all bus drivers utilized in the performance of the contract including substitute drivers or additional drivers for routes which may be added during the year.

H. All accidents and injuries involving vehicles carrying out the terms of this contract shall be reported to the school Superintendent's Office. Verbal report shall be immediate and a written report to follow within two (2) working days.

I. The "Contractor" shall agree to furnish, at no charge, personnel and equipment to assist the District with the required student safety training.

SECTION VII– PERSONNEL

A. DRIVERS: The "Contractor" shall be highly selective in the employment of drivers. "Contractor" will utilize only those drivers holding a valid school bus endorsement, who have been thoroughly checked for ability, character, integrity and fitness and who are acceptable to the District. A criminal background check will be performed on all drivers prior to their hire date. A new driver's name will be given to the District prior to their first date of work with the "Contractor." The District reserves the right to comment on the performance on any employee of the "Contractor" and "Contractor" shall take appropriate steps to improve

employee of the "Contractor" and "Contractor" shall take appropriate steps to improve services. The District reserves the right to ask the "Contractor" to reassign or remove a driver from a route if performance is not acceptable. The "Contractor" shall do driver license checks on each driver at least twice a year. These records are available to the School District if requested.

B. DISPATCHER: It is also agreed that the "Contractor" will employ a competent dispatcher or dispatchers who will dispatch all buses and equipment proposed for service under this agreement, and such dispatcher(s) or substitute shall be accountable and acceptable to the School District and shall assign bus drivers who shall follow the defined rules.

C. CONTRACTOR CLERICAL SUPPORT: The "Contractor" will provide clerical support personnel who will assist in the development of the routes and assist with the day-to-day operation of the transportation department. These clerical personnel may function as dispatchers.

D. DRUG AND ALCOHOL TESTING: Contractor" shall follow the Federal and State requirements for drug and alcohol testing.

SECTION VIII – BILLING

A. The contract for Regular to and from Transportation will be divided into ten (10) equal monthly payments to be paid on or before the 10TH day of each month. Payments shall be from September through June, inclusive for each year.

B. Regular to and from Transportation rates are outlined in Exhibit #2. (Attached)

C. Any additional services, which may or may not include summer school and/or pre-school shall be negotiated when the need should arise.

D. "Contractor" fuel cost protection. The school district agrees to protect the contractor against escalating fuel costs by reimbursing the contractor for all costs above $3.50 per gallon, including federal taxes. Proper documentation will be provided. Reading to be taken on the 1st of each month.

E. Special Needs transportation services rates as identified in Exhibit #1 (Attached) will be compensated at the agreed upon rates based on actual usage and documented through timely monthly invoicing to the district.

F. Rate Exhibit(attached) must be signed by both parties prior to execution of this contract.

SECTION IX –
INCLUSION BY REFERENCE AND APPLICABILITY OF LAWS AND MISCELLANEOUS PROVISIONS

A. Anything herein notwithstanding, successful "Contractor" shall comply with applicable provisions of the U.S. Government, State of Minnesota Motor Vehicle Code, State Board of Education Rules and Regulations relating to student transportation, the construction, design, operation of equipment and safety accessories for equipment, vehicle codes and other applicable laws, rules and regulations prescribed by Federal, State and County relating to the transportation of the regular and handicapped students.

B. The "School District" shall follow the Education Code of the State of Minnesota, the rules, regulations and directives of the State Board of Education of the State of Minnesota to safeguard the comfort and safety of the students, in order to provide for the orderly operation of its program.

C. The "Contractor" agrees to provide any necessary information to assist the District in reporting requirements.

D. The entire operation contemplated by the Agreement shall comply with applicable rules and regulations adopted by the State Board of Education, State Department of Highways and the School Board, presently in effect or now or hereafter adopted and required and the "Contractor" will be bound by all rules and regulations, local ordinances, or State Laws relating to road conditions and road restrictions or any other subdivision of government.

E. "Contractor" must agree to be part of the decision team whenever there is a possibility of delays and/or school closings due to adverse weather conditions.

SECTION X –
SCHOOL BUS DRIVERS' RULES OF CONDUCT

A. All drivers shall hold a valid commercial driver's license with a school bus endorsement, and the "Contractor" shall submit it to the "School District" upon request.

B. All drivers shall be required to travel over the routes and make the stops according to the timetables approved by the District.

C. All drivers shall exercise proper care in protecting children from injury and exposure.

D. All drivers shall stop the vehicle at railroad tracks. The driver shall, after stopping the vehicle, personally ascertain that the tracks are clear before crossing.

E. The drivers shall supervise all pupils when they cross the highway before entering and when leaving the school bus.

F. All drivers shall observe and obey all traffic rules and regulations imposed by the State of Minnesota and the various municipalities on all public roads.

G. Each driver shall, as possible, maintain order among the children when they are being transported to and from school, shall allow them to enter and leave the bus only at such places as shall be approved by the "School District" and shall report all cases of disobedience, improper conduct, and cases of tardiness to the Principal of the school to which the pupil is transported.

H. No driver shall use profane or indecent language within the hearing of any pupils and shall tolerate no such language on the part of the pupils.

I. Drivers shall absolutely abstain from the use of alcoholic beverages on any day before the driver transports children.

J. Each driver will make such daily and weekly reports as may be required by the District regarding the schedules and passengers and incidents on route.

K. All drivers shall report immediately to their supervisor all accidents involving the vehicles operated by the driver during the transportation of pupils. The supervisor shall report such accidents immediately to the Superintendent of Schools.

L. All drivers shall attend the meetings that may be required by the "Contractor" or the "School District".

M. All drivers shall abstain from the use of tobacco when on the school bus or on school grounds and shall allow no children to use tobacco, liquor or other drug forms while being transported in the bus.

N. Drivers will be encouraged to learn the names of students on their bus routes. This leads to better cooperation between drivers and students.

O. Drivers will be familiar with school District policy dealing with student conduct on school buses.

P. Drivers will be required to be in possession of ID badges while driving for the District.

SECTION XI – SUMMARY

Independent School District #203 in compliance with the duties and obligations placed upon it by the Education Laws of the State of Minnesota, the rules, regulations and directions of the Board of Education for the State of Minnesota, to safeguard the comfort and safety of the students, in order to provide for the orderly operation of its academic program and educational system, will require strict adherence to the terms of the specifications and of the contract to be awarded including such specifications particularly but not limited to schedules, adequacy of equipment, maintenance of equipment, employment of qualified personnel, consistent attendance of qualified supervisory personnel, enforcement of rules as to conduct of children while being transported, safety of operation under all conditions and strict and faithful compliance with all rules, regulations, directives and orders of the Board of Education, Superintendent of Schools, and any of his designated personnel, the officials and peace officers of any and all municipalities and of any and all persons or bodies having jurisdiction or control of any subject matter of performance of the contract.

Kathryn Kreutter

Kathryn Kreutter, Operator
Hayfield Bus Company, Inc.

Date 3-9-2026

Chairperson, Board of Education

Date _____

Clerk, Board of Education

Date _____

RATE EXHIBIT

STUDENT TRANSPORTATION CONTRACT

BY AND BETWEEN

Independent School District #203 And Hayfield Bus Company, Inc.

RATES FOR SY 2026-2027 & SY 2027-2028

ROUTE TYPE	2026-2027	2027-2028	NOTES
SPED TYPE A & TYPE III	$227.12 per day	$233.93 per day	Rates for SY 2028-2029 and 2029 -2030 TBD
OUT OF DISTRICT MILEAGE for SPED routes	$1.34 per mile	$1.38 per mile	Rates for SY 2028-2029 and 2029 -2030 TBD
REGULAR TO AND FROM RATES	$512,203.60	$527,569.70	Rates for SY 2028-2029 and 2029 -2030 TBD
Single Service Movement SPED	$64.58	$66.52	Rates for SY 2028-2029 and 2029 -2030 TBD
Services after 3 hours and 135 miles	$1.93 per mile $50.13 per half-hour	$1.99 per mile $51.62 per half-hour	Rates for SY 2028-2029 and 2029 -2030 TBD

Hayfield Bus Company:

Kathryn Krentz

Date: 3/9/2026

Independent School District # 203

_____

Date: _____

EXHIBIT #1:

STUDENT TRANSPORTATION CONTRACT

By and Between

Independent School District #203

And

Hayfield Bus Company, Inc.

SPECIAL NEEDS TRANSPORTATION

Transportation for any student identified by the "School District" as having special needs shall be transported by the "Contractor" as so directed by the Director of Special Education or other authorized "School District" Official. Transportation shall be to and/or from whatever site or program that the "School District" shall order as determined as being in the best interests of the student's needs.

RATES FOR SERVICES:

1. "Type III" School Buses with or without wheelchair lifts shall be used for services when and where necessary.

2. "Type A" School Buses with or without wheelchair lifts shall be used for services when and where necessary.

3. Rates for Special Needs Transportation Services:

   a. Byron Shuttle: 2026-2027: $227.12 per bus per day.
   2027-2028: $233.93 per bus per day.

   b. "Type A" and "Type III" School Bus: 2026-2027 $227.12 per bus per day.
   2027-2028 $233.93 per bus per day.

Service includes the first three (3) hours and 135 miles. Beyond the minimum, add for: 2026-2027 $1.93 per mile and $50.13 per half hour.
2027-2028 $1.99 per mile and $51.62 per half hour.

   c. Single Service movements: 2026-2027 $64.58
   2027-2028 $66.52

   d. Charges for special needs travel services beyond School District boundary lines.
   2026-2027 Academic Year: $1.34 per mile.
   2027-2028 Academic Year $1.38 per mile

KK 3/9/26

EXHIBIT #2
REGULAR to and from TRANSPORTATION

By and Between

Independent School District #203

and

Hayfield Bus Company, Inc.

The total contract amount for each of the first two (2) contract years shall be:

2026-2027 ACADEMIC YEAR $512,203.60

2027-2028 ACADEMIC YEAR $527,569.70

This will include all basic services, such as:

1. Regular Daily Student Transportation (excluding overnight trips)
2. Overnight trips will be quoted as they are requested.
3. Extra-Curricular and Field Trips

This contract shall allow that the rates for the 2028-2029 academic year be renegotiated sometime prior to August 1, 2028.

Late route transportation is not included
Adaptive Physical Education transportation is not included

KE 3/9/26