

ATTACHMENT B

Johnston Community School District LEASE AGREEMENT FOR STUDENT TRANSPORTATION VEHICLES AND EQUIPMENT

This Lease for Student Transportation Vehicles and Equipment (hereinafter referred to as "Lease") is made and entered into this ___th day of January, 2023 by and between Johnston Community School District, Johnston, Iowa, with its District Office at 6510 NW 62nd Avenue, Johnston, Iowa 50131, hereinafter called "Lessee" and (NAME OF CONTRACTOR) with its local office at (LOCATION OF CONTRACTOR),, hereinafter called "Lessor".

In consideration of the mutual covenants hereinafter contained, Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, the vehicles and equipment as described herein, upon the terms and conditions meet set forth below:

1. EQUIPMENT, MAINTENANCE, AND INSPECTION

- a. The Lessor shall provide such buses, automobiles, trucks, and other vehicles necessary for day-to-day operation, supervision, and maintenance of the service for the Lessee.
- b. All Vehicles shall be maintained in good repair and working order, and in a clean and sanitary condition. A thorough preventative maintenance program on all vehicles shall be ongoing at all times and documentation of this program shall be provided to the Lessee upon written request. The Lessor will be responsible for all repairs and maintenance on all vehicles during the life of the Contract at its sole cost.
- c. A copy of all state vehicle inspections shall be forwarded on to Lessee and open for examination at all times by the Superintendent or his/her designee.
- d. All vehicles shall be equipped with two-way radios and a base station at the Lessor's terminal. The Proposer shall provide a listing of vehicles that will be used in the performance of services. The maximum age of the fleet shall not exceed a retention cycle of twelve (12) years for route buses and fifteen (15) years for spare buses and the average age of the fleet shall not exceed eight (8) years.
- e. A complete fleet listing shall be provided by the Lessor upon acceptance of this AGREEMENT and each year of the Contract. This listing shall indicate active route buses and substitute vehicles.
- f. The Lessor shall provide sufficient vehicles in each category (capacity of passengers, wheelchair lift buses, appropriate accommodations for disabled students, etc.), as back up units for breakdowns, preventive maintenance, and accident damaged vehicles. The Lessor also will have available a reasonable number of additional buses to provide for special service such as athletic trips, field trips etc. The number of spare vehicles should be sufficient to ensure that all service requirements are satisfied and to ensure compliance with the Minimum Standards of Performance

- g. Fleet school buses shall be used only for transporting regularly enrolled students to and from school, midday shuttles, and to extracurricular activities approved and designated by the Superintendent, Contract Manager, or designee. However, Lessor may use fleet school buses during non-school operational time for private charters.
- h. In the event that Lessee or any governmental agency imposes additional equipment requirements other than those set forth in this AGREEMENT on Lessor's vehicles during the term of this AGREEMENT which are specific requirements for the operation of this contract or immediate installation is required for continuing operation of the vehicles, Lessor and Lessee shall negotiate in good faith concerning price increases applicable to such equipment installation.
- i. District Name on Buses: Lessor agrees to identify "Johnston Community School District" on all primary route buses, displayed on the beltline (panel below the passenger windows) on the two sides of each primary route bus, and not inconsistent with requirements of State law and regulations. Lessee will annually notify the Lessor of the primary routes to which this provision applies. The Parties agree that buses used for private charters will not display the District name.
- j. The Lessor will provide vehicle location tracking capability. Each Lessor vehicle shall be equipped with Automated Vehicle Location (AVL/GPS) equipment and service plans of a type and quality sufficient to, at a minimum, interface with other Lessor systems, transfer required data to Lessee, and to support the submission of reports as described within the AGREEMENT.
- k. Cameras: Buses shall be equipped with digital cameras for video and audio recording with clear view of the inside of the bus. Lessor shall be responsible for installing said equipment in all buses and the maintenance and replacement of the said equipment during the term of the Contract. The Lessor shall label and store digital video recordings for the length of two weeks. Video which records student behavior on the bus shall be treated as confidential and may only be viewed by the Lessor's site manager or the District superintendent or his/her designee.
- l. Child Checkmate System: All buses must be equipped with an electronic Child Checkmate System to ensure each bus is checked at the end of each run.
- m. Lessor will submit pricing for a student ridership management system which will provide real-time accessibility to individual student status by the Lessor, Lessee, and the student(s)' parents with reporting to the Lessor and Lessee on daily bus ridership data. This pricing is to be a separately billed option.

2. LEASE DOCUMENTS

The Lease shall consist of the general terms and conditions stated herein which shall be applicable to every Vehicle leased hereunder. The Schedule may be updated or amended from time to time upon mutual written agreement of the Parties.

3. OFFICAL FEES AND TAXES

Lessor agrees to pay when dues all official fees, registration fees, and taxes imposed on this Lease or on the Vehicles.

4. PAYMENT OF RENT

Lessee agrees to pay Lessor all monthly rent payments for the lease of the Vehicles specified in the Schedule, beginning July 1, 2023 and continuing on the same day of each month thereafter for the term of this Lease.

5. TERM OF LEASE

The term of this Lease shall be for a period of three (3) years beginning July 1, 2023 and ending June 30, 2026.

- a. Extension of Term: This Lease may be extended at the mutual written agreement of the Parties for up to two additional one (1) year periods upon such terms as identified and described in this AGREEMENT.

6. TERMINATION OF THE LEASE

If Lessor at any time fails to comply with and fully perform any terms and conditions or covenants contained herein to be performed by the Lessor, Lessee shall give notice in writing to Lessor of such failure and in the event Lessor does not remedy such failure within thirty (30) days from the receipt of such notice, then at the option of the Lessee, the Lease may be terminated immediately by delivery to Lessor of written notice of such election to terminate. Lessor shall remain liable for any costs to Lessee directly resulting from Lessor's failure. Notwithstanding the foregoing, if Lessor's failure to perform as required by the Lease substantially interferes with the operation, supervision, and maintenance of student transportation for Lessee or jeopardizes the safety or welfare of the students or Lessee, immediate action will be taken by Lessor to remedy the failure following notice from Lessee. If Lessor fails to remedy the said situation immediately, Lessee may at its option terminate the Lease immediately upon notice to the Lessor.

The Lease may be terminated by Lessee or Lessor at any time, for convenience and without cause, upon ninety (90) days written notice in conformity with Iowa Code Section 285.5.

- a. If Lessor terminates the Lease for convenience upon 90 days written notice, Lessee may recover from Lessor the sum of the daily rate per route per day, as provided in EXHIBIT A to the STUDENT TRANSPORTATION SERVICES AGREEMENT, as liquidated damages for a period of 90 days or until Lessee obtains other transportation equipment on terms as favorable to Lessee as the terms of this Lease, whichever occurs first.
- b. During any termination notice period in this Section f, Lessee reserves the right, without waiver of other rights against Lessor and its surety, to arrange for the transportation of students itself, or to enter into a contract with another person or entity, or to do any other act or thing necessary to assure continuity of student transportation operations.

- c. Lessee also reserves the right to terminate this Lease, effective at the end of any year covered by the Lease, upon failure of the state legislature to appropriate funds sufficient to allow Lessee to provide the student transportation services for the following year, by giving written notice of such termination to Lessor.

7. RETURN OF VEHICLES

Upon expiration or termination of this Lease, Lessee must return the Vehicles to Lessor at an agreed upon location in Johnston, Iowa.

8. INSURANCE

Lessor shall be required to maintain insurance coverage in such types and amounts which are satisfactory to the Lessee. The selected Contractor shall name the Lessee as an additional insured per the following terms and conditions:

- a. Automobile Liability combined single limit for bodily injury and/or property damage shall equal ten million dollars (\$10,000,000).
- b. Commercial General Liability combined limit for bodily and/or property damage shall equal ten million dollars (\$10,000,000) per occurrence.
- c. Workers Compensation coverage to be statutory and include all employees of the Lessor. Lessor's workers compensation policy shall be endorsed to contain a waiver of subrogation clause in favor of the lessee.
- d. Contractual liability coverage.
- e. Catastrophic Umbrella Liability-The limits specified in this section may be satisfied with a combination of primary and Excess/Umbrella policies.
- f. Uninsured/Underinsured Motorist coverage and Medical Payments coverage as required by Iowa state and federal law.

Conditions of coverage are to include the following:

- g. All certificates must contain at least thirty (30) days' notice of modification or cancellation to Lessee.
- h. All insurance policies will be written with insurance companies licensed to do business in the state of Iowa and subject to the approval of Lessee. Lessor's liability policies should be endorsed to provide a non-waiver of governmental immunity clause.
- i. Commercial General Liability and Automobile Liability policies must include Lessee as an additional insured. The policy shall be primary and non-contributory.
- j. Commercial General Liability insurance shall include Broad Form Comprehensive General Liability Endorsement.
- k. Insurance shall be provided by a company with a current Best's rating of A+ or better.

9. HOLD HARMLESS/INDEMNIFY

Lessor shall defend, hold harmless, and indemnify Lessee and Lessee's directors, officers, employees and agents from any and all claims, demands, causes of action, liabilities, damages, losses, and expenses (including reasonable attorney fees) of very kind, nature description resulting from the acts or omissions of Lessor or its employees or agents in performing or failing to perform any of its obligations to be performed by Lessor under this Lease.

In the event it shall become necessary for either party to institute legal proceedings against the other party for recovery of any amounts due and owing under this Lease, it is expressly agreed that the prevailing party in a final judgment in any such action as determined by a court of competent jurisdiction, and which is non-appealable or the parties determine shall not be appealed, shall be entitled to recover from the non-prevailing party all costs related to such collection, including reasonable attorney fees and all expert witness fees incurred during pre-suit collection attempts, suit, and post judgment, appeal, or settlement collection. The term, "Prevailing Party" shall include, without limitation, a Party that substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party of its claim or defense. In the event that a party prevails on one or more claims, but does not prevail on all of its claims, the party may recover only those fees and costs associated with the prosecution or defense of the claims on which it prevailed.

The obligations in this section shall survive termination of this Lease.

10.VEHICLE CONDITION

The Vehicles provided by Lessor shall be in good condition and meet all federal and state requirements for school buses and vehicles for the term of the Lease. The Vehicles shall be inspected, approved, and certified before being put into operation.

- a. The Lessor shall provide a listing of vehicles that will be used in the performance of services. The maximum age of the fleet shall not exceed a retention cycle of 12 years for route buses and 15 years for spare buses and the average age of the fleet shall not exceed 8 years. The average age of the fleet shall be calculated by Lessor by August 1 of each year of the Lease.

11.VEHICLE UPGRADES

Any Vehicle upgrades mandated by law during the term of the Lease shall remain the responsibility of Lessor, and all costs for such upgrades will be the responsibility of Lessor.

12.VEHICLE DAMAGE OR LOSS

Lessor shall be responsible for any damage, destruction, or loss of the Vehicles, and shall promptly restore or replace the vehicles to the physical condition that existed prior to the damage, destruction, or loss of the Vehicles. In the event of any damage, destruction, or loss of a Vehicle(s) that precludes Lessor from providing the Vehicle(s) under this Lease to Lessee in accordance with Lessee's requirements, Lessee will have the right to terminate this

Lease immediately as to said Vehicle(s) without any further payment obligation for said Vehicle(s).

13.SUBSTITUTE OR SPARE VEHICLE

Substitute or spare Vehicles will be kept in reserve to accommodate planned Vehicle maintenance and Vehicle breakdowns. Spares will be supplied by Lessor, at a minimum of ten percent (10%) of the active fleet and meet the same standards as the route buses. In addition, spare buses must be dedicated to Lessee and be garaged with the active bus fleet. A complete Vehicle fleet listing shall be provided by Lessor by August 1 of each year of the Lease. This listing shall indicate active route buses and substitute or spare Vehicles.

14.LESSEE DEFAULT

Lessee will be in default under this Lease if Lessee fails to make a rent payment when due or Lessee fails to fulfill any other obligation under this Lease, provided that Lessor has given Lessee prompt notice in writing of such failure and Lessee does not remedy such failure within thirty (30) days from the receipt of such notice. In the event of such default, Lessor may, but is not obligated to, terminate the Lease by delivery to Lessee of written notice of such election to terminate and repossess the Vehicles wherever they are located.

15.LIENS

Lessee shall not permit the Vehicles or this Lease to become subject to any lien or encumbrance.

16.ASSIGNMENT

Neither party may assign or transfer any interest in this Lease without the prior written consent of the other party.

17.PERMITTED USE

The Vehicles provided by Lessor will be used, operated, and maintained pursuant to a separate Student Transportation Services Agreement. The Vehicles shall be used only for transporting regularly enrolled students to and from school and extracurricular activities and other such uses permitted by law, as approved and designated by Lessee.

18.GENERAL PROVISIONS

It is further agreed as follows:

- a. Notices given under this Lease shall be in writing and sent by United States Mail, postage prepaid, certified or registered with return receipt requested, or by any nationally recognized overnight courier service to the address stated on the first page of this Lease (or such other address as may be designated by the parties in accordance with this paragraph), with Attention to Chief Financial Officer for Lessee and Attention to the Vice President for Lessor. Any such notice shall be deemed given when deposited in the United States Mail or delivered to such courier service.

- b. Any waiver or delay in requiring performance of any obligation or in enforcing rights hereunder will not affect either party's ability to require performance of the other party's obligations or to enforce its rights thereafter.
- c. The Lessor shall at all times observe and comply with all federal, state, and local laws, regulations, ordinances, and code and Lessee's policies, regulations, rules and procedures which are applicable to this Lease.
- d. The parties shall negotiate in good faith in an attempt to resolve any dispute that may arise under this Lease. Any litigation arising between the parties related in any way to this Lease shall be initiated and maintained only in the appropriate state or federal court for Polk County, Iowa. In addition to any other remedy provided under this Lease or by law, Lessee reserves the right to withhold, as liquidated damages, one month's total rental payment from Lessor pending complete compliance with the terms of this Lease.
- e. This Lease, and incorporated documents, between Lessee and Lessor contains the entire understanding between the parties and cannot be changed or terminated orally but only by an agreement in writing signed by both parties.
- f. This Lease shall be governed by Iowa law. If any provision of this Lease is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision shall be modified to the extent necessary to be valid and enforceable, and all other provisions shall remain in full force and effect.
- g. The headings or captions in this Lease are for convenience of reference only and shall not be used to interpret or construe its provisions.
- h. This Lease is binding upon and will inure to the benefit of the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have duly approved and executed this Lease as of the date first written above.

Johnston Community School District

(CONTRACTOR NAME)

By: _____

By: _____

Title: _____

Title: _____

EXHIBIT A
VEHICLE LEASE SCHEDULE

Note: To be included following, and based on the contractor's proposal submission.