

TRANSPORTATION AGREEMENT

This Agreement is made and entered into this 1ST day of July, 2013, by and between Clawson Public Schools (hereinafter "Clawson") a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCLA 380.1, *et seq.*, as amended with offices located at 626 Phillips Avenue, Clawson, Michigan, 48017 and Madison School District (hereinafter "Madison") a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCLA 380.1, *et seq.*, as amended with offices located at 26524 John R, Madison Heights, Michigan, 48071.

RECITALS

WHEREAS, Clawson desires to provide transportation services to Madison for students currently in need of transportation in Madison; and

WHEREAS, Clawson is willing to furnish such transportation services for the consideration and on the terms and conditions stated in this Agreement; and

WHEREAS, this Agreement is entered into pursuant to the authority granted to the parties under the Revised School Code (MCLA 380.1, *et seq.*).

NOW, THEREFORE, for and in consideration of the mutual promises contained in this Agreement, Clawson and Madison agree as follows:

AGREEMENT

1. **Transportation Services:** Clawson shall provide transportation services to Madison students to the educational facility(ies) located within Madison as designated in the attached Exhibit A. Madison students to be transported under this Agreement include all Madison students, including special education students, residing within Madison's boundaries as outlined in Exhibit A. The service provided under this Agreement shall include transportation to and from regularly scheduled school sessions, field trips, extracurricular and athletic activities (hereinafter "Transportation Services"). The attached Exhibit A shall reflect the current level of services required by Madison, including but not limited to the number of runs, location of stops and times of pick-up and drop-off, and the approximate number of students to be provided Transportation Services. The current level of Transportation Services required by Madison shall not materially or substantially deviate in amount or expense from those described in this paragraph and the attached Exhibit A without the prior written consent of Clawson, which consent shall not be unreasonably withheld. Transportation Services in addition to those described in the attached Exhibit A shall be deemed "Additional Transportation Services" and shall require additional compensation as defined in Paragraph 3 below. Clawson shall provide drivers/staffing for the buses used in providing transportation services under this Agreement. Such drivers shall be qualified and competent both in

the operation of the buses and in dealing with and handling of students with whom they will interact in accordance with State and Federal regulations. All bus drivers shall possess such licenses and qualifications as required by law. No bus driver providing services under this Agreement shall have been convicted of a felony of any sort, whether nor not associated with the operation of a motor vehicle. Clawson shall maintain copies of Secretary of State Abstracts, conviction records.

2. **Term:** The term of this Agreement shall be two (2) years commencing July 1, 2013 and terminating June 30, 2015. If Madison does not notify Clawson, in writing, no less than ninety (90) calendar days prior to the expiration of this contract, that it wishes to terminate the contract, the term of this contract will be automatically extended an additional year through June 30, 2016.

3. **Compensation and Terms of Payment:**

(a) **Annual Compensation.** Madison shall pay to Clawson the following annual compensation for the Transportation Services provided herein:

Year 1: \$240,000.00

Year 2: \$240,000.00 adjusted upward or downward based on increases or decreases in transportation costs caused by student enrollment, fuel costs, bus lease costs, salaries and benefits as approved costs on the 4094 report.

Year 3: Year 2 final cost adjusted upward or downward based on increases or decreases in transportation costs caused by student enrollment, fuel costs, bus lease costs, salaries and benefits as approved on the 4094 report.

(b) **Terms of Payment.** Madison shall pay Clawson the annual compensation in equal monthly installments no later than the fifth (5th) day of each month. All payments shall be made by check, mailed or delivered to Clawson at the above address or such other place as Clawson may from time to time notify Madison in writing at least thirty (30) days in advance of any due date.

(c) **Late Payments.** Madison shall pay Clawson a late payment charge equal to five percent (5%) of the total payment due if such payment is not received by Clawson within ten (10) days from the due date of said payment.

(d) **Additional Transportation Services.** In the event that Madison requires transportation services which deviate from those described

in the attached Exhibit A, Madison shall compensate Clawson for the additional services at the same rate set forth under subparagraph (a) above. Modifications to the Transportation Services described in the attached Exhibit A, include, but are not limited to an increase in the number of bus runs, increase in the number of transported students, or an increase in the number of days of student instruction or anticipated field trips or extracurricular activities during a school year (hereinafter "Additional Transportation Services"). In the event that Additional Transportation Services are requested, Madison shall pay Clawson for the additional services at the same rate as it costs Clawson. Any costs incurred by Clawson and mandated as the result of required compliance with newly adopted or newly effective federal or state statute or regulation shall be borne by Madison. At the first indication to Clawson that such costs will be incurred, Clawson shall advise Madison in writing of same and will consult with Madison regarding the allocation of such costs.

4. **Insurance:** Clawson agrees that it shall carry liability insurance with a responsible company or companies licensed to do business in Michigan with combined single limit liability of \$2,000,000.00 per bus for each accident and \$2,000,000.00 bodily injury and property damage per accident. Clawson shall furnish Madison with a certificate of insurance setting forth evidence of such coverage and such certificate shall evidence Madison's right to thirty (30) days' notice from the insurer in the event that such insurance is cancelled or suspended. The policy shall set forth Madison and Madison's Board of Education as additional insured parties. Clawson further agrees that, to the extent permitted by law, it will indemnify and hold Madison and the Madison Board of Education harmless from and against any and all claims for damages or injuries to persons or property arising from the operation of the buses and the provision of transportation services by Clawson under this Agreement.

5. **Transportation Procedures:**

(a) Clawson will require its transportation personnel, including supervisor(s) and those Clawson employees directly involved in the transportation of Madison students under this Agreement, to follow all Madison policies pertaining to student transportation, as well as Madison's administrative guidelines pertaining to the reporting and handling of student discipline incidents as it relates to the administration of Madison's transportation. Such policies and administrative guidelines shall be furnished by Madison to Clawson. No persons other than Madison students or Clawson employees or drivers in training shall ride buses or other transportation vehicles without Madison's approval.

(b) Madison shall notify Clawson as soon as possible concerning any closing of schools, delay of schools, or early dismissal of schools

for weather related or other reasons; Clawson agrees to adjust its provision of transportation services accordingly.

- (c) Clawson agrees to transport only Madison resident students on buses or other vehicles operated under this Agreement, except as may be required by law. If Clawson or Madison desire that other pupils be transported on those buses or vehicles, the parties agree to negotiate whether it will be permitted, and the affect, if any, on compensation due under this Agreement.
- (d) Pursuant to Clawson's Board of Education policy, regulations, and/or any student code of conduct and discipline, Clawson expressly reserves the exclusive right to discontinue providing transportation services to any pupil for disciplinary reasons.

6. **Maintenance:** Clawson shall maintain in good condition all equipment utilized pursuant to this Agreement; at a minimum, every bus must pass any and all inspections and tests provided for by the Michigan State Police. Maintenance of buses and equipment shall be conducted at a location designated by Clawson. Clawson shall establish a (preventative) maintenance schedule and provide such schedule to Madison upon request. Madison shall have the right at any and all times to inspect any equipment for purposes of assuring Clawson's compliance with the terms of this Agreement. In the event of a mechanical failure or breakdown of any bus while in use providing service required under this Agreement, Clawson agrees that a spare bus and driver shall respond to the site of the breakdown as quickly as possible for transfer of students for delivery to their destination(s) in accordance with this Agreement.

7. **Routing and Pick-Up:** Clawson shall pick-up students identified by Madison for transport to Madison's facilities at such location within Madison's boundaries and at such times as are mutually agreed by Clawson and Madison. Clawson shall transport the designated students to such locations, arriving at times mutually agreed by Clawson and Madison, and shall return students to their drop-off stops, over routes and at stops mutually established by Clawson and Madison. Pick-ups of students shall be at designated stops as deemed appropriate by the parties. Attached Exhibit A shall reflect the agreement of the parties regarding the number of runs, location of stops and times of pick-up and drop-off such.

Subsequent to approval by Madison of Clawson's routing plan (including stops), Clawson shall make no substantial changes thereto without prior notice to and approval of Madison. Madison shall be responsible to notify each student and/or their parents of the applicable pick-up and drop-off locations, of the applicable pick-up and drop-off times, and as to any subsequent changes in time or location of pick-up or drop-off which will affect any student.

Clawson agrees to work cooperatively with Madison to establish the most advantageous routing plan (including stops) for the safety and convenience of Madison students within

the guidelines provided for in this Agreement. Clawson agrees to promptly address any and all complaints or concerns brought to its attention by a parent, guardian, family member, Madison employee, or other person representing the interest of any Madison student.

8. **Compliance:** Clawson shall comply with all governmental laws and regulations governing pupil transportation. Such compliance shall include, but not be limited to, drug and alcohol testing of all safety-related employees as required by law.

9. **Damage to Vehicles:** Any damage caused by Madison, its students, employees or agents to the buses or other vehicles provided under this Agreement shall be the responsibility of Madison. Madison shall repair or replace as soon as reasonably possible at Madison's expense, any damaged equipment and shall repair or replace damaged equipment to Clawson's reasonable satisfaction.

10. **Breach:** If either party believes the other is not fulfilling the obligations under this Agreement, such party shall notify the other in writing, citing all alleged breaches. The party alleged to be breaching its contractual obligation shall have thirty (30) days to remedy the cited breaches. If the cited breaches are not remedied within such thirty (30) day period, then the non-breaching party may terminate this Agreement upon thirty (30) days' written notice to the other party. Notwithstanding the foregoing, the parties agree that riots, strikes, or acts of God which render it impossible on the part of Clawson to perform under the terms of this Agreement, or which result in the non-operation of Madison's educational facilities, shall relieve Clawson from its obligation of transporting students hereunder and shall likewise relieve Madison from any obligation to pay Clawson to the extent that school sessions are not made up or rescheduled on other dates.

11. **Dispute Resolution:** In the event that any dispute arises under this Agreement, the parties first agree to submit such dispute to non-binding mediation in an attempt to resolve the dispute. If a mediator cannot be mutually agreed upon, either party may request mediation through the American Arbitration Association. If mediation fails to resolve the dispute, the parties may then agree to binding arbitration; if there is no mutual agreement to utilize binding arbitration, either party may pursue the matter in an appropriate legal forum.

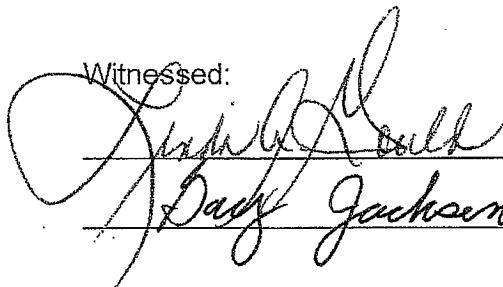
12. **General Provisions:**

- (a) **Assignment.** Neither this Agreement nor any interest in it may be assigned by either party without the written consent of the other. This Agreement shall be binding upon and inure to the benefit of the successors of the parties hereto.
- (b) **Complete Agreement/ Modification.** This Agreement constitutes the ~~entire agreement between the parties and supersedes all prior~~ proposals, negotiations, and agreements, whether oral or written. No

modification of this Agreement shall be valid unless the same is in writing and executed by the parties.

- (c) Partial Invalidity. The invalidity or unenforceability of any provision or term of this Agreement shall not affect the validity or enforceability of any other provision or term of this Agreement.
- (d) Governing Law. This Lease shall be governed by and construed under the laws of the State of Michigan.
- (e) Notices. Any notice required or permitted to be given hereunder shall be given in writing either by certified or registered mail, return receipt requested, or by a national overnight delivery service with charges pre paid, at the respective addresses of the parties shown above or at such other address as may be designated hereafter in writing by either party:
- (f) Conformance to Law / Non-Waiver. This Agreement is made subject to all applicable federal, state and municipal laws and regulations now or hereafter in force, and shall not be modified, or extended except by an instrument duly signed by the parties. Waiver of a breach of any provision hereof under any circumstances will not constitute a waiver of any subsequent breach of such provision, or of a breach of any other provision of this Agreement.

Witnessed:




Mary Jackson

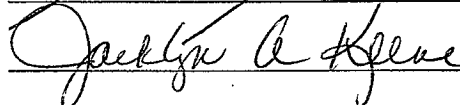
CLAWSON PUBLIC SCHOOLS

By: 
Its: Superintendent

Witnessed:




Rachel



Jackson A. Kline

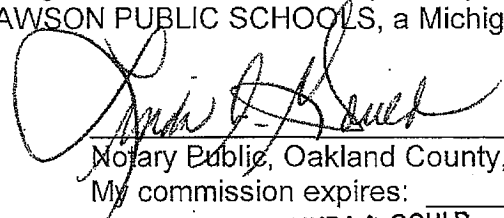
MADISON SCHOOL DISTRICT

By: 
Its: Superintendent

SEE FOLLOWING PAGE FOR NOTARIZATION OF SIGNATURES

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 1st day of July, 2013, by MONIQUE BEELS, Superintendent of CLAWSON PUBLIC SCHOOLS, a Michigan public school district.



Notary Public, Oakland County, MI
My commission expires: _____

LINDA A. GOULD
Notary Public - Oakland County MI
My Commission Expires 08-11-2013

STATE OF MICHIGAN)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 1st day of July, 2013, by _____, Superintendent of MADISON SCHOOL DISTRICT, a Michigan public school district.

Notary Public, Oakland County, MI
My commission expires: _____

EXHIBIT A

(Description of Transportation Services to be Provided)

- Out-of-district special needs students to center programs located in Clawson, Berkley, Hazel Park, Madison Heights, Lamphere, Royal Oak, and West Bloomfield
- In-district special needs students to Madison District Schools
- Madison High School and Alternative Ed. Students to CASA and OTEC
- In-district Great Start & ECSE students to Madison District Schools
- Madison currently houses K-5 at Halfman and K-5 at Edison. There is currently no busing for these students from their home school unless they are special needs, medical needs distance.
- Athletic trips
- Field trips similar to field trips that occurred in the 2012-2013 school year.

Handwritten notes at top right of page.

TRANSPORTATION AGREEMENT

This Agreement is made and entered into this 8th day of March, 2010, by and between Clawson Public Schools (hereinafter "Clawson") a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCLA 380.1, *et seq.*, as amended with offices located at 626 Phillips Ave., Clawson, Michigan 48017 and Madison School District (hereinafter "Madison") a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCLA 380.1, *et seq.*, as amended with offices located at 26524 John R, Madison Heights, Michigan 48071.

RECITALS

WHEREAS, Clawson desires to provide transportation services to Madison for students currently in need of transportation in Madison; and

WHEREAS, Clawson is willing to furnish such transportation services for the consideration and on the terms and conditions stated in this Agreement; and

WHEREAS, this Agreement is entered into pursuant to the authority granted to the parties under the Revised School Code (MCLA 380.1, *et seq.*).

NOW, THEREFORE, for and in consideration of the mutual promises contained in this Agreement, Clawson and Madison agree as follows:

AGREEMENT

1. Transportation Services. Clawson shall provide transportation services to Madison students to the educational facility(ies) located within Madison as designated in the attached **Exhibit A**. Madison students to be transported under this Agreement include all Madison students, including special education students, residing within Madison's boundaries as outlined in **Exhibit A**. The service provided under this Agreement shall include transportation to and from regularly scheduled school sessions, field trips, extracurricular and athletic activities (hereinafter "Transportation Services"). The attached **Exhibit A** shall reflect the current level of services required by Madison, including but not limited to the number of runs, location of stops and times of pick-up and drop-off, and the approximate number of students to be provided Transportation Services. The current level of Transportation Services required by Madison shall not materially or substantially deviate in amount or expense from those described in this paragraph and the attached **Exhibit A** without the prior written consent of Clawson, which consent shall not be unreasonably withheld. Transportation Services in addition to those described in the attached **Exhibit A** shall be deemed "Additional Transportation Services" and shall require additional compensation as defined in Paragraph 3 below.

Clawson shall provide drivers/staffing for the buses used in providing transportation services under this Agreement. Such drivers shall be qualified and competent both in the operation of the buses and in dealing with and handling of students with whom they will interact in accordance with State and Federal regulations. All bus drivers shall possess such licenses and qualifications as required by law. No bus driver providing services under this Agreement shall have been convicted of a felony of any sort, whether or not associated with the operation of a motor vehicle. Clawson shall maintain copies of Secretary of State abstracts, conviction records, and references on all drivers, all of which shall be made available to Madison upon request.

2. **Term.** The term of this Agreement shall be three (3) years commencing July 1, 2010 and terminating June 30, 2013.

3. **Compensation and Terms of Payment.**

(a) Annual Compensation. Madison shall pay to Clawson the following annual compensation for the Transportation Services provided herein:

Year 1:	\$365,000.00
Year 2:	\$365,000.00 adjusted upward or downward based on increases or decreases in transportation costs caused by student enrollment, fuel costs, bus lease costs, salaries and benefits.
Year 3:	Year 2 final cost adjusted upward or downward based on increases or decreases in transportation costs caused by student enrollment, fuel costs, bus lease costs, salaries and benefits.

(b) Terms of Payment. Madison shall pay Clawson the annual compensation in equal monthly installments no later than the fifth (5th) day of each month. All payments shall be made by check, mailed or delivered to Clawson at the above address, or such other place as Clawson may from time to time notify Madison in writing at least thirty (30) days in advance of any due date.

(c) Late Payments. Madison shall pay Clawson a late payment charge equal to five percent (5%) of the total payment due if such payment is not received by Clawson within ten (10) days from the due date of said payment.

(d) Additional Transportation Services. In the event that Madison requires transportation services which deviate from those described in the attached **Exhibit A**, Madison shall compensate Clawson for the additional services at the same rate set forth under subparagraph (a) above. Modifications to the Transportation Services described

in the attached **Exhibit A**, include, but are not limited to an increase in the number of bus runs, increase in the number of transported students, or an increase in the number of days of student instruction or anticipated field trips or extracurricular activities during a school year (hereinafter "Additional Transportation Services"). In the event that Additional Transportation Services are requested, Madison shall pay Clawson for the additional services at the same rate as it costs Clawson. Any costs incurred by Clawson and mandated as the result of required compliance with newly adopted or newly effective federal or state statute or regulation shall be borne by Madison. At the first indication to Clawson that such costs will be incurred, Clawson shall advise Madison in writing of same and will consult with Madison regarding the allocation of such costs.

4. Insurance. Clawson agrees that it shall carry liability insurance with a responsible company or companies licensed to do business in Michigan with combined single limit liability of \$2,000,000.00 per bus for each accident and \$2,000,000.00 bodily injury and property damage per accident. Clawson shall furnish Madison with a certificate of insurance setting forth evidence of such coverage and such certificate shall evidence Madison's right to thirty (30) days' notice from the insurer in the event that such insurance is cancelled or suspended. The policy shall set forth Madison and Madison's Board of Education as additional insured parties. Clawson further agrees that, to the extent permitted by law, it will indemnify and hold Madison and the Madison Board of Education harmless from and against any and all claims for damages or injuries to persons or property arising from the operation of the buses and the provision of transportation services by Clawson under this Agreement.

5. Transportation Procedures.

(a) Clawson will require its transportation personnel, including supervisor(s) and those Clawson employees directly involved in the transportation of Madison students under this Agreement, to follow all Madison policies pertaining to student transportation, as well as Madison's administrative guidelines pertaining to the reporting and handling of student discipline incidents as it relates to the administration of Madison's transportation. Such policies and administrative guidelines shall be furnished by Madison to Clawson. No persons other than Madison students or Clawson employees or drivers in training shall ride buses or other transportation vehicles without Madison's approval.

(b) Madison shall notify Clawson as soon as possible concerning any closing of schools, delay of schools, or early dismissal of schools for weather related or other reasons; Clawson agrees to adjust its provision of transportation services accordingly.

(c) Clawson agrees to transport only Madison resident students on buses or other vehicles operated under this Agreement, except as may be required by law. If Clawson or Madison desire that other pupils be transported on those buses or vehicles, the parties agree to negotiate whether it will be permitted, and the affect, if any, on compensation due under this Agreement.

(d) Pursuant to Clawson's Board of Education policy, regulations, and/or any student code of conduct and discipline, Clawson expressly reserves the exclusive right to discontinue providing transportation services to any pupil for disciplinary reasons.

6. **Maintenance.** Clawson shall maintain in good condition all equipment utilized pursuant to this Agreement; at a minimum, every bus must pass any and all inspections and tests provided for by the Michigan State Police. Maintenance of buses and equipment shall be conducted at a location designated by Clawson. Clawson shall establish a (preventative) maintenance schedule and provide such schedule to Madison upon request. Madison shall have the right at any and all times to inspect any equipment for purposes of assuring Clawson's compliance with the terms of this Agreement. In the event of a mechanical failure or breakdown of any bus while in use providing service required under this Agreement, Clawson agrees that a spare bus and driver shall respond to the site of the breakdown as quickly as possible for transfer of students for delivery to their destination(s) in accordance with this Agreement.

7. **Routing and Pick-Up**

Clawson shall pick-up students identified by Madison for transport to Madison's facilities at such location within Madison's boundaries and at such times as are mutually agreed by Clawson and Madison. Clawson shall transport the designated students to such locations, arriving at times mutually agreed by Clawson and Madison, and shall return students to their drop-off stops, over routes and at stops mutually established by Clawson and Madison. Pick-ups of students shall be at designated stops as deemed appropriate by the parties. Attached **Exhibit A** shall reflect the agreement of the parties regarding the number of runs, location of stops and times of pick-up and drop-off such.

Subsequent to approval by Madison of Clawson's routing plan (including stops), Clawson shall make no substantial changes thereto without prior notice to and approval of Madison. Madison shall be responsible to notify each student and/or their parents of the applicable pick-up and drop-off locations, of the applicable pick-up and drop-off times, and as to any subsequent changes in time or location of pick-up or drop-off which will affect any student.

Clawson agrees to work cooperatively with Madison to establish the most advantageous routing plan (including stops) for the safety and convenience of Madison students within the guidelines provided for in this Agreement. Clawson agrees to promptly address any and all complaints or concerns brought to its attention by a parent, guardian, family member, Madison employee, or other person representing the interest of any Madison student.

8. **Compliance.** Clawson shall comply with all governmental laws and regulations governing pupil transportation. Such compliance shall include, but not be limited to, drug and alcohol testing of all safety-related employees as required by law.

9. **Damage to Vehicles.** Any damage caused by Madison, its students, employees or agents to the buses or other vehicles provided under this Agreement shall be the

responsibility of Madison. Madison shall repair or replace as soon as reasonably possible at Madison's expense, any damaged equipment and shall repair or replace damaged equipment to Clawson's reasonable satisfaction.

10. Breach. If either party believes the other is not fulfilling the obligations under this Agreement, such party shall notify the other in writing, citing all alleged breaches. The party alleged to be breaching its contractual obligation shall have thirty (30) days to remedy the cited breaches. If the cited breaches are not remedied within such thirty (30) day period, then the non-breaching party may terminate this Agreement upon thirty (30) days' written notice to the other party. Notwithstanding the foregoing, the parties agree that riots, strikes, or acts of God which render it impossible on the part of Clawson to perform under the terms of this Agreement, or which result in the non-operation of Madison's educational facilities, shall relieve Clawson from its obligation of transporting students hereunder and shall likewise relieve Madison from any obligation to pay Clawson to the extent that school sessions are not made up or rescheduled on other dates.

14. Dispute Resolution. In the event that any dispute arises under this Agreement, the parties first agree to submit such dispute to non-binding mediation in an attempt to resolve the dispute. If a mediator cannot be mutually agreed upon, either party may request mediation through the American Arbitration Association. If mediation fails to resolve the dispute, the parties may then agree to binding arbitration; if there is no mutual agreement to utilize binding arbitration, either party may pursue the matter in an appropriate legal forum.

15. General Provisions.

(a) Assignment. Neither this Agreement nor any interest in it may be assigned by either party without the written consent of the other. This Agreement shall be binding upon and inure to the benefit of the successors of the parties hereto.

(b) Complete Agreement/ Modification. This Agreement constitutes the entire agreement between the parties and supersedes all prior proposals, negotiations, and agreements, whether oral or written. No modification of this Agreement shall be valid unless the same is in writing and executed by the parties.

(c) Partial Invalidity. The invalidity or unenforceability of any provision or term of this Agreement shall not affect the validity or enforceability of any other provision or term of this Agreement.

(d) Governing Law. This Lease shall be governed by and construed under the laws of the State of Michigan.

(e) Notices. Any notice required or permitted to be given hereunder shall be given in writing either by certified or registered mail, return receipt requested, or by a national overnight delivery service with charges pre paid, at the respective addresses of

the parties shown above or at such other address as may be designated hereafter in writing by either party:

(f) Conformance to Law / Non-Waiver. This Agreement is made subject to all applicable federal, state and municipal laws and regulations now or hereafter in force, and shall not be modified, or extended except by an instrument duly signed by the parties. Waiver of a breach of any provision hereof under any circumstances will not constitute a waiver of any subsequent breach of such provision, or of a breach of any other provision of this Agreement.

Witnessed:

Anda A. Reed
Janison Gasser

CLAWSON PUBLIC SCHOOLS

By: *Cheryl M. Rogers*
Its: Superintendent

Witnessed:

Anda A. Reed
Janison Gasser

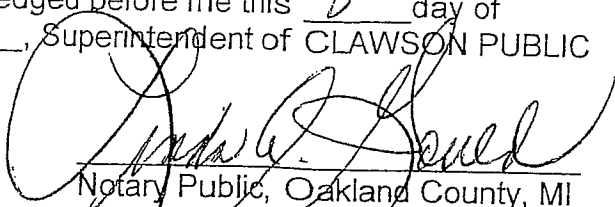
MADISON SCHOOL DISTRICT

By: *Caree Keenan*
Its: Superintendent

SEE FOLLOWING PAGE FOR NOTARIZATION OF SIGNATURES

STATE OF MICHIGAN)
)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 8th day of March, 2010, by CHERYL M. ROGERS, Superintendent of CLAWSON PUBLIC SCHOOLS, a Michigan public school district.

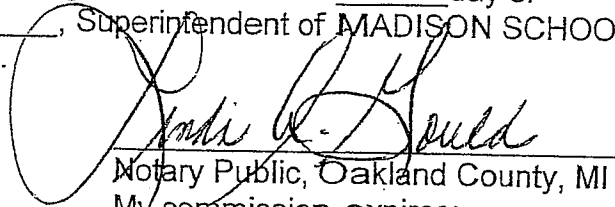


Notary Public, Oakland County, MI
My commission expires:

LINDA A. GOULD
Notary Public - Oakland County MI
My Commission Expires 08-11-2013

STATE OF MICHIGAN)
)
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 3RD day of March, 2010, by CAROL KLENDOW, Superintendent of MADISON SCHOOL DISTRICT, a Michigan public school district.



Notary Public, Oakland County, MI
My commission expires:

LINDA A. GOULD
Notary Public - Oakland County MI
My Commission Expires 08-11-2013

EXHIBIT A

(Description of Transportation Services to be Provided)

- Out of district special needs students to center programs located in Clawson, Bloomfield Hills, Hazel Park, Madison Hts., Lamphere, Royal Oak, and West Bloomfield.
- In district special needs students to Madison District Schools.
- Madison High School and Alternative Ed. Students to CASA and OTEC.
- In district Advantage & ECDD students to Madison District Schools.
- In district Gingerbread students to their respective schools.
- Madison currently houses K-3 at Halfman and 4-6 at Edison. There is currently no busing for these students from their home school unless they are special needs.
- Athletic trips.
- Field trips similar to field trips that occurred in the 2009-2010 school year.

SCHOOL BUS TRANSPORTATION

MCL 380.1756 Board of a local school district shall provide by contract or agreement for the transportation of a student with a disability who would otherwise be unable to participate in an appropriate special education program or service operated or contracted for by the local school district under section 1751, except for a student with a disability in residence at facilities operated by the department of community health or the department of human services. The board of a school district may provide for weekend transportation of a student with a disability in residence at the Michigan schools for the deaf and blind.

MCL 380.1324 Board of a school district or board of directors of a public school academy may enter into a contract with the board of another school district or board of directors of a public school academy or with private persons to furnish transportation for nonresident pupils attending public and state approved nonpublic schools located within the school district or in other school districts. The price paid for the transportation shall not be less than the actual cost of the transportation to the school district or public school academy furnishing transportation.

MCL 257.1867 (1) In compliance with section 65(8), if a determination is made that economically feasible private transportation does not exist, a school may contract with a federal, state or local unit of government or a subcontractor of these units, for the use of a school bus to transport persons to or from an activity or function sponsored or operated by the unit of government. The governmental agency, or subcontractors of the governmental agency, shall pay the full costs incurred in the use of a school bus. A school bus may be contracted not only in compliance with the provisions of the school insurance policy and any joint stipulations of the school and the school bus drivers including, but not limited to, any collective bargaining agreements in force or if no collective bargaining agreement exists, agreement with the bargaining agent if it has been designated. A school shall not purchase additional school buses for the sole purpose of implementing this provision of law.

(2) The provision of school buses for the purpose provided in subsection (1) shall not be made if bus service for pupils of the school would be compromised.

MCL 380.1332 (1) The board of a school district may collect a fee for transporting pupils enrolled in grades K to 12 to or from nonmandatory and noncredit events sponsored by the school district. Fees charged shall cover expenses for the trips involved, under rules promulgated by the state board.

(2) A board of education shall not purchase additional school buses for the sole purpose of implementing this section.

93) Insurance to indemnify the school district, its officers, or employees against liability for damages arising out of the use of school buses shall be obtained before fees or fares are charged.

See also **MCL 257.1865**; **MCL 257.1859**; **MCL 388.1651a**, and **380.1325**, enclosed.

Paul J. Rogers P.L.L.C.

Attorney and Counselor at Law

50500 Callens Road New Baltimore, MI 48047 586-725-3108 or 586-242-5544

August 20, 2012

Randy Speck, Superintendent
Madison District Public Schools
26524 John R. Road
Madison Heights, MI 48071

Dear Sir,

This letter responds to your inquiry regarding a potential breach of contract should the Madison District Schools operate its own buses to pick up Madison students at stations outside the Madison school district boundaries for daily transport to and from school.

This opinion expressly references the March 8, 2010 agreement between Clawson Public Schools and the Madison School District, with Carol Klenow, Superintendent, as Madison's signatory. This document was not previously in my possession prior to its electronic transmission last Friday afternoon by Administration Services Secretary Sharon Kline.

The document, which is one of several attachments being sent to your office as part of this response, expressly references the full scope of services to be provided by Clawson to Madison in Exhibit A. The only Out-of-district students referenced in Exhibit A are special needs students taken to and from Oakland Schools center programs in Clawson, Bloomfield Hills, Hazel Park, Lamphere, Royal Oak, and West Bloomfield. It also references daily shuttles to CASA and OTEC for Madison students.

The bus runs contemplated by your administration and Board of Education, which are designed to serve centrally located neighborhoods in Northeast Detroit which have traditionally sent numerous students to Madison are neither directly referenced nor alluded to in the portion of the contract which defines the nature and scope of services to be provided by Clawson. It does provide a fixed cost of \$365,000 for each of the first two years of the contract with the third year to be adjusted upward or downward reflecting actual costs incurred by Clawson for fuel, wages, supplies and bus lease costs.

Paragraph 3(d) on page 2 of the contract references "Additional Transportation Services" requiring that Madison compensate Clawson for additional services "**Madison requires**".(emphasis added). This indicates that control of the method of delivery of such services outside the scope of the contract is Madison's, so evidenced by the phrase "In the event that additional transportation services are requested....". In addition, Paragraph 7 specifies that Clawson will pick up students at such locations within Madison's boundaries.

Other than that, the contract otherwise is silent and the proposed shuttle routes located outside the Madison District, authorized by Mich. Comp. Laws 380.1325, to be handled by Madison buses with Madison employees, or by contracted buses with contracted employees, is clearly outside the scope of the transportation contract with Clawson.

I would recommend a simple notification of the Clawson Public Schools indicating the intention to provide the service as discussed in this letter. Please do not hesitate to refer any questions regarding this matter to me so that I may offer further clarification on the issue at hand.

Yours truly,

Paul J. Rogers
Attorney at Law

Suggested Board and Administrative Transportation Policies and Guidelines

It is the policy of the Board of Education to provide transportation to and from school for those students, of any age, when it is economically feasible to do so.

All school buses and student-transportation vehicles whether purchases, leased or contracted for shall comply with specifications defined in state law. Each operator of a school vehicle used by the District shall be licensed for the purpose for which the vehicle is being used and shall operate the vehicles in accordance with Federal and State laws. The license and record of continuing education must be in the driver's possession when driving.

Transportation of eligible vocational or special education children between their home areas and schools outside the district shall be arranged through the use of District-owned vehicles, through cooperation with other districts, through commercial carriers, and/or by other means in the most efficient and economical manner.

The Board reserves the right to terminate transportation based on financial, legal or other considerations. It is a privilege for students to ride a district vehicle and this privilege may be revoked if the student's conduct is in violation of the Superintendent's administrative guidelines or the Code of Conduct pertaining to student transportation.

The Superintendent shall establish administrative guidelines to ensure proper implementation of this policy.

Guidelines

Students may only ride assigned school buses and must board and depart from the bus at assigned bus stops.

Students who are riding to and from school on transportation provided by the School are required to follow all basic safety rules, applying to both school-owned buses and contracted transportation.

- Be on time at the designated loading zone,
- Stay off the road at all times while walking to and waiting for school transportation,
- Line up single file off the roadway to enter,
- Wait until the school transportation is completely stopped before moving forward to enter,
- Go immediately to a seat and be seated.

During the Trip

- Remain seated while the bus is in motion,
- Keep head, hands, arms and legs inside the school vehicle at all times,

- Do not litter in the school vehicle or throw anything from the school vehicle,
- Keep books, packages, coats and all other objects out of the aisle,
- Be courteous to the driver and the other riders,
- Not eat or play cards, games, etc.,
- Not tamper with the school vehicle or any of its equipment.

Leaving the Bus

Each student will

- Remain seated until the vehicle has stopped,
- Cross the road, when necessary, at least 10 feet in front of the vehicle, but only after the driver signals that it is safe,
- Be alert to a possible danger signal from the driver.

THE DRIVER WILL NOT DISCHARGE STUDENTS AT PLACES OTHER THAN THEIR REGULAR STOP UNLESS THERE IS WRITTEN AUTHORIZATION FROM EITHER THE PRINCIPAL OR SUPERINTENDENT.

A student who misbehaves on the bus shall be disciplined in accordance with the student discipline code and may lose the privilege of riding on the bus.

Paul J. Rogers P.L.L.C.

Attorney and Counselor at Law

50500 Callens Road New Baltimore, MI 48047 586-725-3108 or 586-242-5544
July 27, 2012

Randy Speck, Superintendent
Madison District Public Schools
26524 John R. Road
Madison Heights, MI 48071

Dear Sir,

This is a summary of the statutory abstracts and policy statements relevant to the proposed Schools of Choice Collector buses and the Clawson transportation charges dispute.

MCL 380.1325 gives Madison the right to provide transportation to our students living outside of our district.

MCL 380.1756 says Madison must provide transportation for a disabled student living in our district.

MCL 380.1324 gives the Madison Board the right to contract for transportation for nonresident pupils with either districts or private persons.

MCL 388.1651a says that Special Education reimbursements are to only go for special education, not for salaries or other compensation paid to administrative personnel who are not special education personnel. It also says that money sent which amounts to more than what was spent on special education may be required to be refunded to the state treasury. Here is where I believe Clawson is most vulnerable in what they did, and could be made to pay back Michigan Department of Treasury if Treasury were made aware of the situation.

POLICIES AND GUIDELINES

Board-authorizing transportation policy needs the "economically feasible" qualifier.

It must be stressed again and again that it is a privilege to ride a district vehicle and that privilege will be revoked for breaches of good conduct, which are spelled out in the guidelines provided.

After it is determined whether the bus drivers will be contracted or will be Madison employees, there are a number of employment handbook items which can be part of the process going forward.

Let me know what you think.

PAUL J. ROGERS