



State of New Hampshire
 DEPARTMENT OF NATURAL & CULTURAL RESOURCES
 DIVISION OF PARKS & RECREATION

172 Pembroke Road Concord, New Hampshire 03301
 Phone: 603-271-3556 Fax: 603-271-3553
 TDD Access: Relay NH 1-800-735-2964
 nhstateparks.org

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September 23, 2024

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Natural and Cultural Resources, Division of Parks and Recreation, Cannon Mountain to enter a contract with Durham School Services, L.P (VC#286818) Lisle, Illinois in the amount of \$67,932.70 to provide bus transportation for the international ski program at Cannon Mountain Ski Area effective upon Governor and Council approval through April 15, 2026. 100% Agency Income.

Funds are available in the following account for Fiscal Year 2025, and are anticipated to be available in Fiscal Year 2026, upon the continued appropriation of funds in the future operating budget with the authority to adjust encumbrances between fiscal years within the price limitation through the Budget Office, if needed and justified.

03-035-035-0351510-37030000, Cannon Mountain

	<u>FY 2025</u>	<u>FY2026</u>
103-502664 – Contracts for Op Services	\$33,330	\$34,602.70

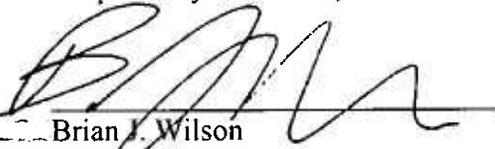
EXPLANATION

Cannon Mountain Ski Area is seeking approval for the service bus contract essential to its international ski program. This program is designed to provide reliable transportation services for late grade through high school students from the United Kingdom. Durham School Services, L.P. transports these students to and from their hotels to Cannon Mountain Ski Area for the 2–5-day duration while they participate in Cannon Mountain’s ski school and rental services. This program generated just over \$215k in revenue last season, highlighting its significance as a vital source of income for Cannon Mountain. Given its revenue potential, continuing this program is a logical decision that promises substantial financial benefits for the ski area.

On May 27, 2024, an invitation to submit bids for the 2024-2025 & 2025-2026 International Group Transportation program was issued in accordance with Department of Administrative Services’ policy. The bid solicitation was posted on the Division of Purchase and Property’s website and the Division of Parks and Recreation’s website. Durham School Services, L.P. was the sole bidder and was selected. Cannon Mountain Ski Area has used Durham School Services, L.P in previous years and have created an effective partnership making them the ideal vendor for this program.

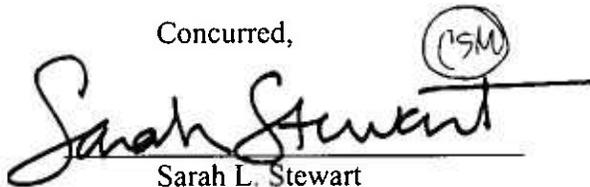
The Attorney General's Office has reviewed and approved this contact amendment as to form, substance, and execution.

Respectfully submitted,



Brian J. Wilson
Director

Concurred,



Sarah L. Stewart
Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF NATURAL AND CULTURAL RESOURCES
Division of Parks and Recreation
Cannon Mountain / Franconia Notch State Park
Request for Bid

RFB DNCR 2024-05

2024-2025 & 2025-2026 International Group Transportation

Contractor Name and Address	Bid Amount
Durham School Services, L.P. 2601 Navistar Drive Lisle, IL 60532	\$ 67,932.70

The request for bid for Cannon Mountain Ski Area's international bus transportation program was posted on the DAS state site on May 27, 2024, with a target implementation of December, 2024. One bid was submitted, and Durham School Services, L.P. was selected as the sole bidder. Durham School Services, L.P. has successfully managed international bus transportation programs in the past, making them an ideal choice for the 2024/25 and 2025/26 programs. David Webster, Business Administrator II, reviewed the bid.

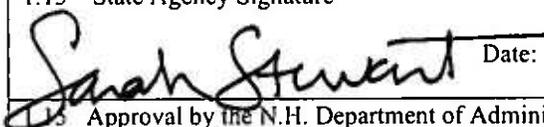
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Department of Natural and Cultural Resources		1.2 State Agency Address 172 Pembroke Road, Concord NH 03301	
1.3 Contractor Name Durham School Services, L.P		1.4 Contractor Address 2601 Navistar Drive Lisle, Illinois 60532	
1.5 Contractor Phone Number 714-267-7936	1.6 Account Unit and Class 035-03500-37030000-103-502664	1.7 Completion Date 04/15/2026	1.8 Price Limitation \$67,932.70
1.9 Contracting Officer for State Agency David Webster, Business Administrator II		1.10 State Agency Telephone Number 603-823-8800 EXT 721	
1.11 Contractor Signature  By: Durham Holding II, L.L.C., Its General Partner Date: 9/6/2024		1.12 Name and Title of Contractor Signatory Paul Egger, Vice President, Charter	
1.13 State Agency Signature  Date: 11/7/2024		1.14 Name and Title of State Agency Signatory Sarah L. Stewart, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By:		Director, On:	
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: 		On: 12/4/24	
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number:		G&C Meeting Date:	

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed.

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance

hereof, and shall be the only and the complete compensation to the Contractor for the Services.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with this Agreement and all rules, regulations and orders pertaining to the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) calendar days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

10.2 All data and any Property which has been received from the State, or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State's sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all Property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the Property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. CONFLICTING TERMS. In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. THIRD PARTIES. This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

23. SPECIAL PROVISIONS. Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

24. FURTHER ASSURANCES. The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

26. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF NATURAL AND CULTURAL RESOURCES
DIVISION OF PARKS AND RECREATION**

Cannon Mountain Ski Area International Bus Transportation

EXHIBIT A

There are no additional or special provisions in this contract.

EXHIBIT B

Scope of Work: The purpose of this Contract is for the Contractor to provide the State of New Hampshire with all labor, material and equipment required for the Cannon Mountain international bus transportation program.

1. Vendor must be able to transfer more than one school from more than one location or property on any given day, regardless of holidays.
2. Pick-up times generally include times between 7:00 a.m. to 10:00 a.m. and 1:00 p.m. to 4:30 p.m. Vendor must be flexible with times to accommodate varying situations at the resort and lodging properties.
Per Durham's submission, we may be able to accommodate earlier requests on a case-by-case basis, we expect our Monday-Friday availability to begin at 8:15am for morning transportation and 3:45pm for afternoon needs.
3. Pick-up and drop-off locations are generally from the Linwood/Franconia NH area and the Mt. Washington Valley area.
4. Vendor must have the ability to transport a minimum of 15 passengers and a maximum of 200 passengers (per school) with as few transportation vehicles/busses as possible, per requests made on the Function Sheet.
5. Vendor shall send scheduled number of buses as what's requested and confirmed on Function Sheets. Vendor shall not send one bus to do two trips unless previously confirmed. In emergency situations where second or third bus is unable to make a trip, Vendor may request a bus to do more than one trip for a group to transport to or from lodging property or Cannon to remain in accordance with pick-up and drop-off times.
6. Requested and confirmed number of buses will be sent via a Function Sheet; sent a month prior to a group's arrival. Vendor shall not assume a group is confirmed or the number of buses until the final Function Sheet has been received. Vendor must abide by most recently submitted function sheet by the State of New Hampshire.
7. Vendor buses shall be able accommodate a maximum of 56 people per bus.

Contractor Initials

Date 9/13/2024

9. Vendor, when requested, shall transport equipment on vehicles/busses both to and from Cannon and respective lodging properties.

10. Dates of transportation required: December 2024 through April 2026 during the winter operating seasons.

EXHIBIT C

Contract Price

Total contract shall not exceed: \$67,932.70

Method of Payment

Payments shall be made within 30 days after receipt of progress-based invoices and inspections by Cannon's project manager.

Term

This contract shall commence upon approval of the Governor and Executive Council with a completion date of 04/15/2026.

Contractor Initials 
Date 9/13/2024

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that DURHAM SCHOOL SERVICES, L.P. a Delaware Limited Partnership formed to transact business in New Hampshire on November 08, 2016. I further certify that it has paid the fees required by law and has not dissolved.

Business ID: 759541

Certificate Number: 0006777764



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 16th day of September A.D. 2024.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan
Secretary of State

Limited Partnership or LLC Certificate of Authority

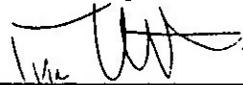
I, Tim Wertner, hereby certify that I am a Partner, Member or Manager
(Name)
of Durham School Services, LP a limited liability partnership under RSA 304-B, a limited
(Name of Partnership or LLC)
liability professional partnership under RSA 304-D, or a limited liability company under
RSA 304-C.

I certify that Paul Egger is authorized to bind the partnership or LLC. I
(P-37 Signatory)*

further certify that it is understood that the State of New Hampshire will rely on this
certificate as evidence that the person listed above currently occupies the position indicated
and that they have full authority to bind the partnership or LLC and that this authorization
shall remain valid for thirty (30) days from the date of this Corporate Resolution

DATE: September 11, 2024

ATTEST:



(Signature)

CEO

(Title)

* Note: The signatory to this Certificate of Authority and the signatory to the P-37 may not be the same individual.



State of New Hampshire
Department of Natural and Cultural Resources Cannon Mountain
Division of Parks and Recreation
RFB 2024-2025 & 2025-2026 International Group Transportation
260 Tramway Drive
Franconia, New Hampshire 03580

DUE: August 30, 2024, 2PM EST

national
express.
school



Paul Egger (714) 267-7936
Vice President, Charter

DURHAMSCHOOLSERVICES.COM
2601 Navistar Drive • Lisle, IL 60532



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School Bus Transportation

August 24, 2024

State of New Hampshire
Department of Natural and Cultural Resources Cannon Mountain
Division of Parks and Recreation
Attn: David Webster
260 Tramway Drive
Franconia, New Hampshire 03580

RE: RFB 2024-2025 & 2025-2026 International Group Transportation

Dear David Webster;

Durham School Services is pleased to submit the enclosed response for the State of New Hampshire's RFB for 2024-2025 & 2025-2026 International Group Transportation. I am confident we are the right choice to provide your passengers with safe reliable transportation. My name is Paul Egger, I will be your point of contact for this proposal.

Paul Egger
Vice President, Charter
2713 River Ave
Rosemead, CA 91770
Paul.egger@NELLC.com
714.267.7936

We have over 100 years of experience, and we currently partner with more than 400 school districts and municipalities across the United States. Many municipalities and school districts throughout the country have found that contracting with Durham has enabled them to not only solve their transportation challenges, but to also control costs while maintaining the highest safety standards, service and accountability.

Our customer retention rate is one of the highest in the school bus transportation industry and it didn't happen by chance. We believe our personal attention to our partners' needs, our commitment to safety and our customer service philosophy and practices are the reasons our clients are satisfied. Our proactive approach to superior customer service sets us apart from the rest. Thank you for the opportunity to build a mutually beneficial partnership with you.

Respectfully,



Paul D. Egger
Vices President, Charter

national express. | *charter*

2713 River Ave | Rosemead, CA 91770 | P: 714.267.7936 | Paul.Egger@NELLC.com | durhamcharterservices.com

FULL-SERVICE TRANSPORTATION • ROUTE OPTIMIZATION AND SCHEDULING • SPECIAL NEEDS EXPERTISE • CHARTER BUS SERVICE

**THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF NATURAL AND CULTURAL RESOURCES
REQUEST FOR BID FOR 2024-2025 & 2025-2026 International Group Transportation**

PURPOSE:

The purpose of this bid is to provide all labor, tools, transportation, materials, equipment and permits as necessary to provide the required level of services as described herein. The scope of work shall include the following, at Franconia Notch State Park/Cannon Mountain, Franconia, New Hampshire.

All work shall be completed in a reasonable time frame as mutually agreed upon with agency and vendor. The Vendor shall submit a proposed schedule to the state agency requesting services at each facility at least ten (10) days prior to each period.

Franconia Notch State Park, Cannon Mt Ski Area, The State of New Hampshire, Department of Natural and Cultural Resources, Division of Parks and Recreation, seeks 24/25 & 25/26 International Group Transportation by a licensed company to transport international students to and from lodging properties. Transportation dates include dates from December 2024 through April 2026.

INSTRUCTIONS TO VENDOR:

Read the entire bid invitation prior to filling it out. Complete the pricing information in the "Offer" section (Detailed information on how to fill out the pricing information can be found in the "Offer" section); complete the "Vendor Contact Information" section; and finally, fill out, sign, and notarize page one of the bid invitation.

BID CONTACT:

Name: David Webster
State of New Hampshire
Department of Natural and Cultural Resources Cannon Mountain
Division of Parks and Recreation
260 Tramway Drive
Franconia, New Hampshire 03580
Telephone: 603-823-7722 x721
Email: david.m.webster@dncr.nh.gov

BID SUBMITTAL:

All bids shall be submitted on this form (or an exact copy), shall be typed or clearly printed in ink, and shall be received on or before the date and time specified on page 1 of this bid under "Bid Closing". Interested parties may submit a bid to the State of New Hampshire Department of Natural and Cultural Resources by email to: julianne.boissonneault@dncr.nh.gov. All bids shall be clearly marked with bid number and date due.

BID INQUIRIES:

Any questions, clarifications, and/or requested changes shall be submitted by an individual authorized to commit their organization to the Terms and Conditions of this bid and shall be received in writing at the no later than 2:00 PM on the date listed in the timeline below. Questions shall not be submitted to anyone other than the BID CONTACT or his/her representative. Bidders that submit questions verbally or in writing to any other State entity or State personnel shall be found in violation of this part and may be found non-compliant.

Submissions shall clearly identify the bid Number, the Vendor's name and address and the name of the person submitting the question.

BID DUE DATE:

All bid submissions shall be received at the Department of Natural and Cultural Resources no later than the date and time shown on the transmittal letter of this bid. Submissions received after the date and time specified shall be marked as "Late" and shall not be considered in the evaluation process.

All offers shall remain valid for a period of one hundred eighty (180) days from the bid due date. A vendor's disclosure or distribution of bids other than to DAS, Bureau of Purchase and Property may be grounds for disqualification.

ADDENDA:

In the event it becomes necessary to add to or revise any part of this bid prior to the scheduled submittal date, the NH Bureau of Purchase and Property shall post on our web site any Addenda. Before your submission and periodically prior to the RFB closing, Vendors are required to check the site for any addenda or other materials that may have been issued affecting the bid. The web site address is <https://das.nh.gov/Purchasing/vendorresources.asp>.

TIMELINE:

The timeline below is provided as a general guideline and is subject to change. Unless stated otherwise, consider the dates below a "no later than" date.

5/27/2024 Bid Solicitation distributed on or by
8/23/2024 Last day for questions, clarifications, and/or requested changes to bid
8/30/2024 2:00 PM (EST) **Bid Closing**
12/1/2024 Target Implementation of Contract

TERMS OF SUBMISSION:

All material received in response to this bid shall become the property of the State and shall not be returned to the Vendor. Regardless of the Vendors selected, the State reserves the right to use any information presented in a bid response. The content of each Vendor's bid shall become public information once a contract(s) has been awarded.

A responding bid that has been completed and signed by your representative shall constitute your company's acceptance of all State of New Hampshire terms and conditions and shall legally obligate your company to these terms and conditions.

A signed response further signifies that from the time the bid is published (bid solicitation date and time) until a contract is awarded, no bidder shall offer or give, directly or indirectly, any gift, expense reimbursement, or honorarium, as defined by RSA 15-B, to any elected official, public official, public employee, constitutional official, or family member of any such official or employee who shall select, evaluate, or award the RFB.

Furthermore, a signed response signifies that any terms and/or conditions that may be or have been submitted by the Vendor are specifically null and void and are not a part of this bid invitation or any awarded purchase order, even if said terms and/or conditions contain language to the contrary.

The form P-37 Contract attached hereto shall be part of this bid and the basis for the contract(s). The successful Vendor and the State, following notification, shall promptly execute this contract form, which is to be completed by incorporating the service requirements and price conditions established by the vendor's offer.

Complete bids shall be filled out on the original documents and format that are a part of this bid invitation. Vendors may submit additional paperwork with pricing, but all pricing shall be on the documents provided with this bid invitation and in the State's format.

CONTRACT TERM:

The term of the contract shall commence upon execution by the Commissioner of the Department of Natural and Cultural Resources (December 1, 2024) and shall continue thereafter through (ending date April 30, 2026) upon approval of the Governor and Executive council.

CONTRACT AWARD:

The award shall be made to the Vendor meeting the criteria established in this RFB and providing the lowest cost in total. The State reserves the right to reject any or all bids or any part thereof and add/delete items/locations to the contract. All award(s) shall be, in the form of a State of New Hampshire Contract.

Successful Vendor shall not be allowed to require any other type of order, nor shall the successful Vendor be allowed to require the filling out or signing of any other document by State of New Hampshire personnel.

NOTIFICATION AND AWARD OF CONTRACT(S):

Bid results shall not be given by telephone. For Vendors wishing to attend the bid closing, the names of the vendors submitting responses and pricing shall be made public. Other specific response information shall not be given out. Bid results shall be made public after final approval of the contract(s).

Bid results may also be viewed on our website at <https://das.nh.gov/purchasing>

For Vendors wishing to attend the bid closing: **Names of the Vendors submitting responses and pricing shall be made public. In lieu of in person public bid openings the State shall conduct openings via electronic means until further notice.**

LIABILITY:

The State shall not be held liable for any costs incurred by Vendors in the preparation of bids or for work performed prior to contract issuance.

PUBLIC DISCLOSURE OF BID OR PROPOSAL SUBMISSIONS:

Generally, the full contents of any bid or proposal (including all materials submitted in connection with it, such as attachments, exhibits, addenda, and vendor presentations) become public information upon completion of final contract or purchase order negotiations with the selected vendor. Certain information concerning bids or proposals, including but not limited to pricing or scoring, is generally available to the public even before this time, in accordance with the provisions of NH RSA 21-G: 37.

To the extent consistent with applicable state and federal laws and regulations, as determined by the State, including, but not limited to, NH RSA Chapter 91-A (the "Right-to-Know" Law), the State shall, after final negotiations with the selected vendor are complete, attempt to maintain the confidentiality of portions of a bid or proposal that are clearly and properly marked by a bidder as confidential. Any and all information contained in or connected to a bid or proposal that a bidder considers confidential shall be clearly designated in the following manner:

If the bidder considers any portion of a submission confidential, they shall provide a separate copy of the full and complete document, fully redacting those portions by blacking them out and shall note on the applicable page or pages of the document that the redacted portion or portions are "confidential." Use of any other term or method, such as stating that a document or portion thereof is "proprietary", "not for public use", or "for client's use only", is not acceptable. In addition to providing an additional fully redacted copy of the bid submission to the person listed as the point of contact on Page one (1) of this document, the identified information considered to be confidential must be accompanied by a separate letter stating the rationale for each item designated as confidential. In other words, the letter must specifically state why and under what legal authority each redaction has been made. Submissions which do not conform to these instructions by failing to include a redacted copy (if required), by failing to include a letter specifying the rationale for each redaction, by failing to designate redactions in the manner required by these instructions, or by including redactions which are contrary to these instructions or operative law may be rejected by the State as not conforming to the requirements of the bid or proposal. The State will generally assume that a bid or proposal submitted without an additional redacted copy contains no information which the bidder deems confidential. Bids and proposals which contain no redactions, as well as redacted versions of submissions that have been accepted by the State, may be released to the public, including by means of posting on State web sites.

The State shall have no obligation to maintain the confidentiality of any portion of a bid, proposal or related material, which is not marked in accordance with the foregoing provisions. It is specifically understood and agreed that the bidder waives any claim of confidentiality as to any portion of a response to this RFB or RFP that is not marked as indicated above, and that unmarked (or improperly marked) submissions may be disseminated to any person, without limitation. Marking an entire bid, proposal, attachment or full sections thereof confidential without taking into consideration the public's right to know shall neither be accepted nor honored by the State.

Notwithstanding any provision of this request for submission to the contrary, proposed pricing shall be subject to public disclosure REGARDLESS of whether or not marked as confidential.

If a request is made to the State by any person or entity to view or receive copies of any portion of a proposal and if disclosure is not prohibited under NH RSA 21-G:37 or any other applicable law or regulation, bidders acknowledge and agree that the State may disclose any and all portions of the proposal or related materials which is not marked as confidential. In the case of bids, proposals or related materials that contain portions marked confidential, the State shall assess what information it believes is subject to release; notify the bidder that the request has been made; indicate what, if any, portions of the proposal or related material shall not be released; and notify the bidder of the date it plans to release the materials. The State is not obligated to comply with a bidder's designation regarding confidentiality. The State shall have no obligation to advise a bidder that an individual or entity is attempting to electronically access, or has been referred to, materials which have been made publicly available on the state's web sites.

By submitting a bid or proposal, the bidder agrees that unless it obtains and provides to the State, prior to the date specified in the notice described in the paragraph above, a court order valid and enforceable in the State of New Hampshire, at its sole expense, enjoining the release of the requested information, the State may release the information on the date specified in the notice without any liability to the bidder.

Notwithstanding NH RSA 91-A:4, no information shall be available to the public, or to the members of the general court or its staff concerning specific responses to this bid invitation from the time this bid is published until the closing date for responses.

TERMINATION:

The State of New Hampshire shall have the right to terminate the contract at any time with written notice to the successful Vendor a thirty (30) day written notice.

VENDOR CERTIFICATIONS:

All Vendors shall be duly registered with the NH Bureau of Purchase and Property as State of New Hampshire vendors. All Vendors that are corporations, limited liability companies, or other limited liability business entities (this excludes sole proprietors and general partnerships) shall be duly registered with the New Hampshire Secretary of State to conduct business in the State of New Hampshire.

- **STATE OF NEW HAMPSHIRE VENDOR APPLICATION:** To be eligible for a contract award, a Vendor must have a completed Vendor Application Package on file with the NH Bureau of Purchase and Property. See the following website for information on obtaining and filing the required forms (no fee): <https://DAS.NH.Gov/Purchasing>
- **NEW HAMPSHIRE SECRETARY OF STATE REGISTRATION:** To be eligible for a contract award, a Vendor that is a corporation, limited liability company, or other limited liability business entity (this excludes sole proprietors and general partnerships) must be registered to conduct business in the State of New Hampshire AND in good standing with the NH Secretary of State. Please visit the following website to Find out more about the requirements for registration with the NH Secretary of State: http://sos.nh.gov/Corp_Div.aspx
- **CONFIDENTIALITY & CRIMINAL RECORD:** If Applicable, any employee or approved subcontractor of the Vendor who will be accessing or working with records of the State of New Hampshire shall be required to sign a Confidentiality and Non-Disclosure Agreement and a Release of Criminal Record Authorization Form. These forms shall be returned to the designated State agency prior to commencing any work.
- **CERTIFICATE OF INSURANCE:**
Prior to being awarded a contract the Vendor shall be required to submit proof of comprehensive general liability insurance coverage prior to performing any services for the State. The coverage shall insure against all claims of bodily injury, death or property damage in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate. Coverage shall also include State of New Hampshire workers' compensation insurance to the extent required by RSA Chapter 281-A.

BID PRICES:

Bid prices shall remain firm for the entire contract period and shall be in US dollars and shall include delivery and all other costs required by this bid invitation. Special charges, surcharges (including credit card transaction

fees), or fuel charges of any kind (by whatever name) may not be added on at any time. Any and all charges shall be built into your bid price at the time of the bid. Unless otherwise specified, prices shall be F.O.B. DESTINATION, (included in the price bid), which means delivered to a state agency's receiving dock or other designated point as specified in this contract or subsequent purchase orders without additional charge. Shipments shall be made in order to arrive at the destination at a satisfactory time for unloading during receiving hours

Per Administrative Rule 606.01(e) "if there is a discrepancy between the unit price and the extension price in a response to an RFP, RFB or RFQ, the unit price shall be binding upon the vendor"

Price decreases shall become effective immediately as they become effective to the general trade or the Vendor's best/preferred customer

AUDITS AND ACCOUNTING:

The successful Vendor shall allow representatives of the State of New Hampshire to have complete access to all records for the purpose of determining compliance with the terms and conditions of this bid invitation and in determining the award and for monitoring any resulting contract.

At intervals during the contract term, and prior to the termination of the contract, the successful Vendor may be required to provide a complete and accurate accounting of all products and quantities ordered by each agency and institution and by political sub-divisions and authorized non-profit organizations

ESTABLISHMENT OF ACCOUNTS:

Each State of New Hampshire agency shall have its own individual customer account number. There may also be instances where divisions or bureaus within an agency will need their own individual customer account numbers. Should any State of New Hampshire agency place an order under the contract, the successful Vendor agrees to establish an account within three business days from the date the order is placed. However, there shall be no delay in any shipment, the agency shall receive the items ordered in accordance with the delivery time required under the "Delivery Time" section of this bid invitation, as if an account already exists for the agency.

PAYMENT:

Payment may be made via ACH. Use the following link to enroll with the State Treasury for ACH payments: <https://www.nh.gov/treasury/state-vendors/index.htm>

INVOICING:

Invoices shall be submitted on a monthly basis to the requesting agency. Payment shall be paid in full within thirty (30) days after receipt of invoice and acceptance to the State's satisfaction.

VENDOR RESPONSIBILITY:

The successful Vendor shall be solely responsible for meeting all terms and conditions specified in the bid, and any resulting contract.

All State of New Hampshire bid invitations and addenda to these bid invitations are advertised on our website at: <https://das.nh.gov/Purchasing/vendorresources.asp>.

It is a prospective Vendor's responsibility to access the website to determine any bid invitation under which they participate. It is also the Vendor(s)'s responsibility to access the website for any posted addendum.

The website is updated several times per day; it is the responsibility of the prospective Vendor to access the website frequently to ensure that no bidding opportunity or addendum is overlooked.

It is the prospective Vendor's responsibility to forward a signed copy of any addendum requiring the Vendor's signature to the Bureau of Purchase and Property with the bid response.

In preparation of a bid response, the prospective Vendor shall:

- Provide pricing information as indicated in the "Offer" section; and
- Provide all other information required for the bid response (if applicable); and
- Complete the "Vendor Contact Information" section; and
- Add applicable prospective Vendor information to the "Transmittal Letter" form, and sign the form in the space provided. The Transmittal Letter form must be signed under oath and acknowledged by a notary public or justice of the peace in order for the bid response to be considered.

IF AWARDED A CONTRACT:

The successful Vendor shall complete the following sections of the attached Agreement State of New Hampshire Form #P-37:

- Section 1.3 Contractor Name
- Section 1.4 Contractor Address
- Section 1.11 Contractor Signature
- Section 1.12 Name & Title of Contractor Signatory (if Vendor is not a sole proprietor)

- Provide certificate of insurance indicating the coverage amounts required by Section 14 of the Form Number P-37.
- Provide proof of sufficient workers' compensation insurance coverage or evidence of exemption from RSA Chapter 81-A.
- If the successful Vendor is a corporation, limited liability company, or other limited liability business entity, then provide a certificate of good standing issued by the NH Secretary of State or, for a newly incorporated, formed, or registered entity, a copy of the appropriate registration document certified by the NH Secretary of State.

Per Day Per Vehicle/Bus Fee:

SPECIFICATIONS:

Complete specifications required are detailed in the **SCOPE OF SERVICES** section of this bid invitation. In responding to the bid invitation, the prospective Vendor shall address all requirements for information as outlined herein.

SITE VISITATION:

Prior to bidding, it is each Vendor's responsibility to become thoroughly familiar with the sites of the intended service, to determine everything necessary to accomplish the services. Failure of the Vendor to make a site visit does not relieve the Vendor of responsibility to fully understand what is necessary to accomplish a successful and complete annual maintenance agreement.

Franconia Notch State Park, Cannon Mt Ski Area, The State of New Hampshire, Department of Natural and Cultural Resources, Division of Parks and Recreation, seeks 24/25 & 25/26 International Group Transportation by a licensed company to transport international students to and from lodging properties. Transportation dates include dates from December 2024 through April 2026.

Background

Cannon Mountain is looking for a bus or transportation company to transport international students to and from Cannon Mountain and their respective lodging property (locations include: Franconia, Linwood and Mt. Washington Valley areas). Prospective vendors should be available for morning pick-ups, ranging in time from 7 a.m. to 10 a.m. and afternoon pick-ups, ranging from 1 p.m. to 4:30 p.m. during the 2024-2025 & 2025-2026 seasons or December 2024 through April 2026 with the ability to make 110 trips each winter.

Scope of Services

1. Vendor must be able to transfer more than one school from more than one location or property on any given day, regardless of holidays.
2. Pick-up times generally include times between 7:00 a.m. to 10:00 a.m. and 1:00 p.m. to 4:30 p.m. Vendor must be flexible with times to accommodate varying situations at the resort and lodging properties.
3. Pick-up and drop-off locations are generally from the Linwood/Franconia NH area and the Mt. Washington Valley area.
4. Vendor must have the ability to transport a minimum of 15 passengers and a maximum of 200 passengers (per school) with as few transportation vehicles/busses as possible, per requests made on the Function Sheet.
5. Vendor shall send scheduled number of buses as what's requested and confirmed on Function Sheets. Vendor shall not send one bus to do two trips unless previously confirmed. In emergency situations where second or third bus is unable to make a trip, Vendor may request a bus to do more than one trip for a group to transport to or from lodging property or Cannon to remain in accordance with pick-up and drop-off times.
6. Requested and confirmed number of buses will be sent via a Function Sheet; sent a month prior to a group's arrival. Vendor shall not assume a group is confirmed or the number of buses until the final Function Sheet has been received. Vendor must abide by most recently submitted function sheet by the State of New Hampshire.
7. Vendor buses shall be able accommodate a maximum of 56 people per bus.
8. The relative cost must include a per-day, per-vehicle/bus fee (both a.m. and p.m. trips); hourly rate will not be accepted.

9. Vendor, when requested, shall transport equipment on vehicles/busses both to and from Cannon and respective lodging properties.
10. Dates of transportation required: December 2024 through April 2026 during the winter operating seasons.

Preferred Experience

1. Prior experience in transporting students, groups and winter equipment.
2. In-depth knowledge of North Country lodging properties, as well as relative driving conditions during the winter months.
3. Required licensing to operate charter bus/school bus/etc.

Project Budget

The Budget for this project is fixed and may not exceed contracted amount unless approved by Cannon Mt management. The bidder shall agree that the budget is firm and shall remain so throughout the performance of work.

All services performed under this Contract(s) shall be performed between the hours of 7:00 A.M. and 6:00 P.M. unless other arrangements are made in advance with the State. Any deviation in work hours shall be pre-approved by the Contracting Officer. The State requires ten-day advance knowledge of said work schedules to provide security and access to respective work areas. No premium charges shall be paid for any off-hour work.

The Vendor shall not commence work until a conference is held with each agency, at which representatives of the Vendor and the State are present. The conference shall be arranged by the requesting agency (State).

The State shall require correction of defective work or damages to any part of a building or its appurtenances when caused by the Vendor's employees, equipment or supplies. The Vendor shall replace in satisfactory condition all defective work and damages rendered thereby or any other damages incurred. Upon failure of the Vendor to proceed promptly with the necessary corrections, the State may withhold any amount necessary to correct all defective work or damages from payments to the Vendor.

The work staff shall consist of qualified persons completely familiar with the products and equipment they shall use. The Contracting Officer may require the Vendor to dismiss from the work such employees as deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed to be contrary to the public interest or inconsistent with the best interest of security and the State.

The Vendor or their personnel shall not represent themselves as employees or agents of the State. While on State property, employees shall be subject to the control of the State, but under no circumstances shall such persons be deemed to be employees of the State.

All personnel shall observe all regulations or special restrictions in effect at the State Agency.

The Vendor's personnel shall be allowed only in areas where services are being performed. The use of State telephones is prohibited.

If sub-contractors are to be utilized, please include information regarding the proposed sub-contractors including the name of the company, their address, contact person and three references for clients they are currently servicing. Approval by the State must be received prior to a sub-contractor starting any work.

OBLIGATIONS AND LIABILITY OF THE VENDOR:

The successful vendor shall perform all the work and furnish all the materials, tools, equipment and safety devices necessary to perform in the manner and within the time hereinafter specified. Vendor shall complete the entire work to the satisfaction of the State and in accordance with the specifications herein mentioned, at the price herein agreed upon and fixed therefore. All the work, labor and equipment to be done and furnished under this contract(s), shall be done and furnished strictly pursuant to, and in conformity with the specifications described herein, and the directions of the State representatives as given from time to time during the progress of the work, under the terms of this contract(s) and also in accordance with contract drawings.

The successful Vendor shall take full responsibility for the work to be performed pursuant to the Scope of Services included herein; for the protection of said work; and for preventing injuries to persons and damage to property and utilities on or about said work. The Vendor shall in no way be relieved of such responsibility by any authority of the State to give permission or issue orders relating to any part of the work, by any such permission given or orders issued, or by any failure of the State to give such permission or issue such orders. The successful Vendor shall bear all losses accruing to the Vendor as a result of the amount, quality, or character of the work required, or because the nature or characteristics of the work location is different from what the Vendor estimated or expected, or due to delays or other complications caused by the weather, elements, or other natural causes.

OFFER:

Vendor hereby offers to provide the services to the State of New Hampshire as specified at the prices quoted below. In complete accordance with general and detailed specifications included herewith.

COST:

While we may be able to accommodate earlier requests on a case-by-case basis, we expect our Monday-Friday availability to begin at 8:15am for morning transportation and 3:45pm for afternoon needs.

Description

Transport International Groups during the 2024-2025 & 2025-2026 seasons to and from Cannon Mountain and their respective lodging locations. \$ See Below

	2024/25	2025/26
Per Day, Per Vehicle/Bus Fee:	\$303.00	\$314.57
Estimate based on 110 Trips:	\$33,330.00	\$34,602.70

VENDOR CONTACT INFORMATION:

Please provide contact information below for a person knowledgeable of and who can answer questions regarding, this bid response.

<u>Paul D. Egger</u>	<u>714-267-7936</u>	<u>N/A</u>
Contact Person	Local Telephone Number	Toll Free Telephone Number
<u>N/A</u>	<u>paul.egger@nellc.com</u>	<u>www.durhamschoolservices.com</u>
Fax Number	E-mail Address	Company Website
<u>Durham School Services, L.P.</u>	<u>2601 Navistar Drive, Lisle, Illinois 60532</u>	
Vendor Company Name	Vendor Address	

I certify the accuracy of this information:


 By: Durham Holding II, L.L.C.,
 its General Partner

 Signature of Contact Person

8/23/2024

Date

Note: To be considered, bid shall be signed and notarized on front cover sheet in the space provided.

STATE OF NEW HAMPSHIRE BID TRANSMITTAL LETTER

Date: 8/23/2024
Bid No: RFB DNCR 2024-09
Date of Bid Closing: 8/30/2024
Time of Bid Closing: 2:00PM

To: Point of Contact: David Webster
Telephone: 603-823-8800 EXT 721
Email: david.m.webster@dncr.nh.gov

Durham School Services, L.P.
Company Name:
Address: 2601 Navistar Drive
Liste, Illinois 60532
Telephone: 714-267-7936
Email: paul.egger@nelc.com

[Insert name of signor] Paul Egger, on behalf of [insert Durham School Services, L.P. name of entity submitting bid (collectively referred to as "Vendor") hereby submits an offer as contained in the written bid submitted herewith ("Bid") to the State of New Hampshire in response to the 2024/25 and 2025/26 International Group Transportation at the price(s) quoted herein in complete accordance with the bid.

Vendor attests to the fact that:

- 1. The Vendor has reviewed and agreed to be bound by the Bid.
2. The Vendor has not altered any of the language or other provisions contained in the Bid document.
3. The Bid is effective for a period of 180 days from the Bid Opening date as indicated above.
4. The prices Vendor has quoted in the Bid were established without collusion with other vendors.
5. The Vendor has read and fully understands this Bid.
6. Further, in accordance with RSA 21-I:11-c, the undersigned Vendor certifies that neither the Vendor nor any of its subsidiaries, affiliates or principal officers (principal officers refers to individuals with management responsibility for the entity or association):
a. Has, within the past 2 years, been convicted of, or pleaded guilty to, a violation of RSA 356:2, RSA 356:4, or any state or federal law or county or municipal ordinance prohibiting specified bidding practices, or involving antitrust violations, which has not been annulled;
b. Has been prohibited, either permanently or temporarily, from participating in any public works project pursuant to RSA 638:20;
c. Has previously provided false, deceptive, or fraudulent information on a vendor code number application form, or any other document submitted to the state of New Hampshire, which information was not corrected as of the time of the filing a bid, proposal, or quotation;
d. Is currently debarred from performing work on any project of the federal government or the government of any state;
e. Has, within the past 2 years, failed to cure a default on any contract with the federal government or the government of any state;
f. Is presently subject to any order of the department of labor, the department of employment security, or any other state department, agency, board, or commission, finding that the applicant is not in compliance with the requirements of the laws or rules that the department, agency, board, or commission is charged with implementing;
g. Is presently subject to any sanction or penalty finally issued by the department of labor, the department of employment security, or any other state department, agency, board, or commission, which sanction or penalty has not been fully discharged or fulfilled;
h. Is currently serving a sentence or is subject to a continuing or unfulfilled penalty for any crime or violation noted in this section;
i. Has failed or neglected to advise the division of any conviction, plea of guilty, or finding relative to any crime or violation noted in this section, or of any debarment, within 30 days of such conviction, plea, finding, or debarment; or
j. Has been placed on the debarred parties list described in RSA 21-I:11-c within the past year.

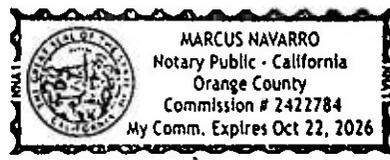
Please note availability constraints.

This document shall be signed by a person who is authorized to legally obligate the responding vendor. A signature on this document indicates that all State of New Hampshire terms and conditions are accepted by the responding vendor and that any and all other terms and conditions submitted by the responding vendor are null and void, even if such terms and conditions have terminology to the contrary. The responding vendor shall also be subject to State of New Hampshire terms and conditions as stated on the reverse of the purchase order.

Authorized Signor's Signature [Signature] By: Durham Holding II, L.L.C., Its General Partner Authorized Signor's Title Vice President, Charter

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

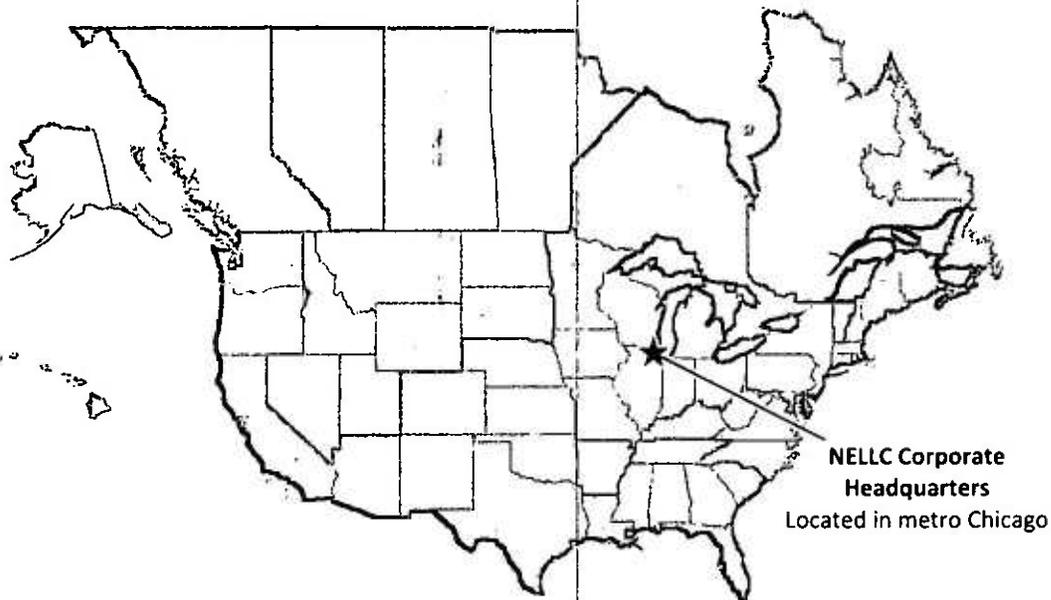
State of California, County of Orange
Subscribed and sworn to (or affirmed) before me
on this 26th day of August, 2024.
by Paul Egger
proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.
Signature: [Signature]



Company Overview

Durham School Services can trace its history back to a three-bus company started in 1917 in the San Gabriel Valley of California, providing student transportation service to the Rosemead School District, a community we still serve today. In its early years, Durham concentrated in special education transportation. This specialization has helped us to nurture a unique commitment to quality service that remains throughout our company today.

Headquartered in Lisle, Illinois, Durham School Services is part of the school bus transportation division of National Express LLC (NELLC). National Express Group (NEG) is our parent company and is located in the United Kingdom.



With combined resources, our organization operates more than 15,500 school buses, employs more than 19,500 people, and serves more than 400 school districts in 30 states and three provinces.

Our Company's Vision and Values

VISION

Our vision is to deliver service excellence to earn the partnership, loyalty and trust of our customers and employees.



VALUES

Durham School Services is pleased to have the opportunity to partner with your district; we are committed to serve you safely and to provide the personal attention you need for successful transportation services. Our operations focus on our five core values: *Safety, Customer, People, Community and Excellence.*

Safety

Safety Performance

No one takes safety more seriously than we do; our goal is zero accidents. With collaborative support from our employees, we have created a safer atmosphere by encouraging open discussions on safety concerns and by hiring strong managers who make sure employees have the appropriate training and equipment to safely perform their jobs.

Safety

We only do what is safe and stop any unsafe behaviour.



Customers

Retention

Our customer retention rate is one of the highest in the school bus transportation industry; we're proud to have maintained a high level for the past several years. We believe our personal attention to our district partners' needs, our commitment to safety, and our customer service philosophy and practices are just some of the reasons our customers are so satisfied with us.

Customers

We place them at the heart of our business and relentlessly meet their expectations.



Exceptional Customer Service

Our vision is to earn the lifetime loyalty of each district by delivering safe, high quality, passenger transport services.

We will work closely with you and are always open to suggestions to ensure your program is the best it can be. Our goal is to deliver a smooth and seamless partnership between your district and Durham School Services.

People

We Are a People Business

From the students and passengers we transport safely every day to our outstanding team members making a difference in the communities where we live and work, it's all about people.

Enjoy the Ride Program

We know how important our people are to the success of our organization. Our employee relations program, *Enjoy the Ride*, was designed to acknowledge the effort and contribution employees make to our company every day.

Employee Diversity

Our company has a long history of employing a diverse workforce. Our focus is treating people with trust and respect and never tolerating discriminatory behavior. Through our equal employment opportunity policy and management training program, managers and supervisors are well versed in our zero tolerance nondiscrimination policies.

Community

Communications and Social Media

POSITIVE DISTRICT RELATIONS

Our communications department works closely with districts to publicize important news affecting local school bus services. We are responsive to newspaper, radio and television media, and have a history of success at improving the public image of school bus transportation.

SUPPORTING YOUR DISTRICT'S EVENTS

We look forward to supporting your district's community events and district projects. Our community involvement includes donating buses, collecting goods for families in need and active participation in local charity events in your community.

People

We develop the talents, reward the exceptional performance and respect the rights of all our employees.



Community

We are active in the communities we serve to generate economic, social and environmental value.



SOCIAL MEDIA

We understand the importance of social media and the expectation for company information to be available online and in real-time. We encourage district administrators, parents, employees and the community to join us to learn about job fairs, community events, awards and employee recognition programs.



Facebook: www.facebook.com/DurhamSchoolServices



LinkedIn: <http://www.linkedin.com/company/durham-school-services>



Twitter: @DurhamSchoolSvc



YouTube: <http://www.youtube.com/user/DurhamSchoolServices>



Instagram: https://instagram.com/durham_school_services/



Website: www.durhamschoolservices.com

Community Diversity

MINORITY BUSINESS ENTERPRISE PARTICIPATION

Our company is proud to support local minority-owned businesses and vendors. We will, in good faith, continue to support minority businesses within your community.

Excellence

As part of our commitment to excellence and continuously increase our value offering to our customers and employees, we have a dedicated organization focused on driving efficiencies throughout our organization, embed best practices and sustain a culture of innovation. Our management operating system incorporates lean and six sigma methodologies to constantly identify and eliminate barriers to performance excellence and empower our employees to provide the best in class service to our customers.

Excellence

We constantly strive to be excellent in all that we do.



Taking Maintenance Excellence to the Next Level

Maintenance technicians are a critical part of our mission to **getting children to school safely, on time and ready to learn**. Providing safe student transportation starts with putting safe vehicles on the road. To foster excellence in its maintenance operations, we

Company Overview

support our maintenance professionals who work to achieve master technician certification by the National Institute for Automotive Service Excellence (ASE), an independent, non-profit organization that works to improve the quality of vehicle repair and service by testing and certifying repair and service professionals.



As we continue on the path to excellence, our maintenance teams are taking the extra steps towards becoming “the best of the best” by earning their ASE. Individual maintenance technicians across our organization have put in the hard work and dedication to complete a series of rigorous tests, ranging from body systems and diesel engines to suspension and steering, to earn ASE master certification. In addition to earning master certification, their respective maintenance shops went even further to achieve ASE Blue Seal of Excellence – the ultimate recognition from ASE. At least 75 percent of technicians performing diagnosis and repairs at our customer service centers must be ASE certified in order to qualify for the ASE Blue Seal of Excellence Recognition Program. Each area of service offered in the maintenance shop must be covered by at least one ASE-certified technician.

Illinois Performance Excellence Center (ILPEX) for Commitment to Excellence

2016 AND 2015 BRONZE AWARDS



National Express LLC was selected for this award based on our demonstrated commitment to excellence and our pursuit of continuous improvement. This recognition is especially meaningful as organizations can take many years to achieve this honor. In the beginning of November 2015, a team of assessors spent an entire week in our corporate headquarters and also visited our Aurora, Lake Villa and Carpentersville customer service centers, speaking to over 100 team members. During the visit, the assessing team dug into the details of our business and assessed the extent to which we demonstrate excellence; our business was assessed using the Malcolm Baldrige Criteria for excellence.

The ILPEX assessment was a review of our organization’s continuous improvement efforts. This recognition not only confirms our improvement from 2011 to 2016 but validates the journey to excellence that we continue to travel.

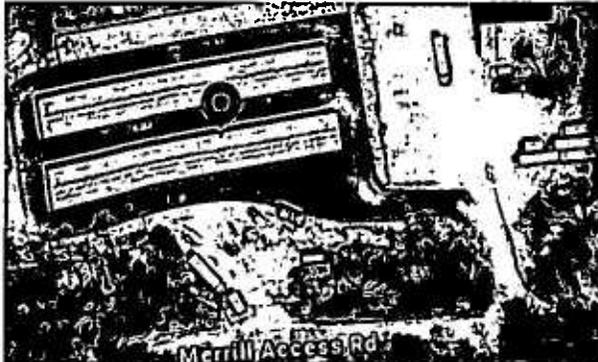


Service Overview

Durham's experienced local operations team will handle day-to-day operations of requested service as they have for prior years.

All our buses are School Buses. While we may be able to accommodate earlier requests on a case-by-case basis, we expect our availability to begin at 8:15am for morning transportation and 3:45pm for afternoon needs.

Durham School Services is committed to providing you with safe and reliable transportation for your students and passengers, we understand the importance of partnering with an experienced, dependable, and consistent transportation provider.



Durham School Services, L.P.
22 Merrill Access Rd
Thornton, NH 03285



School Bus Transportation



Availability

Given our proximity to the service area, our existing fleet of school buses, and prior experience servicing this work, we are very confident in our ability to continue to provide service.

However, as our primary business is student transportation, our availability Monday through Friday for morning requests may be limited to those scheduled after 8:15am and to requests scheduled after 3:45pm for afternoon requests. We may be able to accommodate earlier times, however we feel best if we work on those requests on a case-by-case basis as the requests are made.

School Bus Transportation

Our Safety Culture

There is nothing more important to us than safety, one of our core values. Our safety statistics are the result of a rigorous safety culture. Through effective employee screening, continuous training, the use of prevention tools and communicating daily safety messages to our employees, we continually strive to improve our safety performance.

An effective safety program must encompass all aspects of transportation, including operations, training, maintenance, and administration, while remaining focused on people, students, employees and the public. Our number one responsibility is to protect against harm and to give our customers the confidence that we will provide safe and reliable service every day. Our combined safety and training programs are the tools and resources we use to provide continual safe and efficient operations.



Nothing is more
important than student
safety.

Our safety program components are as follows:

- ☐ Employee screening
 - Drug and alcohol testing
 - Physical
 - Background check
 - Fingerprinting (as required by state)
 - Motor vehicle report
- ☐ Employee safety inventory (ESI) assessment
- ☐ Tools and technology
 - Electronic child check
 - Global positioning satellite (GPS)
 - Electronic vehicle inspections

- Interior systems
- Student tracking
- ☞ Training
 - Onboarding
 - Ongoing driver, monitor and technician training
- ☞ **Driving Out Harm** 12-step program
- ☞ OSHA compliance
- ☞ Self-audits
- ☞ National affiliations
- ☞ Emergency evacuations

OUR PREVENTION TOOLS AND TRAINING

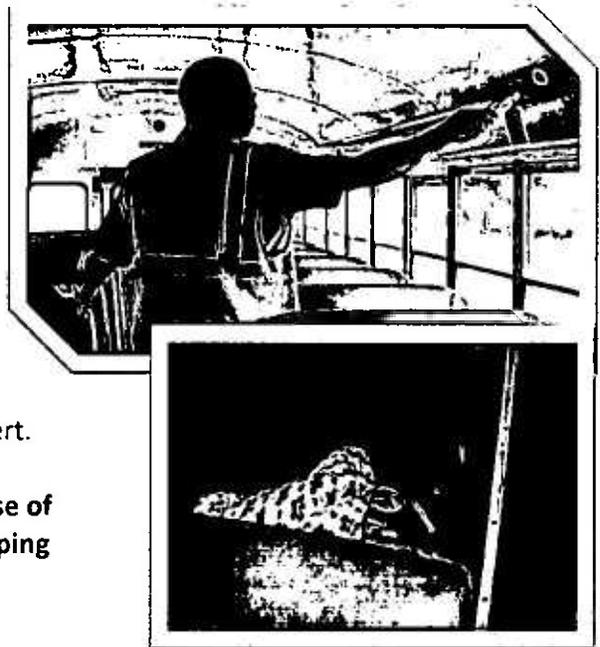
We use prevention tools, strategy technology, and extensive training on accident and incident prevention to help develop the right employee behaviors.

Electronic Child Check

Drivers and bus monitors must complete a thorough check for sleeping children on the bus at the end of each route and prior to leaving the bus at any time. Each driver and monitor must sign a pledge committing to this responsibility. Failure to comply with this policy will lead to disciplinary action; if a child is left unattended, the driver and bus monitor (if present) will be terminated.

To ensure compliance with this policy, our buses are equipped with Child Check-Mate, an electronic child check system from Zonar® that includes an RFID tag in three locations inside the bus to certify that drivers conduct mandatory child checks at the end of each route. If the check is not completed, the lights and horn on the bus are activated as an alert.

Our child check policy and the use of Zonar® helped discover 222 sleeping children last school year.



GPS

GPS technology provides real time tracking of bus location, direction, and speed. It captures any travel variances from the planned route to actual, while storing the data for review. In addition, GPS systems track idling and provide reports such as on time performance and excessive speed. With near real-time information readily available, we are able to locate buses, re-route or guide around road conditions, and provide solutions to other issues that may arise.

EVIR System

By law, each driver must complete a safety inspection, or daily pre-trip, before leaving the yard. Using our electronic vehicle inspection report (EVIR) system, drivers are required to inspect the 13 check zones for any deficiencies the bus may have. The EVIR system records the inspection results and transmits the information to the maintenance shop for appropriate action.

Prevention Training

LLLC Defensive Driving™

The LLLC (Look ahead, Look around, Leave room, Communicate) defensive driving principles are tools drivers learn to avoid accidents and to be prepared for various traffic situations. These principles help to maintain a safe amount of room around the vehicle, improve visibility and provide extra time to make decisions while driving.

Student Management Training and Bus Safety Training

Some of the most important aspects of our training program are student behavior management and student safety training. For the safety of all passengers and any interaction we may have with the public, our drivers are trained to deal with problematic behavior that may put others at harm. We offer safety training for students including the bus' "Danger Zone," emergency evacuations and safe riding procedures.

Please refer to our employee training section of our *Hiring, Training and Retention* tab for further details on our bus safety and student discipline principles.

OUR COMPANY'S DRIVING OUT HARM PROGRAM

Driving Out Harm is our principal safety program. It aims to educate all employees on how important it is to drive out all risks of harm to our customers, employees and others affected by our business. We are all leaders in safety at Durham and have personal responsibility for safety in the workforce and safety on the roads. Through our **12 Global Standards**, we identify all national and local requirements, appropriate levels of management and supervision, and expect all levels of personnel to manage our health and safety policies. We feel confident that our program is a significant distinction from all other school bus providers and is an ideal fit for your district's expectations.



1

Competence and Fitness of Bus Drivers

We believe the most important risk control is the competence of our drivers.

Our minimum standards include:

- ☐ Driver selection and recruitment qualifications
- ☐ Core skills training
- ☐ Competence assessment
- ☐ Physical capabilities and drug and alcohol testing
- ☐ Refresher training
- ☐ Monitoring
- ☐ Defensive driving
- ☐ Pre- and post-trip inspections and recordkeeping

2

Competence and Fitness of Maintenance Staff

Our maintenance personnel also play a critical role in the safety of our operations.

Our minimum standards include:

- Selection and recruitment for high performing maintenance personnel
- Maintaining work competence through training and management
- Maintaining physical fitness to safely perform the job
- Identifying activities which have potential to affect safety
- Recordkeeping

3

Competence and Fitness of Other Staff Personnel

All managers and supervisors have a role in leading safety, as well as a personal responsibility to act and work safely.

Minimum requirements for management and other supervisor personnel include:

- Hiring and placement
- Training
- Competence management
- Physical fitness to perform minimum duties
- Recordkeeping

DRIVING OUT HARM: EMPLOYEE'S GOLDEN RULES

We believe each staff member is a leader in safety regardless of title. Managers are responsible for reminding staff of the rules that have the most important impact on risk control associated with their roles in company and personal safety.

Separate rules have been assigned to drivers, maintenance staff and operations staff. Each employee is given a pledge card of their Golden Rules.

This program:

- ☐ Aims to ensure that **safety is always front of mind** so that we achieve a safety record which is **best in class** among transport operators.
- ☐ Our aim is to **drive out all risks of harm** to our customers, our colleagues and others affected by our business.



4

Drugs and Alcohol

Our drug and alcohol standard requires screening personnel in safety sensitive positions up to, and including senior management. Every employee is tested prior to employment, following incidents or accidents, and we also conduct DOT random drug screens.

5

Safety of Vehicles - Buses

Maintenance and procurement personnel are responsible for all vehicle specification standards and safety requirements. Maintenance policies require compliance with all manufacturers' specifications and other federal, state or local standards. Safety requirements also include route risk or emergency procedures associated with any danger that may cause harm to students, drivers and monitors, and any member of the public with who we may be in contact.

MAINTENANCE OEM STANDARDS

We use well-known, qualified original equipment manufacturer ("OEM") vendors whose industry standards surpass many federal, state and local regulations. We work with OEM vendors such as Bridgestone, Goodyear, Interstate Battery and ArvinMeritor for our parts inventory, ensuring that we use the very best equipment for our vehicles.

EMERGENCY ACTION PLAN AND INCLEMENT WEATHER

The emergency action plan is designed to ensure employee safety from security threats, fires, natural disasters and other emergencies. Our safety response guide is used as a reference for local management to address these types of emergencies. Each location is responsible for completing an emergency action plan training guide to address situations specific to their location.

Examples of location plans may include:

- Fire
- Bloodborne pathogens
- Mechanical breakdowns
- Bomb threats
- Crime in progress
- Inclement weather

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Safety of Premises (Workplace)

Our employees, visitors and contractors have the right to work in a safe and well-managed environment. All potential hazards must be identified, recorded and risk controls implemented to eliminate or reduce risk.

We require monthly facility inspections and risk assessments are made for:

- ☐ Design layout and modifications to premises
- ☐ Fire safety equipment
- ☐ Exit routes
- ☐ Working at heights
- ☐ Slips, trips and falls
- ☐ Fuel storage and other hazardous materials
- ☐ Personal protective equipment (PPE)
- ☐ Safety inspections

DESIGN, LAYOUT AND MODIFICATION OF PREMISES

The following risks must be assessed, recorded and inspected for our premises.

- ☐ Pedestrians and vehicles must be segregated using designated walking routes. This includes the use of one-way systems, minimizing reversing moves, and design of parking arrangements such that people and vehicles are segregated where possible.
- ☐ Operational areas must be visibly designated with signs.
- ☐ Walkways must be marked and used within all operational areas and kept clear of tripping or slipping hazards.
- ☐ Maintenance areas must be clearly designated with signs.
- ☐ All low ceilings, beams and objects must be visibly marked.
- ☐ Fire exits must be clearly marked, safe and hazard free exit routes must exist, and fire safety equipment must be located in a suitable place.

TOOL AND EQUIPMENT MAINTENANCE

Defective tools can cause injuries. It is vital that workers properly use the tools and equipment, and that the tools and equipment are

properly inspected, maintained, not altered or modified in any way, and kept in good repair. To ensure safe use of hand tools, our employees are trained to never use a defective tool, to inspect all tools prior to use, and to ensure defective tools are repaired or discarded. Air, gasoline or electric power tools require skill and the operators' complete attention, even when they are in good condition.

STORAGE AND HANDLING OF HAZARDOUS SUBSTANCES

- ☐ Risks associated with the storage and handling of all hazardous substances must be carefully controlled. This applies to all of our premises – maintenance shops, parking lots and office buildings. The control of such substances is subject to federal and state regulations; compliance is mandatory. Hazardous substances can be solids, liquids, gases, fumes or dust that can cause harm to people; including substances that are flammable, explosive, corrosive, toxic or that can otherwise cause ill health or harm.

Examples of hazardous substances we monitor are:

- ☐ Fuel (diesel, petrol, LPG)
- ☐ Acetylene cylinders
- ☐ Oil and other lubricants
- ☐ Glues, inks and detergents
- ☐ Cleaning products (bleach, toilet cleaner and polishes)
- ☐ Dirty water (e.g., in pits and drains)
- ☐ Paints and varnishes
- ☐ Fumes from engines
- ☐ Fumes from welding
- ☐ Dust from cutting

The following procedure for storage and use of hazardous substances must be followed: identify hazardous substances, identify the tasks that use these substances and how employees might be exposed to hazards from them, reduce potential exposure, and check and maintain hazardous substances.

HAZARD COMMUNICATION PROGRAM (HAZCOM)

Our hazard communication program complies with OSHA's five key elements:

- ☞ **Hazardous material inventory** – Maintaining a list of all hazardous materials on hand.
- ☞ **Safety data sheets (SDS)** – SDS collected and maintained for all hazardous substances used or stored at the facility.
- ☞ **Labeling** – Labeling hazardous materials in order to identify the material and warn of its potential hazard to employees.
- ☞ **Training** – Training employees to identify and work safely with hazardous materials.
- ☞ **Written program** – A written program developed encompassing all of the items noted above.

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Risk Assessment

Risk assessments are an essential part of how we manage safety in all of our activities; it allows us to understand the potential for harm arising from these activities and to plan and implement effective controls to minimize harm to all employees, passengers and members of the public.

ROUTE RISK ASSESSMENT

Route risk assessments are designed to identify locations on the route where particular hazards exist, or specific times where hazards may be more likely to arise. The risks identified on this assessment are used to implement risk reduction controls.

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Personal Protective Equipment (PPE)

All employees are required to be equipped with PPE, including eye protection, ear plugs, protective clothing and high visibility vests to be worn in assigned areas (designated by posted signs).

HIGH VISIBILITY APPAREL

High risk locations such as parking areas and maintenance shops have the potential to become hazardous. Risk levels increase in times of limited daylight and adverse weather. We require the use

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of high visibility clothing in an effort to protect our employees and visitors.

Accident and Incident Investigation

Reporting of accidents and incidents and an effective investigation process are vital to determine the causes and to identify controls to prevent recurrence. We are staffed with professionals who conduct investigations, reporting, data analysis and recordkeeping.

ACCIDENT AND INCIDENT REPORTING

Timely and accurate reporting of all accidents and incidents is critical. Reports contain structured and completed information for each accident to allow comparisons, metrics and identification of trends during the review process. Compliance with relevant legal requirements for accident and incident reporting to external bodies, e.g., regulators, insurers, etc. is mandatory.

ACCIDENT AND INCIDENT INVESTIGATION

Our effective accident or incident investigations follow a defined process and are led by our experienced safety and legal/risk management team. If a major accident or incident occurs, we comply with statutory regulations that require a formal investigation.

ALLOCATION OF ACCIDENT INVESTIGATION RESOURCES

The legal/risk management department will direct whether the following resources will be dispatched for investigation, depending on federal, state and local regulations in conjunction with our own accident investigation level procedures.

- ☐ Senior management may go to the scene to provide moral support to staff and customers.
- ☐ The local area director of safety may be present to review the employee file, oversee the local investigation and determine if safety guidelines were followed.
- ☐ The maintenance department may review records on the vehicle to determine if the vehicle was in good mechanical condition.
- ☐ Legal counsel may be consulted.
- ☐ Claim vendors may be notified to dispatch adjusters, engineers, or contractors to the scene to assess damage.

REVIEW OF INVESTIGATION REPORT

Each investigation report must be reviewed by a local supervisor at the customer service center who has not been involved in conducting the investigation. This review process includes checking recommendations are made, dealing with the underlying causes of the accident, following the requirements outlined above, and production of action plans outlining the execution of the recommendations including timescales for execution and resource allocation.

ACCIDENT LOG AND INCIDENT METRICS

- ☐ A thorough process for implementing recommendations is critical to help prevent reoccurrences. Once the accident or incident has been reported and investigated, recommendations are made and recorded on the safety action log used to track actions to address the recommendations. Incident metrics provide a means of detecting trends or hazards which may otherwise go unnoticed. Reviewing these metrics helps us to address safety issues and to develop more precise risk assessments and appropriate controls.

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Incident Response and Management

We understand that an effective response to an incident is critical to the safety of all persons involved and to the prevention of further harm. Our incident management teams are prepared to control the situation and to immediately establish safe conditions, communication and support.

ACCIDENT RESPONSE AND PROCEDURES

It is our goal to have a unified and consistent approach to accident response and procedures. Accident response procedures begin immediately with a report to dispatch to notify all appropriate parties according to the severity of the accident. In the case of minor or major injuries, or if children are on board, immediate notification to the authorities will occur.

Employees are also required to contact our crisis hotline as part of the reporting process so that we can troubleshoot any situation and ensure that the proper response plan is crafted and executed. In addition, each employee is trained to report the incident to our insurance and claims administrator within 24 hours of occurrence. Sedgwick, our third party administrator, manages auto and general liability claims and workman’s compensation, working closely with our legal/risk and safety departments to ensure that claims are effectively managed.

ACCIDENT PROCEDURES

Our bus drivers are trained in this procedure for accidents, never leaving the bus unattended.

- ☞ Do not move the vehicle until directed to do so by the authorities
- ☞ Contact dispatch with the following information:
- ☞ Bus and route number
- ☞ Location of accident
- ☞ License of other vehicle (if applicable)
- ☞ Whether passengers are on board, and if so, notify state and local police

- ☐ Description of injuries and whether medical attention is required
- ☐ Number of students on board
- ☐ Whether or not emergency vehicles are needed
- ☐ Gather the required information for the accident report card, including:
 - ☐ Name, address, and driver's license number of other drivers involved
 - ☐ Insurance company name and policy number
 - ☐ Name of investigating officer and agency
 - ☐ Distribute courtesy witness cards to any potential witnesses
 - ☐ Refer all insurance coverage questions to risk management
 - ☐ Assist law enforcement officials as necessary
 - ☐ At the return to the customer service center, give a complete report to the supervisor
- ☐ In accordance with all local laws and company policy, the local manager/supervisor must arrange for the administration of a drug and alcohol test on the vehicle driver.

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Safety Audit and Management Checks

All areas of our business are subject to safety auditing and management checks. Safety audits are completed by area directors of safety; results are then analyzed and recorded by our local teams and local safety committee.

SAFETY AUDITING

Our audits give us the assurance that standards for safety are delivered according to requirements, and that the requirements are effective and appropriate. Auditing provides a basis for updating our safety management requirements to reduce risks in our business. Where there are unsafe or potentially unsafe working practices or conditions, these checks provide an excellent means for taking immediate corrective action to reduce risk. Management checks are mandated at all levels, providing a key component of safety performance monitoring in all locations.

SCOPE AND APPLICATION OF REQUIREMENTS

Our standard establishes minimum requirements to be applied at our locations to ensure safety audits and management checks are undertaken in a consistent, rigorous, and effective manner. Audit and management checks in this standard cover activities carried out by our employees and our contractors, and include three tiers of audit:

- 🗉 **Management checks** – Regular checks carried out by management to ensure day-to-day activities are being conducted safely and in accordance with standards, policies, working instructions and procedures.
- 🗉 **Internal audits** – Conducted in each customer service center by functionally independent auditors, e.g., area director of safety to check compliance with implementation of standards and policies.
- 🗉 **External audits** – Commissioned to provide an independent review of the implementation and effectiveness of safety management policies. Audit reports are provided to us for review.

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Safety Validation of Change

We recognize that changes to your district's transportation services may introduce or increase safety risks if not carefully managed. Managing risks associated with change involves determining the level of safety required, any change process that may need to be implemented and auditing for control.

OUR SAFETY COMMITTEE

Each company facility will have an established safety committee – typically six members including a member of the driver management staff, a maintenance supervisor and a minimum of four drivers. Members meet monthly and when needed to review accidents or injuries in a timely manner. Safety assessment and auditing discussions will be kept on file at the facility for review by the area director of safety and area management. The safety committee assesses and audits accidents and injuries by:

- ☐ Detecting and eliminating unsafe conditions, practices, procedures and policies
- ☐ Reviewing all motor vehicle accidents, determining cause and recommending prevention measures with the direction and assistance of SVP Safety and legal counsel if deemed necessary
- ☐ Reviewing all employee work-related injuries or illnesses, determining cause and recommending prevention measures
- ☐ Conducting regular safety inspections of the facility
- ☐ Identifying physical hazards in the service area
- ☐ Promoting safety awareness
- ☐ Acting as role models through strict adherence to company safety policies and procedures
- ☐ Assisting the local management staff with the facility safety communication program
- ☐ Soliciting feedback and suggestions from employees and making recommendations to management on safety and training issues
- ☐ Recommending safety incentive programs
- ☐ Recognizing safety accomplishments

Safety Committee Training

The area director of safety assists with instruction. Training topics may include:

- ☐ Determining accident/injury root cause
- ☐ Safety incentive programs
- ☐ Safety communication programs
- ☐ Facility safety inspections
- ☐ Hazard identification and correction
- ☐ Safety policies and procedures
- ☐ Group dynamics

OCCUPATIONAL SAFETY AND HEALTH ACT COMPLIANCE (OSHA)

Per OSHA requirements, we provide our employees with a workplace free of recognized hazards that have the possibility of causing an injury. We are committed to providing a safe work environment and to complying with all governmental safety regulations. Our safety programs and efforts comply with the following OSHA requirements:

- ☐ Provide well maintained tools and equipment, including personal protective equipment.
- ☐ Provide training on hazardous communications, bloodborne pathogens, lock out tag out, accident investigation, safety committee development, etc.
- ☐ Maintain proper documentation of training to ensure training is current and provided on a regular basis.
- ☐ Conduct regular workplace safety inspections to identify potential hazards and to develop corresponding action plans to remedy any issues.
- ☐ Report within eight hours to OSHA any accident that results in a fatality or within 24 hours the hospitalization of one or more employees.
- ☐ Maintain an OSHA 300 log at each customer service center, updating as needed. Post the log in each customer service center according to required timelines.
- ☐ Each customer service center will post the OSHA poster that informs employees of their rights and responsibilities, and ensure that employees are knowledgeable in communicating safety issues to local management so they can be corrected in a timely fashion.

In addition, our team of area safety directors and corporate safety staff analyze all injuries to develop safety programs in various areas including slip, trip, and fall prevention and safe body mechanics.

AREA AND CORPORATE SUPPORT

Certified Safety and Health Management (CSHM)

Credentials

All of our area safety directors have or are in process of receiving the Certified Safety and Health Management (CSHM) certification, the only “safety management” designation that is fully accredited by the Council of Engineering and Scientific Specialty Board. The CSHM certification is by the Institute for Safety and Health Management (ISHM), founded by the National Safety Management Society as the credentialing organization to establish professional standards.

Employee and Management's Shared Safety Responsibility

Our employees have the responsibility to ensure their environment is safe for themselves and for the safety of the children they transport; we take injury prevention very seriously. We give a thorough training program for new employees along with ongoing training through monthly safety meetings. We maintain each employee's focus on safety through posters, daily safety messages and contests.



Cooperative Effort

We preserve and improve our safety record through a cooperative effort between supervisors and employees, and between colleagues at all levels to contribute to safe working conditions and accident-free performance. Our area safety directors and corporate safety staff meet monthly to review trends, discuss initiatives, and provide training and share ideas and best practices between customer service centers throughout the organization.

Our safety professionals provide support for each customer service center in the following areas:

- ☞ Training and developing managers and supervisors
- ☞ Promoting safety and developing company programs
- ☞ Conducting a bi-annual safety audit
- ☞ Improving loss prevention by minimizing risk

Safety is one of our five core values and everyone who works for us will know what is expected of them.

We routinely hold company-wide safety conferences. This event allows our general managers to interact with area and corporate support staff and to set safety expectations for the following school year. Breakout sessions are held to provide guidance on safety initiatives and reporting requirements.

Safety meetings provide important information such as reviews of accidents, outlining steps to prevent future accidents of the same type, recognition of safe drivers, suggestions for promoting safety and identification of potential safety hazards. Attendance is mandatory; attendance at a make-up session is required for any missed meetings. Unexcused absences may result in corrective action including termination.

Safety Inspections

Planned inspections assess implementation of safe arrangements on new or current premises by confirming that hazards have not changed, specified control measures are in place, there are no changes in the environment which could adversely impact on risk and any unsafe acts.

Internal Inspections

We have developed a comprehensive inspection program requiring each customer service center to conduct a monthly internal inspection; results are documented on a facility safety inspection form and corrective action plans are developed to address deficiencies.

Risk and Safety Management Inspections

Safety inspections will be conducted monthly by location management and at biannually, by any member of safety management team. These inspections may also be conducted by outside consultants or business partner vendors with prior notification and authorization by risk and safety management. All safety inspections are in compliance with DOT, OSHA and state school bus regulations, along with our own policies at each operating location. In addition, we conduct an annual review of all school bus legislative requirements to ensure we meet all state laws, rules and regulations in each state of operations.

Executive Team Safety Tours

Members of our executive team visit customer service centers with the purpose of discussing safety initiatives and performance. These visits are informal,

providing an opportunity for the local safety team to have an open dialogue with our executive team members about safety at each of our locations.

Inspection Reports

Inspections are recorded on the facility safety inspection form, including date completed, name, location, and activities inspected. The location manager maintains records of inspection schedules, checklists, reports, and monitoring of corrective actions from the initial report to the final completion for audit purposes. Inspection records are kept on file for two years.

NATIONAL SAFETY DEPARTMENTS AND ADMINISTRATION PARTNERS AND ASSOCIATIONS

We continuously follow new safety initiatives, government safety training seminars, and national safety groups. Below are a few organizations with whom we are proud to be associated:

- 🗨 U.S. Department of Transportation
- 🗨 Federal Motor Carrier Safety Administration (FMCSA)
- 🗨 Occupational Safety and Health Administration (OSHA)
- 🗨 National Safety Council
- 🗨 National Association of Pupil Transportation (NAPT)
- 🗨 American School Bus Council (ASBC)
- 🗨 National Student Transportation Association (NSTA)

EMERGENCY EVACUATION PERFORMANCE

When emergency circumstances arise in our communities, we are fully prepared to engage in the evacuation procedures. Our emergency action plan and safety response guides were developed to train our employees on how to prepare, react and assess post emergency situations. The following are some examples of how our managers and drivers used their training and knowledge to lend support in a real life crisis.

Hostage Training

West Bloomfield police lieutenant Mike Turner was shocked when he saw the news story about an Alabama bus driver who was shot and killed while attempting to stop a man from taking a student-passenger hostage. Distraught

and concerned this same situation could occur in his small Michigan community, Turner contacted our West Bloomfield CSC with an idea to raise community awareness in relation to the Alabama incident. Turner realized neither the special response team (SRT) nor the students in West Bloomfield had ever simulated hostage situations on an actual school bus and asked for help with coordinating such an exercise.

On the day of the training exercise, three Durham drivers, posing as passengers and a bus driver, helped simulate a hostage situation as an "armed perpetrator" on the school bus "forcefully" took students hostage. With Durham employees, students and school staff watching in awe, the SRT demonstrated how quickly they can access the bus, rescue the hostages and take the perpetrator into custody. To make the simulation as realistic as possible, the SRT used a flash-bang, broke windows of the bus and pried the service door open. After the demonstration, officers answered questions from simulation participants and onlookers. This training exercise was so successful Durham and West Bloomfield police have begun discussing the possibility of making this an annual event.

Active Shooter Event Response

Shortly after receiving a phone call about police activity going on near the San Bernardino CSC, Durham School Services learned of an active shooter situation near the county building in close proximity to the facility.

A member of management contacted the California highway patrol (CHP) for an update at which time Durham advised all units on route and those coming back to the yard from their midday run to avoid the area and proceed to a park a few miles from the location. Management, in following our emergency action plan took steps to secure the CSC and satellite location a few miles away and advised all employees to stay away from windows and doors.

Police and school district personnel contacted Durham requesting assistance to help evacuate people from the county building. Four drivers volunteered and were escorted by police, including officers in the buses during the evacuation process. Durham School Services was in direct contact with CHP, the local police department and the San Bernardino district office throughout the crisis event, ensuring drivers, students and evacuees were safe.

Hiring, Training and Retention

Employee Hiring

OUR STAFFING PHILOSOPHY AND WORK CULTURE

Durham School Services is not just another bus company. We differentiate ourselves by providing the best service to our customers while providing the best opportunities to our employees. Our approach is to treat both customers and employees as partners where we work to deliver on long-term commitments around goals, priorities and standards.



Through effective employee screening, continuous training, the use of prevention tools and communicating daily safety messages to our employees, we continually strive to improve our safety performance.

We know our employees are the key to our success, so we give them every opportunity to develop and leverage their strengths. We provide employees with the following:

- ☐ Climate of trust and respect
- ☐ Commitment to safety through employee screening, training, technology and corporate support
- ☐ Open door policy
- ☐ Professional job-related training
- ☐ Competitive wages and benefits
- ☐ Career growth path

You can tell the difference if you visit a Durham School Services customer service center. You will see how employees interact with one another, depend on each other as a team and respect the experience each has to offer. This dedication can be seen in the way our drivers dedicate time to children, to the community and to the special needs children they serve. Thousands of former school district employees, who now work for us, enjoy our special focus on serving our children and the community. You will see thorough attention to detail in every aspect of

the job, from drivers who check the buses over just once more before beginning their routes to dispatchers who must make route adjustments at a moment's notice.

PREFERENTIAL HIRING

We practice preferential hiring with existing school district employees. After the partnership with a district begins, we will hold a "Meet and Greet" for all current transportation employees. We know that a change in employers can be difficult and that the earlier we communicate with the affected staff, the better the transition is for everyone. Our objective for this meeting is to provide information about our company practices and to encourage open communication. We will explain the hiring process, what can be expected by employees, wages, benefits and operating policies. Time is allocated for questions and answers.

The next immediate step is to hold a hiring event for all drivers and monitors. At the hiring event, stations are set up for each part of the interview process.

Key stations are:

-  **Welcome desk** – Applicants sign-in and receive company literature.
-  **Applications** – Employee applications are completed along with other necessary forms. We verify accuracy of the required documentation and gather any other needed information.
-  **Interview** – All applicants will participate in a job-related interview with the general manager, safety director or other key personnel.
-  **ESI Assessment** – All applicants complete our employee safety inventory which assesses the applicant's tendencies and attitudes towards safety.
-  **Pre-employment screening** – After a conditional offer of employment is provided, all applicants will be scheduled for necessary employment screenings which will include drug testing and physical examinations (required by company policy and DOT standards). Additional screenings may be required by the state including fingerprinting.
-  **Check out** – We verify all information is accurate, discuss next steps and answer any remaining questions.

From here, one of our project managers will assume responsibility for completion of the transition, ensuring that every task or item listed in the transition plan is completed on schedule.

Hiring, Training and Retention

NEW HIRE AND FULL-TIME POSITIONS

Applicants who are interested in our full-time opportunities will complete an application and submit a resume that will be reviewed by the appropriate supervisor and recruiting team. Additional steps will include a behavioral-based interview and conditional offer of employment and completion of necessary background checks per company policy and state requirements. New hires are then placed into appropriate training and orientation sessions.

All screening and assessments comply with federal, state and local regulations.

RECRUITMENT

Driver Selection and Performance Criteria

We have expert driver recruiters to staff our operations at or above required levels at all times. Our recruiting professionals research market driven salaries from local and surrounding communities, including salaries from other industries which may compete for front line employees and uses this key information to ensure our salaries remain competitive in the market.

To ensure we are always properly staffed, all locations have access to our comprehensive online recruiting toolkit named **ADORE** (**A**ttract, **D**ecide, **O**nboard, **R**etain and **E**ngage). This toolkit includes templates, plans, videos, marketing materials and best practice samples of how to effectively recruit **our most important resource – our Drivers**.

Our corporate recruitment team will partner with local operations staff to develop a comprehensive staffing campaign, including appropriate print and online advertising, promotions with local vendors, and various other techniques customized for your community. Working closely with the local management team, we use a variety of recruitment techniques to attract employees from your local area:



- 📄 Community-based organizations including PTAs, churches, government agencies and local chamber of commerce groups
- 📄 Print and radio advertising in local media
- 📄 Advertisements at retail locations, community centers, retirement residences and veteran groups
- 📄 Onsite advertisements at local customer service centers
- 📄 Unemployment offices and various job training programs
- 📄 Direct mail to area households

DRIVER SELECTION

In support of our commitment to safety, we meet or exceed all required federal and state mandates for school bus transportation. The depth of our practice for checking employee criminal backgrounds, motor vehicle records and work history sets us apart from our competitors, both in the work environment we create and in the service we provide.

HIRING REQUIREMENTS AND POLICIES

We use an Applicant Tracking System (ATS) to hire all driver, monitor, maintenance and staff employees. Taleo allows us to drive a consistent hiring process that complies with all employment legislation. This ATS also allows us to evaluate our hiring effectiveness and provides us with key metrics to ensure we continually improve our overall recruiting efforts.

Each new candidate must go through our pre-employment qualification screening. We have high expectations for our employees and look for the best to serve your district. We use a third party vendor, HireRight, an industry-leading, hiring process management and compliance company, to ensure the background checks, drug testing, DOT checks, physicals, driving records and other mandated background information is thoroughly screened for the most qualified candidates.

Driver Qualifications

The following are qualifications for employment as a driver with our company:

- 📄 At least 21 years old and have had a valid driver's license for at least three years
- 📄 Complete an employment application, including acceptable employment references

Hiring, Training and Retention

- ☐ Participate and successfully complete a structured, behavioral-based interview
- ☐ Score acceptably on the employee safety inventory (ESI)
- ☐ Possess an acceptable motor vehicle report (MVR) (driving record abstract)
- ☐ Submit to and pass a background check with no criminal convictions for sex, drug, violent offenses or felonies
- ☐ Complete a physical examination
- ☐ Pass any additional state or locally required driver qualification checks (fingerprinting, child check registries, etc.)
- ☐ Successfully complete our company's driver training program
- ☐ Satisfactorily pass a behind-the-wheel evaluation by designated evaluators
- ☐ Secure a commercial driver's license with passenger endorsement
- ☐ Be properly licensed to operate a school bus in the state of employment



Bus Monitor Qualifications

The following are qualifications for employment as a bus monitor with us:

- ☐ At least 18 years old
- ☐ Complete an employment application, including acceptable employment references
- ☐ Pass a pre-employment drug test and physical examination
- ☐ Complete our training program and obtain any applicable state training certifications
- ☐ Pass a criminal background check
- ☐ Satisfactorily demonstrate job competency through an in-bus evaluation by designated evaluators

Medical Assessments

As a condition of hire, we require applicants for driving positions and non-driving safety-sensitive positions, e.g., mechanics and bus assistants, to undergo medical examinations to ensure they are physically fit for the job for which they have applied. At a minimum, medical assessments are given:

-  At the driver and monitor selection stage
-  Every two years for drivers
-  Annually for drivers over the age of 65 where state and local laws allow frequency of medical assessments to be based on age

Motor Vehicle Record Check

We review each applicant's and employee's current motor vehicle report. At a minimum, applicants and employees in driving positions must meet the following standards for driving records:

-  No driving while intoxicated or driving under the influence for at least 10 years
-  No homicide, manslaughter or assault arising out of the operation of a motor vehicle
-  No major violations within the past 36 months:
 -  Failure to stop at the scene of an accident (hit and run)
 -  Driving while license is suspended or revoked
 -  Possession of opened container of alcoholic beverages
 -  Reckless driving

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- ☐ Speed contest, drag racing or attempting to elude an officer of the law
- ☐ Speeding ticket for driving more than 15 miles per hour or more over the posted limit

Annual Review of Driving Record

Driving records for each employee who drives a company vehicle must be obtained and reviewed annually. Driving records may be reviewed more frequently as required by state law or contract. As part of the review, the driving record is signed and dated by a supervisor and the employee.

Drug and Alcohol Testing Programs

Our drug and alcohol testing program has been created to protect our customers, the public, and our employees. It mandates discipline up to and including termination. This program is intended to comply with all applicable state and federal regulations governing workplace anti-drug and alcohol abuse programs in the transportation industry.

Our third party vendor, HireRight, has assigned a medical review officer to perform employee drug and alcohol testing mandated by the U.S. Department of Transportation (DOT) in 49 CFR Part 40, "Procedures for Transportation Workplace Drug and Alcohol Testing Programs." Drugs are prohibited in the workplace by "The Drug-Free Workplace Act," located in 20 CFR Part 29. Accordingly, there are two specific drug and alcohol testing procedures outlined in our company's drug and alcohol prevention program; we include DOT procedures and company procedures. The DOT procedures apply to employees and job applicants in safety-sensitive job functions, including all drivers and other employees who may operate commercial motor vehicles or perform safety-sensitive functions.



We meet or exceed all required state mandates for school bus transportation.

Under the DOT procedures, testing will be conducted in the following instances:

- ☐ Pre-employment
- ☐ When a driver is involved in an accident that results in any of the following criteria:
 - Fatality
 - Bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident and our driver receives a moving violation citation within eight hours of the occurrence
 - One or more vehicles incurring disabling damage as a result of the accident, requiring the vehicle to be transported away from the scene by a tow truck or other vehicle, and our driver receives a moving violation citation within eight hours of the occurrence
- ☐ Random testing. The DOT requires 50% of employees performing safety-sensitive functions to be tested for drugs; and 10% tested for alcohol annually; we exceed this requirement by randomly testing 55% of all employees performing safety-sensitive functions for both drugs and alcohol annually
- ☐ Any time there is reasonable suspicion of use
- ☐ When an employee performing a safety-sensitive function returns from a drug and/or alcohol treatment program, in which the employee would also be subject to follow-up testing

If circumstances do not warrant testing under DOT procedures, then the company's procedures will be used as the secondary standard. Under the company's procedures, testing will be conducted in the following instances unless otherwise prohibited by state law:

- ☐ Post-accident, for any employee involved in the following:
 - Preventable street motor vehicle accident
 - Preventable third-party injury
 - Work-related injury or illness
 - Any time there is suspicion of drug or alcohol use
- ☐ When a supervisor, manager or company official questions an employee's fitness-for-duty
- ☐ When an employee returns to work after a leave of absence of 30 days or longer
- ☐ When a safety-sensitive employee returns from a drug and/or alcohol treatment program, in which the employee would also be subject to follow-up testing

Hiring, Training and Retention

Background Check Policy

We obtain criminal background checks, which may include fingerprinting, to comply with applicable state and federal laws, as well as company policy and district standards. An applicant will not be denied employment based solely on the grounds of a conviction or guilty plea for a criminal offense. The type of offense, the date of the offense, and the relevance of the criminal conviction/guilty plea to the position applied for may be considered in the employment decision. Before any background check is run, we require each applicant to complete and sign a disclosure and authorization form to give permission to check their criminal and driving records. Prior to being disqualified from employment, the applicant must be given a pre-adverse action letter which provides instruction on how to view the information contained in the criminal and driving record check.

Education Verification (All Non-Driving Positions)

Education is verified before an offer of employment is extended. For eligibility, all information must be verified with no discrepancies. A candidate will be considered ineligible if there is significant discrepancy in the major course of study or if the candidate did not complete the education component but reported it as being complete. Candidates are given the opportunity to provide records to prove attendance or completion.

Employment Verification (All Non-Driving Positions)

Prior employment is verified before an offer of employment is extended. Verification is limited to the preceding three years of employment or three previous employers. For eligibility, all information must be verified with no discrepancies. A candidate will be considered ineligible if there is a significant discrepancy in the title or responsibility documented.

Employee Safety Inventory (ESI) Assessment

In addition, each driver applicant must successfully complete our employee safety inventory (ESI), an assessment tool that measures the employee's attitude towards safety. Drivers who possess the proper attitudes toward safety and accident prevention will be less likely to engage in unsafe behaviors on the job. On-the-job accidents can result in lost work time, increased insurance rates, workers' compensation claims, disability payments, civil suits and lowered

employee morale.

Perhaps the most important selection criteria are the disposition and personality traits the candidate demonstrates during the interview process. We know people are the key to everything we do. We encourage our interviewers to ask themselves, "Would I feel comfortable letting this person drive my children?" If the answer is "no," the person is not hired. Simply put, when you hire great people and surround them with a positive culture, you deliver excellent service. If the structured interview does not indicate the person has the commitment and desire to work with young people, they will not be hired.



Hiring Disqualifications

An applicant may be disqualified based on the following criteria:

- Unsatisfactory driving record or accident history
- Convictions for sexual offenses of any nature (felony or misdemeanor)
- Convictions for drug possession, use, trafficking or manufacturing
- Convictions for assault or battery
- A pattern of misdemeanor convictions
- DUI within the past 10 years
- Any felony conviction
- Receives a "not recommended" result on the ESI assessment
- Failure to meet age and legal work authorization requirements

An applicant is similarly rejected if he or she has a poor work history with previous employers or if he or she misrepresents information on the application. Failure to pass the physical or pre-employment drug screen is also grounds for rejection.

State Laws

Where a state law specifically prohibits a component of the criminal background checks policy, that state law will be followed.

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NEW HIRE PAPERWORK

Every new applicant must complete new hire paperwork to be kept on file with our company. New hire paperwork complies with all federal, state and local mandates. New hire paperwork consists of, but is not limited to:

- ☐ New hire form
- ☐ Employee handbook acknowledgment
- ☐ Corporate confidentiality and privacy policy
- ☐ W-4 form
- ☐ Corporate personal appearance policy
- ☐ NELLC contact list
- ☐ Form I-9 employment eligibility
- ☐ Direct deposit
- ☐ Information security policy

Recordkeeping

Each location is required to keep employee records on file per federal, state and local mandates. Employee records are kept confidential, released only to persons designated and authorized to view, compliant with all laws and regulations, and consistent with our policies. Active employees have the right to review information in their employee file in the presence of a supervisor or manager.

ORIENTATION

A formal orientation program is held at all locations and includes general information about our company, opportunities for development, key company guidelines and the employee handbook. Supervisors ensure that each new employee participates in the program and receives the necessary information and training to acclimate to their new positions. During the employee's first 90 days on the job, the supervisor will assess the employee's ability to get along with others, punctuality, attendance and other indicators of job success. During this time, employees are encouraged to meet with supervisors to set performance goals and to discuss any questions or concerns.



Orientation Checklist

Supervisors are responsible for familiarizing new employees with their local work environment during the first few weeks on the job.

Company and Job Information

- Company mission and values
- Tour of work area, introduction to staff
- Function of work group and of job, interdependence of job functions
- Explanation of responsibilities
- Levels of supervision and management
- Availability of supervisor for questions
- Work habits (promptness, appearance, etc.)
- Safety guidelines
- Reporting accidents, work injuries or hazardous situations
- Internal and external customers
- Equipment and supplies

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Guidelines and Procedures

- Work schedule
- Attendance and punctuality guidelines
- Business confidentiality
- EEO guidelines
- Harassment guidelines
- Professional conduct guidelines
- Meal and break periods
- Drug and alcohol guidelines
- Smoking rules
- Use of telephone and personal calls
- Rules for parking personal and company vehicles
- Time reporting
- Time off (holidays, vacations and sick leave)
- Notifying supervisor of lateness or absence
- Supervisor's telephone number
- Promotions and job posting
- Personal appearance and uniforms
- Safety equipment and guidelines
- Location of entrances, elevators, restrooms, lounge or eating area, fire exit, storm shelter and facilities for disabled



Salary and Benefits

- Method and frequency of pay, payroll periods and deductions
- Overtime
- Benefit plans
- Performance feedback and salary review process

LAW AND POLICY COMPLIANCE

Upon hire, each employee will be subjected to all federal and local laws, rules, regulations and requirements, as well as company policies and procedures outlined in our employee handbook. All employees are required to sign, acknowledge and conform to these rules.

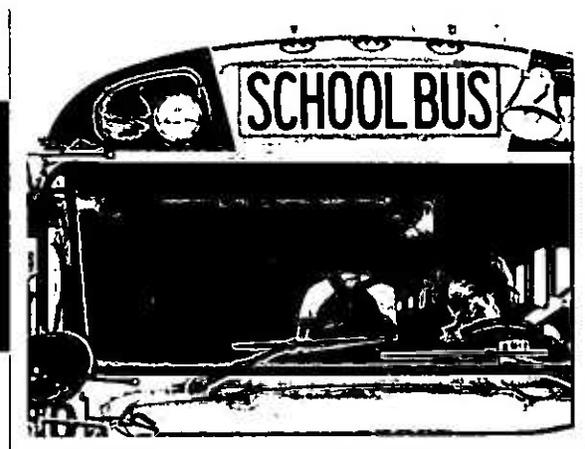
Compliance with All Applicable Laws

We will comply with all federal, state and local laws applicable to providing student transportation services for the district. This includes maintaining the requisite licenses, permits, certifications, ratings or other requirements for operation of the business.

Employee Training Programs

Our employee training programs prepare our employees to deliver the safest and most reliable service in the student transportation industry. Each department has specific training that focuses on the needs of both external and internal customers. Each employee is expected to pass all required instructional materials and to meet or exceed qualifications as outlined by local, state and federal regulations. Our customer service centers receive unmatched support from a team of safety and training professionals consisting of both region and corporate resources.

Our drivers are the
best trained in the
business.



We offer new hire and continual training courses designed for:

- ☐ Certified instructors
- ☐ Drivers, monitors and dispatchers
- ☐ Mechanics
- ☐ Managers

New drivers must complete rigorous training courses that average 40-44 hours of classroom and behind-the-wheel training. Dispatchers and monitors are required to pass the driver training classroom curriculum, and if applicable,

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dispatchers will continue our behind-the-wheel training and CDL licensing for driver certification. Other training programs incorporate mandatory mechanic certification and also an incentive for ASE certification. We require all management personnel to attend our annual management training courses taught through our National Express University (NXU) program. Every employee is also required to participate in annual refresher training and to attend our safety meetings.

CERTIFIED INSTRUCTORS AND TRAIN-THE-TRAINER PROGRAM

We go to great lengths to ensure our own trainers are certified and skilled to train. Area safety directors and driver trainers must complete a four-day S.T.A.R. (Safety Training Alleviates Risk) academy driver training course. Through this certification program, participants receive comprehensive training in adult learning styles, facilitation techniques, how to teach using STAR classroom and behind-the-wheel curriculum. To ensure application of learning, the participants take part in demonstrating newly acquired or enhanced skills in simulation activities in the classroom and with practicing key driving skills in a closed course. Each customer service center is equipped with the proper certified trainers who have passed this extensive train-the-trainer course. Once certified the trainers are required to participate in recertification every three years. This ensures their skills are up-to-date with the latest in instructional techniques and offers continued one-on-one development of their competencies in training.



DRIVER, MONITOR AND DISPATCHER TRAINING PROGRAM

We understand the key to providing safe transportation is to provide great employees. The right attitude, the best training, and most of all, possessing the highest standard of care for the students are critical success factors of our training. Our safety training program, S.T.A.R., has been developed specifically for us to ensure our customers are provided with the best skilled drivers and monitors. This program emphasizes current safety prevention tactics, proper bus inspections, student management and the extra attention our special needs



riders deserve. Monitors are required to participate in the classroom training program with emphasis on safety basics, intersection, danger zones and student management. Since many dispatchers began as drivers, those who retain their CDL license are also required to participate in all driver classroom and behind-the-wheel curricula.

Classroom Training

Our classroom training is 20-30 hours of in-depth material to prepare our drivers and monitors for the safest driving practices. The delivery of the curriculum incorporates various instructional methods. We use lecture, digital video device courses, classroom discussions, simulations and assessments to assist with the understanding, retention and application of the training content.



We have more than 16 training modules covering all aspects of driver training.

Behind-the-Wheel Training

Our behind-the-wheel training course gives each driver the opportunity to apply classroom principles to real-life situations in a controlled environment. Since we operate several different types of buses, every driver must be familiar with the bus type and the location of all controls and gauges on the bus he or she will be operating. Drivers must also know where, emergency equipment and



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emergency exits are located on the bus and how to operate the devices. In addition, the driver must know seat belt operations, seat adjustments, lifts and tie-downs, types and locations of mirrors, and other specifics such as vandallock, glow plugs and choke.

Behind-the-wheel training ranges from 20-22 hours. Immediate feedback is provided to compliment or improve the driver's skills during this time.

LLC Defensive Driving™

LLC driving principles educate drivers on how to avoid accidents and to always be prepared for any traffic situation. These principles consist of:

Look Ahead

Drivers are trained to look 15 seconds ahead of where the bus is at any given point in time. By always using the **Look Ahead** principle, drivers can identify potential hazards early enough to react and safely make adjustments.

Look Around

Drivers must take in the entire scene when driving. Drivers are taught to **Look Around** for other cars, pedestrians and fixed or moveable objects on or near the road, especially when making a turn.

Leave Room

Drivers learn to ideally **Leave Room** on all six sides of the bus – in the front, the rear, on each side of the bus, and above and below the bus. This will help to maintain and monitor the space in front of the bus by keeping an adequate following distance. Techniques are taught for tailgating vehicles, highway driving and low clearance overheads.

Communicate

Drivers are taught to use headlights, brake lights and turn signals to **Communicate** their intentions. Drivers must use signals before turning or changing lanes and to allow at least four flashes before taking any action.

First-Aid Training

Our first-aid policy is communicated during driver training and is reinforced during safety meetings. When a medical situation arises, the driver must contact dispatch immediately so the emergency medical personnel can be contacted and dispatched to the scene. Each facility and bus is equipped with a bodily fluid disposal kit. This kit contains items such as latex gloves, eye shield/face mask, apron, powered absorbent material, scoop and scraper, disinfectant, paper towels and biohazard disposal bags with twist ties.

We have a policy for administering EpiPens® that includes additional training and parental sign-off. We offer this service as an option to customers who specifically request it and agree that the policy is right for its students. We will be happy to discuss our policy further upon interview or award.

Bus Safety and Student Management Training

One of the most important aspects of our training program is student behavior management. For the safety of all passengers and for any interaction we may have with the public, our drivers are trained to deal with problematic behavior that may put others at harm.

BUS SAFETY

We will instruct K-3 students on proper entry and exit of the bus, emergency evacuation techniques, and general school bus safety through live demonstrations, videos and educational materials. These fun, instructional games are also available on our website. Throughout the year, our education programs focus on safety around the bus "Danger Zone," emergency evacuations, and safe riding procedures.

We are active participants in National School Bus Safety Week, held every October. We travel to various areas and teach children about school bus safety with the help of "Pride," our labrador retriever mascot. We conduct 30-minute shows to educate students from kindergarten to the third grade. Our transportation professionals are also available to speak at classroom presentations or community organizations.

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PREPARING DRIVERS ON PROPER STUDENT CONDUCT AND CONTROL

Our goal is to safely and comfortably transport students to and from school, on time, and ready to learn. We know this part of the day is important to children, especially young children, and that what happens on the bus can make or break the rest of the day.

Understanding the children and their needs helps drivers to handle situations which may arise on the school bus. Drivers are taught to be courteous and to always be in control. Drivers set school bus boundaries through initial authority recognition and by building relationships with students based on mutual respect.

Courtesy is Contagious

The power of a smile cannot be over emphasized. Drivers are trained to be welcoming and to acknowledge each child by name, to help set a positive tone for a comfortable school bus ride.

Dealing with Negative Behavior

Durham will follow the district's discipline procedures, however if there is not a procedure in place, we recommend the following approach.

Our drivers are taught to never allow bullying, sarcasm, or put downs by other students. We will always follow your district's policies for dealing with problematic issues, while following our own basic standards for a safe bus ride. Our drivers are trained to be professional and to be positive at all times, never displaying negative behaviors or facial expressions. The same way courtesy is contagious, so is a negative demeanor.



MY CHILD CHECK POLICY

Drivers and bus monitors must complete a thorough check of the bus for children at the end of each route and prior to leaving the bus at any time. Failure to comply with this policy will lead to disciplinary action; if a child is left unattended, the driver and bus monitor (if present) will be terminated.

Each driver and bus monitor sign a pledge annually committing their responsibility to safety by completing a thorough child check at the end of each route and prior to leaving the bus at any time.

We use Zonar®, which is equipped with child check technology. Zonar® includes an RFID tag in three locations of the bus to ensure drivers conduct mandatory child checks at the end of each route.



ZONAR®
INSPECT • TRACK • KNOW

SPECIAL NEEDS TRAINING PROGRAM

Our business is devoted to special needs transportation; today, we are recognized experts in this area. We hire people with the integrity, patience and sensitivity necessary to be a positive influence in the lives of children with special needs. Transporting students with special needs presents unique challenges to our drivers; we have developed a customized training curriculum for these drivers. All drivers and aides who provide transportation for special education students must first complete our regular training program before beginning the special needs program.

The seven DVD training program includes:

- 📺 Legislation overview
- 📺 Transportation challenges
- 📺 Types of special needs
- 📺 Lifts and mobility devices
- 📺 Securement
- 📺 Emergency evacuations
- 📺 Balancing needs

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The training covers the logistics of student transportation and also focuses heavily on behavior management and the reasons behind the behavior. In one activity, each trainee sits in a wheelchair while it is put on the lift and transported. Exercises like this help drivers to put themselves in the place of the children they serve, experiencing the world from the perspective of a child with special needs. Additional classes on working with visually impaired, deaf, autistic, and wheelchair-bound students are available as required by student needs. Special needs drivers can also meet with each child's parents before school starts to ensure they have adequate insight into the individual needs of each child.

We view transportation as an important part of each special needs student's educational program; learning about each student's particular needs helps us to provide service at the highest levels possible.



Classroom Training Objectives

After completing the classroom portion of this program, drivers and aides will have an understanding of the following:

- ☐ Rights of special education students
- ☐ Special education student characteristics
- ☐ Special education student management techniques
- ☐ Behavior patterns of special education students
- ☐ Procedures for special education student drop-off
- ☐ Ambulatory special education student procedures
- ☐ Procedures for transporting students using wheelchairs
- ☐ Securement procedures for student equipment
- ☐ Emergency procedures

Practical Training Objectives

Before transporting special needs students, drivers and aides must have hands-on, practical experience in the following areas:

- ☐ Ambulatory loading, securement and unloading
- ☐ Securing student equipment
- ☐ Wheelchair loading, securement and unloading
- ☐ Emergency evacuation

This program takes three hours to complete, including classroom instruction, practical training and completion of the written exam.

Driver Evaluations

All drivers and participating dispatchers undergo a behind-the-wheel evaluation at least once per school year and if involved in a motor vehicle accident. Drivers are given the opportunity to discuss their evaluations with the training supervisor or general manager. If warranted by the evaluation, retraining is assigned and conducted.



In-Service Training

In order to remain qualified as one of our school bus drivers, all drivers must participate in at least 10 hours of in-service training per school year. This can be accomplished through attending mandatory safety meetings, special driver seminars and workshops.

Topics include:

- ☐ Enhanced familiarization with school district
- ☐ Pre- and post-trip inspections
- ☐ Fire extinguisher instruction and demonstration
- ☐ Breakdown procedures
- ☐ Evacuation procedures
- ☐ Defensive driving techniques
- ☐ Accident procedures

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- ☐ Operation lifesaver (railroad crossing procedures)
- ☐ Mirror use, backing and turning point set-up
- ☐ Student management
- ☐ Student safety awareness
- ☐ Winter driving techniques
- ☐ Safety competition practice (classroom and behind-the-wheel)
- ☐ Post-accident retraining
- ☐ Rules and regulations for loading/unloading

MANAGER TRAINING AND DEVELOPMENT

National Express University (NXU)

In 2014, we invested in a learning management system (LMS) which houses and tracks important training curriculums in the areas of leadership, compliance, safety and technical training for all our full-time staff members.



In 1994, we became one of the first school bus transportation companies to implement a formal management training program. This training program consists of several phases. First, new general managers at each location participate in a comprehensive six month GM onboarding orientation session. Second, each year, we provide an annual in-person regional training forum that includes all management and supervisory staff. Third, for newly selected site supervisors (on the job between 30 to 120 days), we require participation in an onsite four day manager orientation. This session includes discussions and training topics that vary from orientation to operational duties, such as customer service, software applications, COMPASS - our proprietary dispatch and payroll platform, and recordkeeping. Through presentations, scenarios, activities, testing, peer learning, focus group discussions and homework assignments, managers learn the tools and resources needed to deliver the level of service we promise to our customers. Finally, there is an online suite of courses compiled specifically for our first line supervisors called front line leadership, which provides overall leadership theory to new leaders.

This learning event meets the core needs of new leaders with a focus on four key areas:

- 🗨️ **Culture** – Aligning customer service center operational behaviors and actions to our vision and values and our mission of **getting students to school safely, on time and ready to learn®**.
- 🗨️ **Organization** - Showcasing the company's structure from the local customer service center level to support from our corporate headquarters.
- 🗨️ **Results** – Articulating and defining the company's targets and goals for managers to integrate strategic planning into how they make decisions as it relates to their overall management of customer service center operations.
- 🗨️ **Excellence** – Committing to making service and processes better throughout the company.



Continual training for our management staff is just as important as any other training.

Online Performance and Learning System (OPAL)

OPAL is our company's 24-hour virtual coach and provides immediate answers to a manager's day-to-day challenges and guidance for long-term leadership development. In 90 seconds, managers can search OPAL to get best practices, tools and tips on how to manage over 500 leadership challenges.

In OPAL, managers can learn how to:

- 🗨️ Manage a conflict at his/her local CSC
- 🗨️ Give effective feedback and coaching
- 🗨️ Conduct a performance improvement meeting with an employee
- 🗨️ Create an individual development plan
- 🗨️ Build or rebuild team/personal trust with others
- 🗨️ Build a highly effective team

Hiring, Training and Retention

- ☐ Manage time better
- ☐ Easily make improvements to any process
- ☐ Become better organized
- ☐ Improve verbal and written communication skills
- ☐ Manage hundreds of other leadership and management challenges

All this and more can easily be found in OPAL. OPAL is a free 24-hour support tool/resource for all managers and leaders in our organization.

Employee Retention

Durham's total compensation program has been designed to retain the current driver workforce and to attract prospective employees. We offer competitive driver wages, health, dental and a 401(k) plan. We also believe in developing our employees to grow with our organization. We also believe in recognizing our employees who go above and beyond their job duties with *Enjoy the Ride*, a program that rewards those individuals for outstanding performance.



BENEFIT PLANS

Full-Time Employees Plan

Durham School Services provides company contributions toward medical insurance through BlueCross BlueShield (BCBS). There is a choice of three PPO plans offering in-network and out-of-network benefits; one of which is a High Deductible Health Plan (HDHP) offering that includes a Health Savings Account. Employees have copays for office visits and prescriptions, and pay deductibles and coinsurance for hospital services for the non-HDHP plan offerings. The HDHP Plan requires that employees meet the deductible before the plan pays and copays are only for prescriptions, everything else is paid by coinsurance. Dental and vision insurance is available for purchase.

Additional benefits include:

- Company-paid basic life and accidental death and dismemberment
- Company-paid long-term disability insurance
- Company-paid employee assistance program
- Tuition reimbursement program
- Voluntary short-term disability insurance
- Voluntary life insurance for employee, spouse and dependents
- Voluntary group legal plan
- Flexible spending accounts available for participation
- Paid vacation
- Paid sick time
- Paid holidays
- Retirement plan – matching 401(k) retirement savings plan (with company match of up to 4%) vested immediately

Part-Time Employees Plan

Medical Coverage

Drivers and monitors have the option of the below:

- Kemper MEC** – This plan provides preventive and wellness benefits that satisfy the individual mandate under the health care reform law.
- Kemper Buy Up** – Includes the KBA MEC plan plus a limited indemnity benefit plan. The plan reimburses a set amount per service. Once the employee reaches the maximums, no additional benefits are paid for the plan year. The KBA Buy Up plan also includes a limited prescription benefit.
- Kemper Stand-Alone Rx**



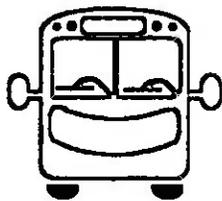
Hiring, Training and Retention

Additional Benefits Provided to Part-Time Drivers and Monitors

- ☐ Retirement plan – matching 401(k) retirement savings plan (with a company match of up to 4%) vested immediately
- ☐ Company-paid life insurance
- ☐ Company-paid employee assistance program
- ☐ Tuition reimbursement program
- ☐ Dental and vision insurance are available for purchase
- ☐ Group legal plan available for purchase
- ☐ Paid physicals, drug screens and alcohol screens
- ☐ Outside charter work opportunity, where Durham owns the fleet, for drivers for other contracts and non-school district customers, such as day care centers, churches, summer camps, etc.

ENJOY THE RIDE PROGRAM

Our company strives to create an engaged workforce where employees enjoy their jobs and feel appreciated for what they do. The *Enjoy the Ride* program was built around our company's vision and values and is designed to recognize safety and excellence, develop our people, celebrate years of service to our customers and encourage involvement in the community. The *Enjoy the Ride* program drives engagement and retention for all employees.



ENJOY THE RIDE

excellence • safety • people • community • customer

EMPLOYEE DISCOUNTS

PerkSpot

PerkSpot is an online program that allows employees to find discounts and rebates on goods and services from many of the best known brand names in the U.S. and Canada. The PerkSpot site is updated daily with new deals and discounts on clothing, home furnishings, jewelry, cell phones, travel and vacation packages, and more. Discounts may range from 5% to 50% off retail value.

Equipment and Maintenance

Fleet Experience and Performance Results

Our organization currently operates a fleet of more than 15,500 buses. We have developed a fleet and maintenance program that combines high maintenance standards with evolving engineering technologies.

Results:

- ☐ Less than 1% in service failure rate
- ☐ Process and compliance with on-time preventative maintenance
- ☐ Technician recognition program in place to increase certified master ASE technicians

Our fleet and maintenance program consists of:

- ☐ Proposed fleet and specifications
- ☐ Green fleet sustainability
- ☐ Preventive maintenance and inspection programs
- ☐ Oracle eAM maintenance software
- ☐ OEM manufacturers warranty and inventory parts
- ☐ Maintenance training and certification
- ☐ Shop blue seal certification program for eligible maintenance facilities



"We're always looking for and evaluating new technologies to enhance safety."

— Keshav Ragunathan, Senior Director
Asset Management & Engineering

FLEET COMPLIANCE AND SPECIFICATIONS

All buses will be inspected and maintained in compliance with applicable state and federal statutes, ordinances and regulations, meeting or exceeding the state minimum safety standards for school buses. Vehicles shall be kept in a clean and sanitary condition. We will make sure we have sufficient spare vehicles available to accommodate vehicles that are rotated in and out of service so they may receive their regularly scheduled preventive maintenance.

Limiting Engine Idling – We recognize the impact fuel consumption has on the environment. A well-maintained and properly operated vehicle will help fuel efficiency.

Fuel – We have extensive experience in using alternate fuels; a number of our locations use CNG and propane fuel. Based on your needs, we can provide you with a quote for alternative fuel vehicles if desired.

Green School Bus Fleet Certified

The National School Transportation Association (NSTA) Green School Bus Fleet Certification program recognizes NSTA members for environmental efforts through the use of technology. It is the only certification program for the school bus industry that is endorsed by the U.S. Environmental Protection Agency's Clean School Bus USA program. To obtain certification, contractors must complete a survey for each site and submit it to NSTA to be scored.

There are four levels of certification:

- 🗨️ **Platinum Status** – The operator must demonstrate having a written anti-idling policy plus a fleet with an average emission reduction levels of 85% overall (equal to 100% of the fleet at tier 3 level) using any combination of OEM, EPA/CARB verified after-treatment technologies or alternative fueled vehicles.
- 🗨️ **Gold Status** – The operator must demonstrate having a written anti-idling policy plus a fleet with an average emission reduction levels of 42.5% overall (equal to 50% of the fleet at tier 3 level) using any combination of OEM, EPA/CARB verified after-treatment technologies or alternative fueled vehicles.
- 🗨️ **Silver Status** – The operator must demonstrate having a written anti-idling policy plus a fleet with an average emission reduction levels of 25% overall (equal to 50% of the fleet at tier 2 level) using any combination of OEM, EPA/CARB verified after-treatment technologies or alternative fueled vehicles.

Equipment and Maintenance

- Bronze Status** – The operator must demonstrate having a written anti-idling policy plus a fleet with an average emission reduction levels of 12.5% overall (equal to 50% of the fleet at tier 1 level) using any combination of OEM, EPA/CARB verified after-treatment technologies or alternative fueled vehicles.

The following customer service centers were recognized by the NSTA with Green School Bus Fleet Certifications:

Certification Level	Platinum	Gold	Silver	Bronze
	Aurora, IL Bridge Creek, OK Burnsville, MN Central Dauphin, PA Framingham, MA Louburg, KS Milwaukee, WI Norwalk, CA San Bernardino, CA Spokane, WA	Casa Grande, AZ Carson, CA Waterbury, CT Davenport, IA Hinds County, MS Indianapolis, IN Jacksonville, FL Memphis, TN* Milwaukee, WI Oxnard, CA Rosemead, CA* San Bernardino, CA Santa Ana, CA	Antioch, IL* Calabasas, CA Chattanooga, TN* Keller, TX* North Charleston, SC* Pflugerville, TX* Pomona, CA Syracuse, NY* Thousand Oaks, CA	Racine, WI

* These sites have been certified repeatedly.

Maintenance Program

We are committed to quality preventive maintenance and follow-up and have developed a proactive approach to preventive maintenance that is designed to improve reliability by reducing the number of breakdowns, increased safety and lowered overall running costs. We efficiently and consistently exceed standards of excellence through our preventive maintenance program and proprietary maintenance software, Oracle Enterprise Asset Management (eAM), the cornerstone of our fleet operation.



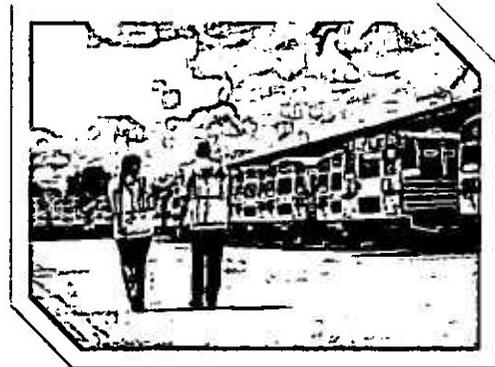
PREVENTATIVE MAINTENANCE (PM)

Preventive maintenance isn't just about repairing deficiencies as a result of an inspection; it is also a means for monitoring and preventing potential problems. Our reliable PM schedules allow us to help predict maintenance needs. By properly performing inspections and repairs, we help prevent future unplanned repairs such as breakdowns and driver reported defects. Our PM program uses a formal review process and our extensive data management system to continually improve.



PM Process

Each bus is scheduled for regular PM inspections according to miles traveled or days operated. Schedules depend on the type of operation, service provided and state regulations. Our computerized system tracks PM schedules, provides alerts when a maintenance inspection is due, and contains listings of other required adjustments and services performed per manufacturers' recommendations, e.g., brakes, tires, steering, suspension, drive train, electrical systems and all ancillary equipment on each bus.



PM inspections are based upon state DOT mandated schedules and/or our minimum guidelines and are recorded on a multi-point checklist that includes all vehicle components and systems. A second, more extensive PM inspection is conducted every 12 months. If a technician finds a defect during the scheduled PM inspection, they are required to note the defect and enter it into the maintenance software system to generate a repair order. All defects are discussed with the maintenance manager who assigns the repair work to a technician for completion. A bus will not be returned to service until all needed repairs have been completed. Once all necessary repairs, adjustments and service requirements have been performed, the technician will inform the maintenance manager.

Equipment and Maintenance

Standard Inspection Procedures and Intervals

Our scheduled maintenance program includes a systematic procedure for the servicing and inspection of each vehicle. Our program ensures that all vehicles meet or exceed the standards for vehicles set by the states regarding the operation of all safety related equipment.

Driver Pre-Trip and Post-Trip Inspections

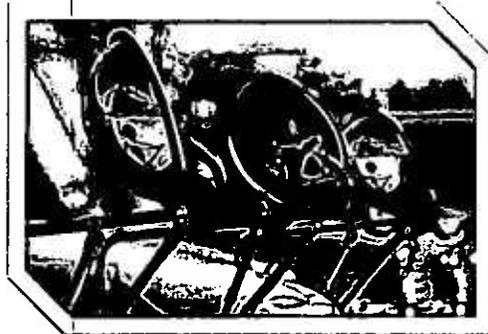
Our first line of defense for identifying defects is through the driver daily pre- and post-trip inspection using a driver Electronic Fleet Management solution. Drivers use this device on a daily basis to report the condition of the vehicle they operate and to alert maintenance departments of any defects that affect the operation and safety of the vehicle. If a driver notes a defect during their inspection, they are required to report defects through the Electronic Vehicle Inspection Reporting (EVIR) or manual Driver Vehicle Inspection Reporting (DVIR).

ELECTRONIC WORK ORDER GENERATION AND REPAIR PROCESS

Any defect recorded through the EVIR is reviewed by and responded to by the maintenance manager. If any reported defects are critical, then a work order is opened and the bus will be kept off the road until the repair is complete and the work order is closed. Work orders are included in the vehicle's permanent record.

DRIVER OBSERVATION WHILE IN ROUTE

Drivers are also to be alert to indications of vehicle malfunction while driving such as unusual vibrations, noise, odors, abnormal instrument readings, and erratic brake and steering operations. Additionally, proper starting procedures will help increase the useful life of vehicles, as there are different starting procedures for gasoline-fueled, spark ignition engines and multi-purpose diesel-fueled engines.



WHEEL CHECK INSPECTION

As a part of the driver's daily pre-trip inspections, we have installed wheel lug nut indicators on our vehicles. The wheel lug nut indicators allow for increased ease of visual inspection of loosening wheel nuts during driver pre-trip inspections. A more in-depth inspection is performed by our technicians at a minimum during the PM annual inspection.



WHEEL CHAIR LIFT/RAMP INSPECTIONS

Daily pre-trip inspections test the ramp and chair lift for proper operational function. Annually, wheel chair lifts and ramps are inspected for battery conditions, electrical connections, pivot points and lubrication.

HVAC SYSTEMS

Drivers check during their daily pre-trip inspections to see if the vehicle's heating and cooling components are working properly. During PM inspections, technicians inspect the HVAC systems for leaks, worn hoses, chafing, proper operational components, and proper heating and cooling for potential failures.

TIRES

Drivers inspect tires daily during their pre- and post-trip inspections. It is less expensive to change a tire in the shop than on the road, and fuel economy improves with proper tire inflation, mounting and driving habits. Achieving the lowest tire cost per mile begins with getting the correct tire and maintaining it properly. Tire preventative maintenance includes inspection for tread depth, wear patterns, sidewall cuts, proper inflation, balance and alignment. We have partnered with tire vendors at most locations to perform audits of our tires at our shops twice a year.

Emissions Inspections

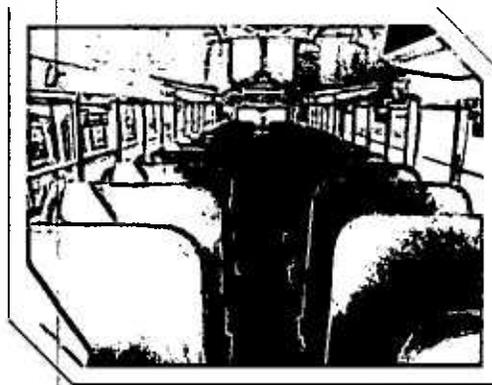
The fleet maintenance manager coordinates with state and local officials to ensure that our fleet meets emissions program standards. In compliance with the Clean Air Act of 1977, some states have implemented mandatory emissions

Equipment and Maintenance

testing programs. Owned and leased vehicles are subject to the requirements of the jurisdiction where the vehicles are regularly housed. Regular inspection intervals typically range from 180 days or 10,000 miles for larger vehicles and 180 days or 5,000 miles for smaller type vehicles.

Bus Cleaning

We realize that the interiors and exteriors of the buses must be kept in a clean and sanitary condition at all times in order to provide a pleasant environment for each passenger. Each driver is required to sweep and clean the interior of the bus daily. This includes floors, seats and the driver area. Exteriors are washed as necessary to maintain a clean, professional appearance.



Fleet Maintenance Compliance Audits

Regional maintenance managers (RMMs) and/or state certified mechanics regularly perform compliance audits to review vehicle maintenance processes and documentation at each customer service center. This review ensures maintenance employees are performing necessary procedures and processes according to our standards of performance along with federal and state requirements. In addition, RMMs conduct an annual facility audit to ensure the maintenance shop operates in a safe and compliant manner. A sample of the fleet is physically inspected to ensure vehicles are properly maintained and in the best condition possible. In addition, shop supervisors and regional maintenance managers perform random post PM audit to review quality of PMs performed.

UNPLANNED BREAKDOWNS

A vehicle breakdown or road-call is an unplanned interruption in the service of a bus that requires a technician to inspect the bus for a possible problem or to perform a mechanical repair before the bus can continue or start on a planned route or trip. When a breakdown occurs, the driver will immediately call the dispatcher or general manager to communicate and discuss the problem. The breakdown information will be communicated to the shop supervisor. Upon completion of the response and repair, all actions and parts are documented on the repair order and recorded in the vehicle maintenance tracking system as an in service failure.

If the bus has not left the customer service center, a technician will diagnose the problem and repair it. If the problem cannot be safely repaired in order to meet the route's schedule, a replacement bus will be dispatched. If the bus is in route to pick up passengers or has started picking up passengers, a replacement bus will be dispatched to transfer the passengers safely and to pick up the remaining passengers. A repair technician will be dispatched in a service vehicle to repair the broken bus.

Mechanical Failure Review

All mechanical failures that occur on the road or while assigned to an operator will be reviewed for cause. The maintenance facility lead or supervisor will review each occurrence for prior maintenance history, including last PM type, mileage, technician making repairs and the circumstances leading up to the failure.

We are dedicated to putting the safest vehicles on the road. When it comes to maintaining our buses and ensuring passenger safety, we go above and beyond state and federal requirements. Our master technicians help us lead the way.

Equipment and Maintenance

Cold Weather Start-Up Maintenance Program

Our cold start procedure helps prevent breakdowns or unnecessary stalling due to exposed cold weather. The procedure helps to ensure operations will run on-time and without any initial delay. Drivers are trained to properly start a vehicle and identify dangerous issues, e.g., frozen batteries or starter problems. Drivers are advised to place plastic bags on mirrors and wiper blades after the last run if snow or freezing rain is forecasted. At all times, ice and snow are removed from the stop-arm and crossing gate and opening and closing mechanisms. Drivers are required to keep the fuel tank full at all times.

COMPUTERIZED FLEET MAINTENANCE - ORACLE ENTERPRISE ASSET MANAGEMENT (EAM) AND DIAGNOSTIC TECHNOLOGIES

We use Oracle eAM, a fleet maintenance system to schedule all preventive fleet maintenance, manage inventory and review repair order history for failure analysis. Each of our buses are scheduled for regular PM inspections according to miles traveled or days operated, depending on the type of operation and service being provided. We use this system with the help of work orders for managing maintenance work, procuring parts, managing inventory and maintaining history.



Key Performance Indicators (KPIs)

Each fleet location is managed with a weekly review of KPIs using the eAM system. The local fleet management team is responsible for ensuring proficiency in key areas such as timely completion of inspections, cost controls, productivity, completion of manufacturer safety recalls, percentage of on-road failures and percentage of out-of-service vehicles.

KPI Reports

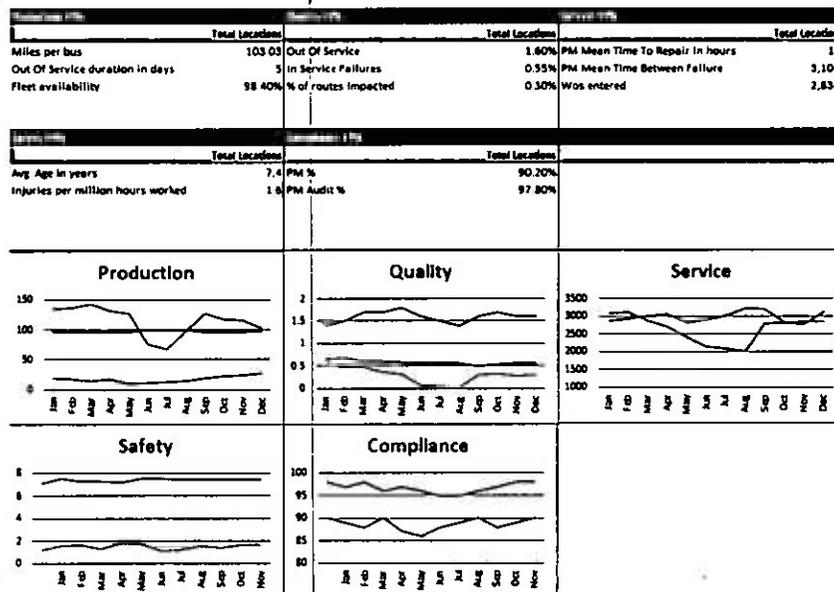
Oracle eAM offers a configurable series of dashboards showing critical KPIs. We have access to comprehensive reports that our technicians can analyze to better serve our customers. Customized electronic reports may also be created quickly as needed. Our KPI reports include:

-  Preventative maintenance (PM) compliance
-  On road failures
-  Mileage updates
-  Warranties, repairs and claims
-  Parts inventory
-  Electronic repair order and vehicle recordkeeping
-  Asset performance (utilization, cost/hour, etc.)
-  Schedule and resource loading
-  Work orders and work requests

Quality Checks

Management personnel will review the KPI reports weekly. The regional maintenance manager and shop supervisor will perform a monthly audit on vehicles to help ensure vehicle safety and verify the quality of the inspections recently completed by each technician. He/she will review the inspection reports with the technicians to ensure PM excellence.

Sample Maintenance Performance Report



Equipment and Maintenance

Diagnostic Tooling Systems

Diagnostic software and tools are used to minimize downtime of the bus while improving the efficiency and quality of the repairs. We use JPRO® Commercial Fleet diagnostic system, along with other OEM diagnostic software, to diagnose failures and help determine root cause and necessary repairs.

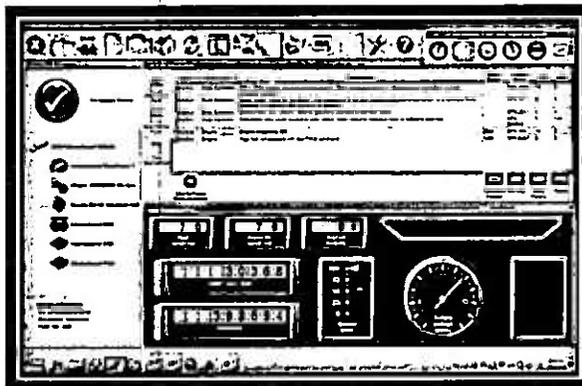
Our fleet diagnostic system provides diagnostic and troubleshooting information for vehicle components. The diagnostic system senses active and inactive vehicle faults to give our technicians the ability to quickly review critical elements of each system. The system also records data into log files for playback, view and chart engine parameters, has report printing capability, and launches the fleet maintenance software for proper parts replacement. Key data point collections exist for the following components: vehicle, engine, transmission and brake.

Vehicle – Diagnostic elements include road speed limit, cruise set speed limit, average fuel economy, total engine hours, odometer, coolant level, battery voltage and oil level.

Engine – Diagnostic elements include air inlet pressure, exhaust pressure, fuel pressure, boost pressure, oil pressure, oil temperature, coolant temperature, fuel temperature, exhaust temperature, air inlet temperature and battery voltage.

Transmission – Diagnostic elements include transmission input speed, transmission output speed, transmission fluid temperature, gear selected, gear obtained and battery voltage.

Brake – Diagnostic elements consist of road speed and wheel speeds.



OEM MANUFACTURERS AND PARTS INVENTORY

To ensure the best quality parts are being used, we use OEM parts with major brand name suppliers only such as International®, Bridgestone®, Thomas Built®, Valvoline® and Exide Battery®. OEM parts support our commitment to safety and

quality as well as the confidence in and reliability of our buses. Our facilities carry ample parts inventory to perform all necessary repairs in a timely manner.

MAINTENANCE STAFF'S QUALITY COMMITMENT

We provide a professional fleet organization that encourages local initiative and decision making while working within a centrally managed network to create a working environment that rewards achievement, enthusiasm and team spirit, and offers personnel the opportunity for development and growth. Fleet operations will provide direction, management, and services to maximize fleet resources and to help ensure that we provide the safe and reliable service. We use a continuous process improvement approach that incorporates a customer service focus, safety practices, sound environmental methods, and encourages employees to excel in their professionalism and competency.

As part of our continued commitment to excellence, our performance development system (PDS) program embeds training and continuous improvement methodology for proactive scheduling of work and identifying and eliminating barriers to service optimization. We are always looking for ways to improve and take our service to the next level.

MAINTENANCE TRAINING

We believe our employees make the difference in providing the best possible vehicle maintenance for our customers. Preventive maintenance training to our maintenance staff enables us to maximize fleet resources and to ensure we



"We are committed to being recognized as the leading provider of maintenance services...providing safe, reliable transportation for our passengers, our customers, our employees and the communities we serve. We continually train and challenge our technicians and managers to be the "Best of the Best" in everything they do."

— Keshav Ragunathan, Senior Director Asset Management & Engineering

Equipment and Maintenance

provide the right bus in the safest, most reliable and cost-effective manner. In addition, technicians have the opportunity to get the training directly from manufacturers for engines, alternators, electrical system etc. We also send a few technicians each year to hands-on factory training offered by bus manufacturers to ensure we have a trained knowledge pool.

All technicians are required to receive preventive maintenance training. Each technician is required to take the PMX program covering topics such as engine, drive train, brake and body systems. A passing score of 80% is required to obtain the certification.

Required Certifications

-  PM certification (all technicians)
-  Brake training (Tech II and above)
-  Air-conditioning certification (all as required)
-  CDL (all technicians)
-  Other certification as required by NELLC or regulatory agency(s)



Maintenance Safety Training Meetings

All of our maintenance shops will have a mandatory 30-minute safety training meeting conducted by the maintenance facility lead at least once a month, covering such topics as shop safety practices, fire prevention and new techniques.



Maintenance Information Portal

We have developed an information portal that hosts technical information and training resources for all of our technicians. With service information now becoming widely available via the electronic media, we have setup this portal that can be accessed by every technician. Information hosted via this portal include PM training resources, manufacturer technical and service information, field campaigns issued by suppliers, etc.

ASE Certification Program

Our maintenance personnel are encouraged to participate in the automotive service excellence (ASE) certification program for school bus technicians. ASE is a broad-based program, testing general areas for school bus technician skills. The certification is tailored to specific tasks the technician must perform every day at the customer service center. We reimburse tuition for the ASE certification exam and award up to a \$500 recognition award to employees who achieve certification. We have also instituted a program to award annual bonus to our master certified technicians that are continuously employed by us.

Technicians earn classifications based on education, experience, and possession of hand tools, as well as successfully passing ASE and our internal tests. Our technician classification system has three designations:

-  Class I technician
-  Class II technician
-  Class III technician

Each designation has specific minimum requirements outlined in job descriptions. Technicians also develop their skills through in-service training provided throughout the year. Because of our rigorous certification process, our company has some of the best-trained technicians in the student transportation industry, resulting in a safer fleet and lower maintenance costs. We have 25 master certified technicians and more than 65 employees are currently progressing through various stages of the program.

Maintenance Shop Blue Seal Certification

We have started the certification process of our repair shops that will meet the ASE criteria for blue seal of excellence recognition program. This program will



Equipment and Maintenance

enable us to showcase the quality of technicians we employ, while providing best service to our customer. We strive to remain an attractive choice for employment of qualified technicians.

Continued education and training are key to safe service given advances in vehicle technology. Our people are dedicated to ensure we are putting the safest vehicles on the road.



Blue Seal of Excellence
RECOGNIZED BUSINESS

School Bus Transportation