

GATEWAY SCHOOL DISTRICT

9000 Gateway Campus Blvd.
Monroeville, PA 15146

CONTRACT FOR THE TRANSPORTATION OF SCHOOL PUPILS

This Agreement entered into the 20th day of November, 2007 by and between the Board of School Directors of the Gateway School District of Allegheny County, Intermediate Unit 3, hereinafter referred to as the BOARD,

AND

First Student, with a principal office located at 400 Oakbrook Drive, Suite 2300; Greensburg, PA 15601, hereinafter referred to as the CONTRACTOR.

NOW, THEREFORE, WITNESSETH, that for and in consideration of the mutual covenants hereinafter contained, intending to be legally bound hereby, the parties mutually agree as follows:

ARTICLE 1 – CONTRACT AND GENERAL PROVISIONS

1. For the consideration hereinafter mentioned, the CONTRACTOR agrees to provide transportation for school pupils who shall be designated by the BOARD, to and from such points, along and over such routes, and at times set forth in schedule attached hereto and made a part thereof for school years 2008-2009, 2009-2010, 2010-2011, 2011-2012, and 2012-2013.
2. Transportation upon the terms and conditions herein specified in Items 1 through 31 inclusive and in accordance with the attached schedules and shall begin the first day service is provided after July 1, 2008.
3. Prior to the effective date of this contract, the BOARD shall have evidence that a public liability insurance policy of required coverage shall be in effect for the duration of the contract. Minimum coverage will be: Liability \$20,000,000 each occurrence; property damage \$500,000. The BOARD shall be named as an additional insured on the policy.
4. The CONTRACTOR agrees to provide to the BOARD or its designated representatives all necessary information for the completion of state reimbursement forms and opening of school as follows:

A. Route and mileage information necessary for the completion of PDE Reimbursement Forms 1043 and 1049.

B. Immediate notification of any long-term (i.e., fourteen (14) calendar days or more) vehicle changes. This information will be retained by the Director of Transportation for completion of the final reimbursement forms at the end of the school year.

C. A list of all vehicles and their assigned routes and times.

5. It is understood and agreed to by both parties hereto that the CONTRACTOR, while engaged in carrying out and complying with any of the terms and conditions of this contract, is an INDEPENDENT CONTRACTOR and is not an officer, agent or employee of the aforesaid school district. The CONTRACTOR will be responsible for all details of daily operation such as, assignment of buses to needed routes, assignment of drivers to buses, personnel scheduling, and other matters of daily operation procedures.

6. Any dispute, default in or violation of any of the terms of this contract that cannot be resolved by the parties hereto that may constitute a cause for termination of said contract shall be submitted in writing to First Student's Regional Operations Manager who will be responsible to submit an action plan that meets BOARD approval. If the Contractor fails to comply with the approved action plan, the District then has the right to terminate this Contract.

7. This contract shall not be transferred. Another school bus which has been lawfully certified for current use in Pennsylvania and/or another properly certified driver may be substituted in emergencies upon consent of the BOARD or the designated representative, but only for the duration of the emergency.

8. The BOARD and Contractor shall adjust all matters not specifically provided for herein.

9. The CONTRACTOR must have a non-discrimination policy.

10. The CONTRACTOR shall provide the following support personnel:

A. Contract Manager - oversees day to day operations.

B. Dispatcher - will be available by telephone in order to immediately provide information to the BOARD's representative with regard to the transportation system when requested. The dispatcher will be responsible to notify the BOARD's representative in the event of any of the following occurrences: substitution of buses, delay of routes, accidents, or other events which affect the daily operation of the transportation system. The dispatcher will receive morning absentees and recommence calls from parents and relay that information to the drivers.

C. Field Supervisor - will monitor the safe operation of the school vehicles on a daily basis and assist the drivers with student safety. The Officer will investigate all accidents and file the required state reports and a written report to the BOARD's representative. Will oversee the day to day operation of the video equipment, ensuring tapes are marked with date, bus number, and forwarded to the BOARD'S representative.

D. Driver Trainer - will train all drivers and maintain their records in accordance with state regulations. The training officer will also conduct orientation and Safety classes in the schools as designated by the BOARD'S representative.

E. Mechanics - will be state licensed mechanics to keep buses in proper operating condition on a day-to-day basis. During the school hours of 6:00 a.m. to 6:00 p.m., qualified mechanics will be available in case of any mechanical difficulties.

F. The CONTRACTOR will designate a person to see to the daily operation and maintenance of the video equipment. Video tapes will be sent to the District Transportation Office in a timely manner.

G. The CONTRACTOR will designate a person to check and report to the BOARD'S representative and superintendent on road conditions during inclement weather.

H. The CONTRACTOR will provide driver and a supervisor to meet with principals, parents or transportation director when deemed necessary by the BOARD or BOARD's representative.

I. The CONTRACTOR will provide monitors for special education students when directed to do so by the BOARD or BOARD'S representative.

ARTICLE II – DRIVERS

11. The CONTRACTOR will provide the BOARD with a list of the drivers twenty (20) days before the start of each school year of the contract period, and this list will be subject to approval by the BOARD. Any new drivers added after the start of the school year shall be subject to an interview and/or approval by the BOARD or its designated representative.

A. Drivers shall meet all the regulations of the Bureau of Traffic Safety of the Pennsylvania Department of Transportation in regard to application, age, fitness, competence, conduct, licensing, physical examination, required screening, and continuing eligibility, provided that such operators shall have passed periodically administered physical examinations required by either the Public Utility Commission, or the Interstate Commerce Commission of the Department of Transportation.

Drivers will be obligated to perform their duties as outlined in the Gateway School Bus Driver Performance Manual.

B. Drivers will be required to attend an orientation safety meeting prior to the opening of the school year and quarterly safety meetings during the course of the school year. Any cost involved with these safety meetings must be paid by the CONTRACTOR.

C. It shall be the responsibility of the operator to maintain discipline in each vehicle in accordance with the regulations adopted by the School District, but such operators shall not administer punishment. All major disciplinary problems shall be promptly reported by the CONTRACTOR to the District officials designated by the BOARD.

12. Pupils shall be taken on and discharged from the bus only at the designated stops and at the extreme right of the road. No pupils shall be permitted to get on or off the bus while it is in motion. No school bus operator shall start his bus or signal the driver of any vehicle, who has stopped in compliance with the provisions of Section 3208 of the School Laws of Pennsylvania, to proceed until after each child who may have alighted there from shall have reached a place of safety.

13. No person other than a school pupil shall be transported in a school contracted vehicle except that a teacher or other school official may ride when designated by the BOARD. Nothing except passengers and their belongings shall be transported in the school contracted vehicle while it is engaged in transporting pupils to and from school.

14. The CONTRACTOR will have in place a Drug and Alcohol Testing Program allowing for pre-employment, reasonable cause, random and post-accident testing of all employees concerned with the execution of this contract. The Alcohol and Drug Testing Program will comply with all applicable State and Federal regulations and a copy of the CONTRACTORS policy for the execution of this contract. The Alcohol and Drug Testing Program will comply with all applicable State and Federal regulations and a copy of the CONTRACTOR'S policy for the execution of this program will be placed on file with the district.

15. The vehicle shall come to a complete stop immediately before traversing railway or grade crossings with rails.

16. The speed of a vehicle shall at all times be consistent with the safety of the passengers and shall at no times exceed the speed limit as set forth in the minimum standards of the Bureau of Traffic Safety, Penn Dot, as promulgated from the Vehicle Code.

17. The Contractor will provide a list of recommended physicians responsible to administer driver physical examinations. This list will be submitted to the District for Board approval. Any subsequent change to this list will be with Board approval.

18. The Contractor shall provide the BOARD, prior to each school year, copies of Act 34 and Act 151 Clearances, individual Motor Vehicle Records, driver's licenses, documentation of driver's physical examinations, and CDL certification for each driver assigned to transport District students. Contractor will also comply with all regulations in regards to driver Federal Criminal History Records (fingerprinting).

ARTICLE III - VEHICLES

19. The CONTRACTOR shall furnish vehicles which conform to the standards for school transportation vehicles approved by the Department of Traffic Safety of the Pennsylvania Department of Transportation. School buses and school vehicles shall meet the minimum standards of the Bureau of Traffic Safety. School buses shall pass annual inspection by the Pennsylvania State Police. School vehicles shall conform to the minimum standard of the Bureau of Traffic Safety. All vehicles shall conform to the provisions of the Commonwealth, and shall be in good mechanical and sanitary condition. The exterior of the vehicles will be washed once every two (2) weeks, and the interior will be cleaned as often as necessary to reflect a high degree of sanitation and good housekeeping practices.

20. The CONTRACTOR agrees to comply with and observe all provisions of the Pennsylvania Vehicle Code and all other applicable laws. If any of the operators of the CONTRACTOR receive any fine or other sanction as a result of failure to comply with said laws, such fine shall be the responsibility of the CONTRACTOR.

21. All contracted vehicles will not be loaded beyond capacity as defined by Department of Education Regulations, or Pennsylvania Vehicle Code.

22. The CONTRACTOR, will base the operation and vehicles within the Gateway School District, or at a place acceptable to the District.

23. The vehicles used on daily routes will not exceed ten (10) years of age, eleven (11) years for spares. Vans used on daily routes will not exceed seven (7) years of age, eight (8) years for spares. To determine the age of the vehicle, the owner's card is subtracted from the lesser number of the school year involved.

Example:

School Year:	2006-07
Bus Year/Owner's Card	<u>2002</u>
	4 Years Old

All vehicles used will meet or exceed all federal, state, and local regulations.

During the life of this agreement, the age of the dedicated route fleet will be as follows:

- 1/3 of the fleet - 1-3 years
- 1/3 of the fleet - 4-6 years
- 1/3 of the fleet - 7-10 years

24. At least eight (8) buses will be available as spares and these buses will be used for Field Trips and Athletic Team Trips.

25. Vehicles other than the 65 to 72 passenger type will be supplied in configuration of seating capacities as needed to provide the acceptable service.

26. The CONTRACTOR will supply the following equipment:

A. Every vehicle will be equipped with a communication system that will permit the CONTRACTOR's office to maintain communications with the vehicle at all times. No CB type equipment will be used.

B. Every vehicle servicing the Gateway School District will be equipped with a video capability. The CONTRACTOR must supply at least ten video cameras and an adequate supply of tapes.

C. Fuel storage tank(s) and pumps with a computerized system that will provide an itemized monthly report of individual vehicle fuel consumption.

D. All vehicles servicing the Gateway School District, excluding spares, will be equipped with a strobe light system, and the name of the school district will be placed on both sides of every school bus in regular use.

ARTICLE IV – SCHEDULES AND SCHOOL YEAR

27. All bus routes and bus stops will approved by the BOARD or designee and may be modified by the BOARD as occasion demands. The operator shall not deviate from the designated route except by written consent of the BOARD or, in the case of an emergency, which shall be reported promptly to the BOARD or the BOARD'S designated representative. Schedule changes necessary to refine the transportation program will be accommodated by both parties.

28. An operating time schedule, Exhibit I, will be prepared by the BOARD'S designated representative in cooperation with the CONTRACTOR.

A. This schedule shall designate the time and place of all bus stops, both morning and evening, and shall be posted in the bus and at the school.

B. The bus shall not depart from any designated stop before two minutes after the scheduled time unless all pupils to be transported from that point are aboard. The time scheduled may be modified by the BOARD as occasion demands, but only after due notice has been given to parents and operator.

C. In the event of vehicle failure that disrupts the schedule, a replacement vehicle will be provided promptly and complete the scheduled trips without exception, so as to assure transportation for all the assigned students.

29. The CONTRACTOR, with the cooperation of and acceptance by the BOARD, will prepare the operation schedule for all contracted vehicles other than the 65 to 72 passenger type.

30. During the term of this Agreement, the School District shall not contract for any school bus and/or school vehicle transportation services provided for within this Agreement without the written consent of the Contractor. Contractor shall have the right of first refusal on any school bus and/or school vehicle transportation services provided for in this Agreement. The District has the right to outsource special services, i.e., coach vehicles.

31. In the event that Board desires, at any time during the term of this Agreement, to explore the possibility of installing a GPS/Automatic Vehicle Location system in Contractor's vehicles servicing the Board, Board and Contractor will conduct a joint analysis of the desirability of such a system and the options for such a system then available. If Board and Contractor mutually agree upon financial and other terms for the purchase, installation and operation of such a system, all of those terms and conditions will be set out in a separate agreement between them.

ARTICLE V – PAYMENT

32. The BOARD shall pay the CONTRACTOR a daily rate each day they transport pupils, said rate to be determined by the total number of vehicles used at the pricing schedule listed in Exhibit III as applicable. Exhibit II will show Field and Athletic Trip costs.

33. Contractor will be paid by the 4th Wednesday of each month for services rendered the previous month; example, September services paid for no later than the 4th Wednesday of October. Payments shall be based on a "per day" billing basis and include all days as stated on the school calendar. Each "day" will include a total of the morning and afternoon trips.

PENALTIES

34. It is agreed between the parties that an anticipated high level of service is a paramount reason for the District entering this Agreement. Accordingly, First

Student will provide the necessary vehicles and drivers to meet peak needs of the District including services for field trips, athletic trips, etc.

In the event the Contractor fails to comply with any of the requirements for the provision of drivers of vehicles, Contractor shall, in addition to not being paid for that run, pay a penalty of \$50.00 for the route in question, for each day of non-compliance.

The following violations may warrant a penalty:

- A. A driver changing a route or stop without securing approval from the School District, unless such change in route or stop is the result of an emergency, in which case notice and securing of approval shall be as soon as possible.
- B. A driver leaving a bus unattended with children on board.
- C. A driver failing to complete a run or being late for a run as the result of insufficient fuels.
- D. Contractor's failure to dispatch a vehicle or respond to a breakdown with a replacement vehicle within thirty (30) minutes of the designated dispatch time or breakdown, if such breakdown occurs within the boundaries of the school district.
- E. Contractor's failure to notify the School District of any known problems which result in one or more buses being late in excess of fifteen (15) minutes.

In the event that because of equipment breakdowns (negligence by Contractor) and the Contractor is unable to provide transportation services required by this agreement, the Contractor shall reimburse the School District for all excess expenses incurred as a result of the unavailability of such replacement buses.

No further items on this page. Exhibits follow.

EXHIBIT I

A. Operating schedules for 65 to 72 passenger buses are supplied by the BOARD or BOARD'S representative.

1. Daily time schedules for the public schools are subject to change from year to year as business conditions may warrant.
2. A list of drivers, bus numbers, and scheduled route assignments will be provided to the BOARD'S representative twenty (20) days prior to the mailing of student bus information.

B. Operating schedules constructed by the CONTRACTOR for all other vehicles.

1. Information needed for these schedules will be provided to the CONTRACTOR by the BOARD as soon as possible.
2. The CONTRACTOR will provide a list of drivers, routes, and corresponding van numbers to the BOARD'S representative five (5) days prior to the mailing of student bus information.

EXHIBIT II - FIELD TRIPS

The following prices are for 65-72 passenger buses, 1 and 23 passenger vans will be 10% less the base price, 35-48 passenger vans will be 5% less the base price.

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 1</u>	73.79	76.00	78.28	80.63	83.45
Monroeville-Pitcairn					
<u>Zone 2</u>	117.14	120.65	124.27	128.00	132.48
Boyce Park					
East Allegheny					
Franklin Regional					
Penn Hills					
Penn Trafford					
Plum					
Turtle Creek					
Woodland Hills					
<u>Zone 3</u>	134.53	138.57	142.73	147.01	152.16
Fox Chapel					
Jeannette					
McKeesport					
New Kensington					
Norwin					
Riverview					
South Allegheny					
Springdale					
Steel Valley					
Tarentum					
Valley					
West Mifflin					
Wilkinsburg					
<u>Zone 4</u>	143.20	147.50	151.93	156.49	161.97
Burrell					
Pittsburgh					
Round Hill Park					
Sto-Rocks					

Exhibit II Continued:

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 5</u>	160.55	165.37	170.33	175.44	181.58
Baldwin					
Bethel Park					
Brashear					
Canevin					
Chartiers Valley					
Deer Lakes					
Elizabeth Forward					
Greensburg-Hempfield					
Highlands					
Keystone Oaks					
Kiski Area - Kiski Prep					
Mt. Lebanon					
North Hills					
Ringgold					
Shaler					
South Catholic-South Park					
South Moreland					
Thomas Jefferson					
Tour Ed Mine					
Upper St. Clair					
Whitehall					
Yough					
<u>Zone 6</u>	183.11	188.60	194.26	200.09	207.09
Airport					
Belle Vernon					
Charleroi					
Derry					
Latrobe					
Moon					
Montour					
Mt. Pleasant					
North Allegheny					
Richland					
St. Vincent					

Exhibit II Continued:

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 7</u>	238.42	245.57	252.94	260.53	269.65
Ambridge					
Butler					
California Univ. of PA					
Canon McMillan					
Connellsville					
Ford City					
Fort Ligonier					
Indiana University					
Kittanning					
Laurel Caverns					
Linden Hall					
Mars					
Meadows					
Old Economy					
Peters Township					
Seneca Valley					
Story Book Forest					
Torrence Hospital					
Trinity					
Washington, PA					
<u>Zone 8</u>	282.08	290.54	299.26	308.24	319.03
Avella					
Beaver Falls					
Blackhawk					
Hidden Valley					
Laurel Highlands					
Meadowcroft Village					
Rochester					
Uniontown					
<u>Zone 9</u>	316.80	326.30	336.09	346.17	358.29
Johnstown					
Raccoon State Park					
Seven Springs					
Shippensburg					
Slippery Rock					
Somerset					

Exhibit II Continued:

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 10</u>	420.92	433.55	446.56	459.96	476.06

Bedford
Clarion University
Juanita College
Mercer
Westminster College

Prices shown for zones are for the first five and one quarter (5¼) hours. Charges for additional hours are listed below and will be calculated in fifteen (15) minute increments.

HOURLY CHARGE

NUMBER OF PASSENGERS	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
65-72	25.98	26.76	27.56	28.39	29.38
35-48	23.83	24.54	25.28	26.04	26.95
16-23	22.93	23.62	24.33	25.06	25.94

EXHIBIT III - PRICES**Type 1 Service - Regular Runs**

Service with a 65-72 passenger approved school bus that will provide service for at least one (1) but no more than two (2) trips into school during the first time slot, the second time slot and the third time slot of both morning and afternoon. Basically, this vehicle will be in service for two and one half (2.5) hours in the morning and two and one half (2.5) hours in the afternoon. An additional 15 minutes is included in the rate per vehicle to be utilized in the morning or the afternoon.

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
	240.12	247.32	254.74	262.38	271.56

Extra Charges:

1. All Type 1 Service provided that uses more than five and one quarter (5¼) hours per day will be priced as follows:
2. All prices listed are per hour. Computation for extra hours will be done in increments of fifteen (15) minutes.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
26.24	27.03	27.84	28.68	29.68

Type 2 Service - All Day (9:00 a.m. - 2:00 p.m.)

Any and all trips as directed by the BOARD'S representative during the hours between the last regular entry into a district school and the first regular dismissal from a district school.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
142.57	146.85	151.26	155.80	161.25

Type 3 Service

Any and all trips as directed by the BOARD'S representative between the hours of 11:00 a.m. and 1:00 p.m.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
64.16	66.08	68.07	70.11	72.56

All service Type 1, 2, and 3 will be provided with 65, 66, or 72 passenger vehicles.

Type 4 Service - Forbes Road Skeleton Runs

Dismissal or pick up for Forbes Road East Area Vocational Technical School.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
45.48	46.84	48.25	49.70	51.44

Type 5 Service - Activity Runs

One trip from any school listed as a trip to take students home from school after regular dismissal hours. Trips will be run on a schedule provided by the BOARD'S representative.

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
4:00 Activity	37.37	38.49	39.64	40.83	42.26
5:30 Activity	56.55	58.25	60.00	61.80	63.96

Type 5 Service will be provided using 65, 66, or 72 passenger vehicles.

Type 6 Service - Vehicles other than 65, 66, or 72 passenger vehicles.

A. Vehicles capable of carrying 16-24 passengers, including the driver. Also, vehicles equipped with wheelchair lift equipment.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
198.75	204.71	210.85	217.18	224.78

B. Vehicles listed as school vehicles capable of carrying a maximum of 35 to 48 passengers, including the driver.

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
217.01	223.52	230.23	237.14	245.44

C. Extra Charges:

1. All service provided that uses more than five and one quarter (5¼) hrs per day will be priced as follows.
2. All prices listed are per hour. Computation for extra hours will be done in increments of fifteen (15) minutes..

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
16 Maximum Capacity	19.88	20.48	21.09	21.72	22.48
24 Maximum Capacity	22.00	22.66	23.34	24.04	24.88
48 Maximum Capacity	22.81	23.49	24.19	24.92	25.79

D. Early Dismissal Charges:

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 1</u>					
Bus	26.53	27.33	28.15	28.99	30.00
Mini-Bus	26.02	26.80	27.60	28.43	29.43
Murrysville					
Turtle Creek					
Trafford					
Wilmerding					
Woodland Hills					

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
<u>Zone 2</u>					
Bus	40.30	41.51	42.76	44.04	45.58
Mini-Bus	39.51	40.70	41.92	43.18	44.69
McKeesport Oakmont Wilkinsburg					
<u>Zone 3</u>					
Bus	45.25	46.61	48.00	49.44	51.17
Mini-Bus	44.37	45.70	47.07	48.48	50.18
Greensburg Mt. Lebanon Pittsburgh Shadyside					

- E. Mileage Charges will be computed on all service between the last morning entry and the first afternoon dismissal, excluding the trips listed in Exhibit II. Prices listed are per mile.

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
16 Maximum	1.15	1.18	1.22	1.26	1.30
24 Maximum	1.30	1.34	1.38	1.42	1.47
35 Maximum	1.39	1.43	1.47	1.51	1.56
48 Maximum	1.43	1.47	1.51	1.56	1.61

- F. Special Education Van Monitors at the following hourly rate.

11.89	12.25	12.62	13.00	13.46
-------	-------	-------	-------	-------

Gasoline/Fuel Supplied and Purchased by the CONTRACTOR

1. All tax-free prices that the CONTRACTOR will absorb for No. 2 diesel fuel and gasoline, within all stated prices, will be:

<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>
2.00	2.00	2.00	2.00	2.00

First Student will reimburse Gateway School District fuel escalator clause of \$20,000 per year for each year of the contract.

Computerized Routing System:

Contractor will upgrade the current routing system (software) to the Edulog/NT Routing System at no charge to the District. The routing system will include the following:

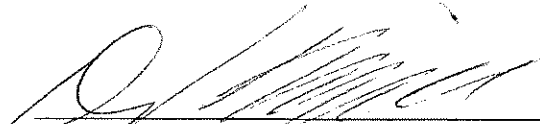
- Stop, run, and route optimization software.
- Boundary planning and all appropriate maintenance and support costs.
- All labor to implement and operate the system will be provided by the School District.
- Training on the system will be made available to the District's designee.
- The School District and/or designee determines and approves all routes, school pupils transported, and stops developed by the routing system.
- Program provides support services.

IN WITNESS WHEREOF, the parties above named have hereto set their hands and seals the day and year aforesaid.

FOR THE CONTRACTOR

FOR THE BOARD OF DIRECTORS
GATEWAY SCHOOL DISTRICT

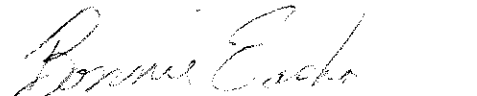
Vice President, Operations



President

Contractor Address:

First Student
400 Oakbrook Drive
Greensburg, PA 15601

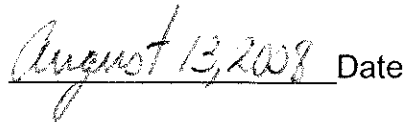


Secretary

Address:

9000 Gateway Campus Blvd.
Monroeville, PA 15146

Date



Date