

AGREEMENT
FOR STUDENT TRANSPORTATION SERVICES
BETWEEN THE HEMET UNIFIED SCHOOL DISTRICT
AND
THE CALIFORNIA MILITARY INSTITUTE

THIS AGREEMENT, made and entered into effective July 01, 2023, by and between the California Military Institute (hereinafter referred to as "CMI"), a dependent Charter School within the Perris Union High School District (hereinafter referred to as "CMI") and the HEMET UNIFIED SCHOOL DISTRICT (hereinafter referred to as "HEMET") for the purpose of providing student bus transportation to the California Military Institute. The term of this Agreement, as specified in Article IV, shall be for five (5) years.

RECITALS

WHEREAS, CMI is interested in and concerned with the provision of adequate transportation services for its students, and is empowered to directly provide or to enter into agreements with third parties to provide such services; and

WHEREAS, HEMET is a public educational agency with statutory authority per California Government Code section 6500 et seq. to provide transportation and related services, and to enter into contracts to make available common public transportation facilities to other public educational agencies; and

WHEREAS, CMI and HEMET desire to enter into an Agreement for Student Transportation Services for the purpose of specified services and other items reasonably necessary and appropriate for the establishment, operation and maintenance of transportation service for the benefit of both public educational agencies; and

WHEREAS, it is to the mutual benefit of HEMET and CMI, and in the public interest and educational purposes of said parties to join together to enter into this Agreement to accomplish the purpose of providing CMI with transportation services for its students; and

WHEREAS, the Parties have jointly and individually determined that there is an economic and service improvement for CMI and its students, and for HEMET to provide the benefits to CMI of a complete system, including a centralized service to accomplish the transportation-related benefits and purpose of this Agreement as hereinafter set forth, in a manner best and cost-effectively suiting the needs of CMI;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL ADVANTAGES TO BE DERIVED THEREFROM, AND IN CONSIDERATION OF THE EXECUTION OF THIS AGREEMENT BY PUBLIC AGENCIES, each of the parties hereto does agree as follows:

I. SERVICES TO BE PROVIDED TO CMI

- A. HEMET agrees to provide and make available to CMI the following transportation services (the "Services"):
 - 1. Bus transportation services for pre-designated stops located in the cities of Moreno Valley and Riverside for CMI. CMI shall cooperatively establish routes

and schedules with HEMET.

2. Provide transportation for athletic/extracurricular activity trips and any additional trips as permitted by law for CMI.
3. Routing and scheduling services associated with a complete school transportation system that makes every effort to maintain maximum vehicle and driver utilization insofar as feasibility permits.
4. HEMET agrees to comply with and observe all provisions of the California Education Code, California Vehicle Code, California Code of Regulations, Federal Code of Regulations and all other applicable laws, rules and regulations as prescribed by the United States Government and the State of California related to pupil transportation

II. INSURANCE

General Liability

1. HEMET Shall provide to PERRIS UNION HIGH SCHOOL DISTRICT proof of commercial general liability insurance or equivalent with a limit of \$5,000,000 per occurrence and at least a \$10,000,000 aggregate. Coverage shall include third-party bodily injury, property damage, molestation and advertising injury or equivalent.

The Certificate(s) of Insurance must provide the following requirements:

- a. Cancellation/Change language:

That the insurer or equivalent will not cancel or make material changes to the insured's coverage without (30) days prior written notice to PERRIS; and

- b. Additional Insured language:

HEMET shall provide an additional insured endorsement for on-going operations for general liability listing the following specifically as the additional insured:

Perris Union High School District
155 E. 4th Street
Perris, CA 92570

- c. Auto Liability

HEMET shall provide Business Auto Liability coverage or equivalent for owned, scheduled, non-owned or hired automobiles with a combined single limit no less than \$5,000,000 per occurrence to Perris Union High School District with limits of \$5,000,000 per occurrence and at least a \$10,000,000 aggregate.

The certificate of insurance shall provide:

- d. Cancellation/Notice of Change language:

The insurer or equivalent will not cancel or make material changes to the insured coverage without 30 days prior written notice to Perris Union High School District;

and

e. Additional Insured Language:

Hemet USD shall provide an additional insured endorsement for on-going operations for general liability listing the following specifically as the additional insured:

Perris Union High School District
155 E. 4th Street
Perris, CA 92570

Certificates of insurance or equivalent are subject to the approval of Perris Union High School District. Hemet USD agrees that no work or services shall be performed prior to such approval.

In the event any insurance requested in this section expires mid-year, Hemet USD agrees to provide new certificate(s) of insurance.

Failure to continuously maintain insurance coverage as herein provided is a material breach of contract for which, in addition to any other remedy provided by law, Perris may terminate the contract's control over the work and may proceed with the completion of the work in any manner it deems appropriate.

Workers' Compensation Insurance

1. Hemet shall provide worker's compensation insurance or its equivalent to provide coverage to their employees in accordance with Labor Code Section, 3700.
2. HEMET shall provide proof of worker's compensation insurance via a certificate of insurance issued by an insurance carrier licensed in the State of California and have an AM Best rating of A or higher including the name of the carrier and the date of expiration of the insurance or a certificate to self-insure issued by the California Department of Industrial Relations and Employers Liability limits of \$1,000,000 per occurrence and \$1,000,000 aggregate.

III. PAYMENT AND CONSIDERATION

- A. The Home to School services shall be provided for a predetermined annual fixed cost of \$432,876 within the following limitations:
 - a. Up to three (3) Home to School routes.
 - b. Annual fixed price is based upon bell times effective the 2023-2024 fiscal year.
- B. Any additional Home to School service that CMI desires, in addition to Article III, (A), will be charged at \$95 per hour.
- C. HEMET, shall invoice CMI quarterly for Home to School services, and CMI agrees to remit payment to HEMET within 30 days of receipt of invoices.

- D. Each quarterly invoice for Home to School services will be calculated as 25% of the fixed annual cost billed in advance.
- E. Hemet shall provide late buses for school activities requested by CMI invoiced quarterly at a rate of \$259 per bus, per day
- F. Invoicing for athletic/extracurricular activity trips shall be submitted separately. CMI shall pay for the driver's salary and for the bus(es) operational costs specific to the activity trip(s) through the following fees and charges:
 - 1. \$95 per bus, per hour.
 - 2. Charges are calculated from the time the bus is requested to be at the pickup location for departure and conclude at the time the bus returns back from the drop off location.
- G. Both parties hereby agree to a three percent (3%) annual increase effective July 1, 2024 for the proceeding four (4) fiscal years of the life of the Agreement, unless mutually agreed upon, in writing, by December 31st of each fiscal year. This increase shall apply to all rates provided herein.
- H. HEMET will attempt to provide all Services in-house. However, HEMET may, at its option, contract service from other agencies and/or private carriers to assure compliance with service requirements of this agreement.

IV. TERM OF THE AGREEMENT AND TERMINATION

- A. This Agreement shall become effective at 12:01 a.m. on July 1, 2023. This Agreement shall continue in effect until June 30, 2028. In the event of a reorganization of either party during this term, termination will occur unless otherwise agreed to by both parties.
- B. In the event either party to this Agreement (the "Breaching Party") fails to perform pursuant to the terms of this Agreement, then the other party (the "Non-Breaching Party") shall give written notice to the Breaching Party setting forth in detail the nature of the alleged breach and required cure under this Agreement. The Breaching Party shall then have thirty (30) calendar days from the receipt of such written notice to cure. If the Breaching Party fails to cure and perform as required under this Agreement within such thirty (30) day period, the Non Breaching Party may terminate the Agreement by written notice.
- C. Either party may terminate this Agreement without cause effective at the end of the fiscal year by written notice to the other party for receipt by the other party by no later than December 31st of the current fiscal year.

V. INDEMNITY

- A. PERRIS shall defend, hold harmless, and indemnify HEMET, its governing board, officers, administrators, agents, employees, independent contractors, subcontractors, consultants, other representatives from and against any and all liabilities, claims, demands, costs, losses, damages or expenses, including reasonable attorneys' fees and costs, and including but not limited to consequential damages, loss of use, extra expense from any cause whatsoever arising from or connected with its transportation services

hereunder that arise out of or result from in whole or in part, the negligent, wrongful or willful acts or omission of PERRIS or any employee, agent, or other person employed by, acting for or on behalf of, affiliated with PERRIS. This is not intended to include HEMET as acting for, or on behalf of, or affiliated with PERRIS with respect to this indemnity.

HEMET shall defend, hold harmless, and indemnify PERRIS, its governing board, officers, administrators, agents, employees, independent contractors, subcontractors, consultants, other representatives from and against any and all liabilities, claims, demands, costs, losses, damages or expenses, including reasonable attorneys' fees and costs, and including but not limited to consequential damages, loss of use, extra expense from any cause whatsoever arising from or connected with its transportation services hereunder that arise out of or result from in whole or in part, the negligent, wrongful or willful acts or omission of HEMET or any employee, agent, or other person employed by, acting for on behalf of, or affiliated with HEMET. This is not intended to include PERRIS as acting for, or on behalf of, or affiliated with HEMET with respect to this indemnity.

This indemnity shall survive the termination of this Agreement and/or final payment and is in addition to any other rights or remedies that HEMET/PERRIS may have under law and/or this Agreement.

VI. UNSCHEDULED SCHOOL CLOSING

- A. If schools within CMI are closed due to health and safety of students or any other lawful reason that requires HEMET to provide continuing compensation pursuant to statute for staff assigned to CMI routes, CMI shall be obligated to continue payment to HEMET, so long as CMI attendance apportionment revenues continue during such closure. Both parties shall negotiate any possible cost savings related to HEMET's reduced operational expenses during such closure. CMI shall be obligated to pay for any cost associated with additional make-up days or special transportation, if needed.

VII. SUCCESSORS AND ASSIGNS

- A. This Agreement shall not be assignable except with the prior written consent of both parties, which either party is free to give or withhold in its sole discretion. In the event of a reorganization of either HEMET or CMI, the Agreement shall be terminated unless, as of the effective date of the organization, an Amendment is formally approved by the respective Governing Boards of each party continuing the Agreement through the successor entity and the successor entity remains a qualifying public entity under California law.

VIII. SEVERABILITY

- A. Should any portion, term, condition, or provision of this Agreement be determined pursuant to Section XI to be illegal or in conflict with any law of the State of California, or be otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions, and provisions, shall not be affected thereby.

VIV. INTERPRETATION

- A. This Agreement reflects an amicable, voluntary instrument, negotiated at arms-length and without undue influence, pressure or coercion. It is to be interpreted without regard to the drafter of the Agreement as a whole or any particular term.

- B. All terms of this Agreement are to be given their plain and ordinary meaning, with contract rules of interpretation under California law to be applied.

X. DISPUTE RESOLUTION

- A. Any dispute between HEMET and CMI relating to or in any way arising out of this Agreement, including (but not limited to) interpretation and performance, will be referred to HEMET. Should HEMET be unable to conclude the matter to the satisfaction of CMI, the matter will be referred by HEMET to the Superintendents of both Districts.

XI. EXECUTION

- A. HEMET and CMI represent and warrant that all required steps and processes for formal approval and execution of this Agreement have been undertaken.
- B. The signatories below are authorized to sign on behalf of the entities represented.

HEMET UNIFIED SCHOOL DISTRICT

By: _____ Date: _____

Name: Darrin Watters
Title: Deputy Superintendent, Business Services

CALIFORNIA MILITARY INSTITUTE

By: _____ Date: _____

Name: Candace Reines
Title: Deputy Superintendent, Business Services