

TRANSPORTATION AGREEMENT

CONTRACT #: ALSD 26-01

PARTIES:

Alsea School District ("ASD")

Address for notice purposes:
PO Box B, Alsea OR 97324

Kings Valley Charter School ("KVCS")

AND

Address for notice purposes:
38840 Kings Valley Hwy Philomath, OR 97370

DATED: 7/1/2026

1. **Term.** The term of this Agreement shall begin on the date set forth above and shall expire on June 30, 2027, unless otherwise extended or terminated under Section 8.

2. **Description of Services to be Provided.** The ASD will provide school bus transportation to the KVCS. The services (the "Services") to be provided are:

- 2.1. Home or local area transportation to and from school.
- 2.2. Field Trips Transportation
- 2.3. Sports Transportation
- 2.4. Academic and enrichment summer activities.

All Drivers who provide Services for KVCS are employees of the ASD. As such, they are subject to regulations; ASD Board Policies; wage schedules, the ASD Employee Handbook, and any other operating guidelines that pertain to transportation, including Type 10 vehicles owned by ASD.

KVCS will have the right to determine the school year scheduled days, start, and end times. KVCS will notify ASD of the upcoming school year schedule by July 1 for each upcoming school year. Changes during the school year will be discussed with ASD bus management to ensure the availability of buses and drivers.

KVCS will provide dispatch support, including parent communication, while buses are en route, and route organization. Student discipline issues will be the responsibility of the KVCS administration, with the caveat that ASD will be included in the determination of student safety.

3. **Amount of Contract: Payments.**

- 3.1. **Invoicing for ASD Oregon Department of Education ("ODE") Reimbursable Expenses:** During each fiscal year, for the expenses paid by ASD, KVCS will reimburse ASD, at the current ODE posted rate, all applicable operation and administrative costs related to transportation costs provided by the ASD within 15 days of receiving the invoice. The invoice details include Mechanic hours, reimbursable hours, and non-reimbursable hours for activities such as sports or summer camps. Mileage details will be made available on request.
- 3.2. The administrative cost of Four Thousand and no/100 Dollars (\$4000) will be billed monthly for each month of service. The KVCS will be reimbursed a minimum of 80% of the fee each month, with the expectation that KVCS shall ultimately receive 90% reimbursement at such time that ASD and KVCS periodically reconcile the amounts reimbursed by ODE, which shall be no less than annually. If the ODE reimbursement rate changes, the amount owed will be adjusted to reflect the ODE rate.
- 3.3. **Invoicing for ASD expenses not reimbursed by the ODE:** During each fiscal year, for the expenses paid by ASD, KVCS will reimburse ASD. KVCS will reimburse ASD within 15 days of receiving the invoice. Wages

for non-reimbursed expenses will be based on time sheets. Fuel expenses will be estimated based on the bus miles per gallon and the fuel price during the month of the trip.

- 3.4. **Asset responsibility:** KVCS will be responsible for providing capital to purchase or funds to lease assets for the use of KVCS transportation. ASD will transfer all reimbursements, including but not limited to Federal and State reimbursements for the depreciation of assets. ASD will keep all assets insured for the replacement value of the asset.
- 3.5. **Reimbursement of KVCS Expenses:** During the current fiscal year, for the expenses paid by KVCS, the KVCS will submit proof of the expenditure and invoice to the ASD within 15 days after the end of each month. ASD will pay the KVCS any eligible amount reimbursable by the ODE. The timing of the payment to KVCS will be 150 days after the ASD receives reimbursement from the ODE.
- 3.6. **Reimbursement Rate:** ASD will give KVCS notice of any changes to the current fiscal year reimbursement rate within 15 days of the posting by the ODE.
- 3.7. **Reconciliation of previous school years.** ASD will notify KVCS of changes from the ODE rate of reimbursement within 30 days of the posting by the ODE. Either party must pay any shortfall or gain resulting from a rate change within 120 days unless mutually agreed upon by both parties.

4. **Compliance with Laws.** The parties shall obey all applicable federal, state, and local laws and regulations in providing school bus transportation.

5. **Independent Contractor Status; Right to Delegate.** In performing the Services, ASD is an independent contractor and ASD will take or forbear from taking all such action as may be necessary or appropriate to establish and maintain its status as an independent contractor. As an independent contractor, ASD shall accept any directions issued by the KVCS, but ASD shall be solely responsible for the manner and working hours in which it shall perform the Services. Neither party (nor any of its employees or subcontractors) shall be deemed an agent, partner, joint venture, or related entity of the other party by reason of this Agreement. Nothing in this Agreement shall restrict ASD from contracting services for ASD.

6. **Services to Other Charter Schools; No Conflicting Interests.** ASD's obligations to perform the Services for KVCS shall not be exclusive, and ASD shall, at all times, be free to perform the same or similar Services for others. ASD is not a party to any existing or proposed agreements that may adversely affect ASD's ability to render the Services and shall not enter into any such agreement before the Services have been completed.

7. **Confidential Information; FERPA.** ASD shall use its best efforts to keep confidential any information about KVCS that is intended by KVCS not to be disclosed, and ASD shall not disclose such information to any party for any reason unless KVCS has authorized the disclosure. This does not include information that (i) is now or becomes generally known or available to ASD or to the public by some means other than an act by or failure to act by ASD; (ii) is given by any third party to ASD without restriction or disclosure; (iii) is known by ASD before entering into this Agreement. All work product created by ASD in performing the Services shall be the joint property of KVCS and ASD. The ASD and KVCS acknowledge and agree that under Oregon Law and 20 U.S.C. § 1232g, the Family Educational Rights and Privacy Act ("FERPA") including any regulations promulgated thereunder, each party has certain obligations with regard to maintaining the security, integrity and confidentiality of "education records", as that term is defined by FERPA. The parties agree that they shall perform their obligations under this Agreement in compliance with FERPA and any regulations promulgated thereunder. The Parties shall also maintain Student records in accordance with any other applicable state, local and federal laws.

8. **Termination and Extension.** This Agreement may be terminated before the expiration date stated in Section 1 (i) by mutual consent of the parties, (ii) by KVCS for any reason upon sixty (60) days written notice to ASD, or (iii) by ASD upon sixty (60) days prior written notice prior to the end of the then-current fiscal year unless ODE terminates reimbursement of funds attributable to the Services set forth herein in which case ASD may terminate this

Agreement with as much notice as reasonably possible with the effective date of such termination being the date upon which ODE ceases to provide reimbursement for the Services. Upon termination, ASD will give KVCS its final bill for Services rendered up to the date of termination, and KVCS will pay such bill as quickly as possible; KVCS will have no obligation to ASD under Section 3 beyond the value of Services to the date of termination. ASD's obligation under Section 7 to keep information confidential shall continue in effect even after termination; however, such confidentiality obligation shall not apply to information that ASD obtains after termination. Except as provided in this Section, termination shall not affect any right, liability (including payment for Services rendered), or obligation of either party that accrued before the effective date of termination, but neither party shall have any further rights or obligations arising after the effective date of termination (or the expiration under Section 1).

This Agreement shall automatically renew beyond the expiration date stated in Section 1 unless either party notifies the other in writing of non-renewal at least 60 days prior to the end of the then-current fiscal year. The parties agree to meet annually prior to April 30, to review the previous year and make any mutually agreed upon adjustments. Any changes to this Agreement shall be documented by an amendment to this Agreement that includes the revised expiration date and a revised scope of Services, if applicable. The amendment must be signed and dated by both parties.

If the agreement is terminated for any reason, ASD will transfer title and all ownership to the KVCS for any buses, equipment or other assets acquired to provide transportation services to KVCS. KVCS will be responsible for the remaining lease or loans. KVCS will fully assume all outstanding liabilities of the buses or other assets, effective as of the date of such transfer and, if necessary, will take all steps necessary to fully release ASD from such liabilities.

9. **Insurance.** ASD shall, at its expense, procure and maintain during the term of this Agreement General Liability and Automotive Liability Insurance, in such amounts and with such endorsements as ASD determines is reasonable, to protect ASD, its drivers, and other ASD personnel. KVCS shall, at its expense, procure and maintain during the term of this Agreement General Liability Insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

9.1. The insurance procured by ASD shall designate KVCS as an additional insured and provide that no coverage shall be canceled except by thirty (30) days' written notice to KVCS. ASD shall provide KVCS with a certificate of insurance evidencing compliance with this Section upon execution of this Agreement and, as to renewals, within ten (10) days of such renewal date.

9.2. The insurance procured by KVCS shall designate ASD as an additional insured and provide that no coverage shall be canceled except by thirty (30) days' written notice to ASD. KVCS shall provide ASD with a certificate of insurance evidencing compliance with this Section upon execution of this Agreement and, as to renewals, within ten (10) days of such renewal date.

10. **Indemnification.** Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, KVCS (the "KVCS Indemnitor") shall indemnify, defend, and hold ASD and its officers, directors, stakeholders, employees, agents, and representatives (collectively, the "ASD Indemnitees") harmless from and against any claim, liability, damage, or loss, or any cost or expense in connection therewith (including reasonable attorney fees), whether suffered directly or from a third-party claim arising out of (a) any damage to any person or property caused by the use by KVCS or its employees, agents, invitees, or contractors or subcontractors of the buses or other assets provided by ASD; or (b) any breach or violation of any term of this Agreement by KVCS. Notwithstanding the foregoing, KVCS shall have no obligations hereunder for claims, liabilities, damages, or losses arising from the gross negligence or willful misconduct of ASD. KVCS shall have control of the defense and settlement of any claim that is subject to this Section; however, neither KVCS nor any attorney engaged by KVCS shall defend the claim in the name of ASD, nor purport to act as

legal representative of ASD, without first receiving from ASD authority to act as legal counsel for ASD, nor shall KVCS settle any claim on behalf of ASD without the approval of ASD. ASD may, at its election and expense, assume its own defense and settlement in the event that ASD determines that KVCS is prohibited from defending ASD or is not adequately defending ASD's interests or that an important governmental principle is at issue and ASD desires to assume its own defense. The provisions of this Section shall survive the expiration or termination of this Agreement.

Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, ASD (the "Indemnitor") shall indemnify, defend, and hold KVCS and its officers, directors, stakeholders, employees, agents, and representatives (collectively, the "Indemnitees") harmless from and against any claim, liability, damage, or loss, or any cost or expense in connection therewith (including reasonable attorney fees), whether suffered directly or from a third-party claim arising out of any breach or violation of any term of this Agreement by ASD. Notwithstanding the foregoing, ASD shall have no obligations hereunder for claims, liabilities, damages, or losses arising from the gross negligence or willful misconduct of KVCS. ASD shall have control of the defense and settlement of any claim that is subject to this Section; however, neither ASD nor any attorney engaged by ASD shall defend the claim in the name of KVCS, nor purport to act as legal representative of KVCS, without first receiving from KVCS authority to act as legal counsel for KVCS, nor shall ASD settle any claim on behalf of KVCS without the approval of KVCS. KVCS may, at its election and expense, assume its own defense and settlement in the event that KVCS determines that ASD is prohibited from defending KVCS or is not adequately defending KVCS's interests or that an important governmental principle is at issue and KVCS desires to assume its own defense. The provisions of this Section shall survive the expiration or termination of this Agreement.

11. **Force Majeure.** In the event ASD is unable to provide the services as specified in this Agreement because of any act of God, civil disturbance, fire, riot, war, terrorism, picketing, strike, labor dispute, labor shortages, pandemic, epidemic, fuel shortage, interruption to power or communication grid, governmental action or any other condition or cause beyond ASD's control, KVCS shall excuse ASD from performance under this Agreement until ASD is able to resume operations.

12. **General Provisions.**

12.1. **Notices.** All notices required or permitted to be given under this Agreement shall be in writing and shall be given by one of these three methods:

1. By certified or registered mail, postage paid with return receipt requested (deemed delivered two days after mailing, if properly addressed).
2. By private courier, prepaid (deemed delivered on the date that the courier warrants that delivery will occur).
3. Personally (deemed effective when delivered).
4. By email to the email address of the recipient party which email address has been used between the parties within the prior three months prior to sending, or is currently published on the recipient party website at the time of sending the email.

Unless a party changes its address by giving notice to the other party as provided herein, notices shall be delivered to the parties at the address set forth on the signature page of this Agreement.

12.2. **Integration; Amendments; No Waiver.** This Agreement constitutes the entire agreement of the parties relating to the Services. There are no promises, understandings, terms, conditions, obligations, or warranties other than those contained in this Agreement. This Agreement supersedes all prior communications, negotiations, representations, drafts, or agreements, oral or written, between the parties relating to the subject

matter of this Agreement. This Agreement may not be amended except in writing executed by both parties. No provision of this Agreement shall be deemed to have been waived unless such waiver is in writing signed by the waiving party.

- 12.3. **Severability.** Any provision of this Agreement that is deemed invalid or unenforceable by a court of law shall be ineffective to the extent of such invalidity or unenforceability, without rendering invalid or unenforceable the remaining provisions of this Agreement.
- 12.4. **Assignment; Binding Effect; No Rights of Third Parties.** ASD shall not assign or otherwise transfer its rights or obligations under this Agreement without the prior written consent of KVCS, and any such attempted assignment or transfer shall be void. KVCS will not unreasonably withhold its consent to an assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and approved assigns, if any. This Agreement does not create any rights in third parties (including the 509J Philomath School District) who may be affected by ASD's performance of the Services.
- 12.5. **Governing Law.** This Agreement shall be governed by the laws of the State of Oregon.
- 12.6. **Dispute Resolution.** In the event a dispute shall arise between the parties to this Agreement, the parties agree to participate in at least four hours of mediation. The parties agree to share equally in the costs of the mediation. Should the mediation fail and further action (or arbitration) arising out of or related to this Agreement is brought by either party, the prevailing party shall be entitled to recover from the losing party the costs and reasonable attorney fees it has incurred, including those incurred in arbitration, at trial, and in any appeal and review; provided, however, that if such costs and fees include a fee determined on a contingency or similar basis, then the contingency or similar fee must be reduced to a reasonable fee computed on the basis of an hourly rate or similar basis.
- 12.7. **Sexual Misconduct Training.** The ASD shall perform a sexual conduct verification process through ODE to the extent that the ASD's employees, officers, volunteers or agents will have or are likely to have, direct, unsupervised contact with students. The ASD acknowledges and agrees to perform this search to verify whether the Department has an ongoing investigation or has a substantiated report relating to the conduct of any of the ASD's employees, officers or agents. All of ASD's contractors are required to report any known or suspected incidents of child abuse and sexual harassment. If there are reports or allegations of sexual conduct or child abuse involving one of the ASD's employees, officers, volunteers or agents, the ASD agrees to immediately comply with KVCS's requests for removal of such person. The ASD will cooperate in any investigation being conducted by KVCS, law enforcement, Oregon Department of Human Services, ODE, and/or Oregon Teacher Standards and Practices Commission. Each of the ASD's employees, volunteers, agents, or subcontractors that will be providing services under this Agreement will be required to successfully complete sexual misconduct training
- 12.8. **Background Checks and Parental Supervision.** Oregon law requires that all prospective employees or other volunteers, not licensed by the Oregon Teachers Practices and Standards Commission ("TPSC"), submit to fingerprinting and a criminal background check (a "Background Check") to the extent that such employees or volunteers will have, or are likely to have, direct, unsupervised contact with students. "Direct, unsupervised contact" with students is defined for these purposes as any contact with students that provides the instructor or other employee the opportunity and probability for personal communication and/or touch when not under direct supervision. ASD hereby represents and warrants that all of the teachers,

other staff under its employ and volunteers or others allowed to provide instruction to a student or have direct unsupervised contact with students, have or will have submitted to and successfully passed any Background Check contemplated by ORS 326.603/ OAR 581-021-0511, or any other law that would allow teachers or others to have direct, unsupervised contact with students. The ASD further represents and warrants that no teacher or other adult that is employed or is volunteering for the ASD following the execution of this Agreement may have direct, unsupervised contact with students until that teacher, employee or volunteer successfully passes any Background Check contemplated by ORS 326.603/ OAR 581-021-0511, or any other law that would allow teachers, staff or volunteers to have direct, unsupervised contact with students. The ASD understands that the ASD's failure to abide by this requirement will result in immediate termination of this Agreement without further compensation

- 12.9. Attorneys Fees.** In the event any action, suit, arbitration or other proceeding shall be instituted by either party to this Agreement to enforce any provision of this Agreement or any matter arising there from or to interpret any provision of this Agreement, the prevailing party shall be entitled to recover from the other a reasonable attorney fee to be determined by the Court or arbitrator(s). In addition to recovery of a reasonable attorney fee, the prevailing party shall be entitled to recover from the other costs and disbursements, including all costs of arbitration and the arbitrator(s) fees, and expert witness fees, as fixed by the Court or tribunal in which the case is heard. In the event any such action, suit, arbitration or other proceeding is appealed to any higher court or courts, the prevailing party shall recover from the other a reasonable attorney fee for prosecuting or defending such appeal or appeals, in addition to the reasonable attorney fees in the lower court or courts or arbitration proceeding, such fee to be determined by the appellate court or lower court or arbitrator, as the appellate court may determine. In addition to recovery of a reasonable attorney fee on appeal, the prevailing party shall be entitled to recover from the other costs and disbursements and expert witness fees as fixed by the appellate court. All costs and disbursements which may be awarded pursuant to this paragraph shall bear interest at 9% per annum from the date of entry of a court judgment.

EXECUTED this ____ day of _____, _____.

Alsea School District

Signature: _____

By: _____

Title: _____

Date: _____

Kings Valley Charter School

Signature: _____

By: _____

Title: _____

Date: _____