

## MEMORANDUM OF UNDERSTANDING

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between **NILES TRANSPORTATION INC.** of 7 Willard Terrace, PO Box 858, Wellsboro Pennsylvania 16901 (hereinafter referred to as “Contractor”)

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**WELLSBORO AREA SCHOOL DISTRICT**, existing by and through the School Code of 1949, as amended and supplemented, with administrative offices located at 227 Nichols Street, Wellsboro, Pennsylvania 16901 (hereinafter referred to as “District”).

WITNESSETH:

**WHEREAS**, Wellsboro Area School District is a public school district existing by and through the School Code of 1949, as amended and supplemented; and

**WHEREAS**, Niles Transportation Inc. is a transportation contractor who provides pupil transportation services for Wellsboro Area School District; and

**WHEREAS**, on March 6, 2020, Governor Tom Wolf issued a Proclamation of Disaster Emergency, which among other things, declared that the “threat of imminent disaster emergency has already caused schools to close, and will likely prompt additional local measures, including affected county and municipal governments to declare a local disaster emergency because of COVID-19; and

**WHEREAS**, on March 13, 2020, the Governor announced that all Pennsylvania schools would be closed for ten (10) days starting on March 16, 2020 through on or around March 27, 2020; and

**WHEREAS**, on March 23, 2020, the Governor further closed schools through on or around April 6, 2020, with future extensions likely; and

**WHEREAS**, on April 9, 2020, the Governor closed schools through the end of the 2019-2020 school year;

**WHEREAS**, on or around March 25, 2020, the Commonwealth enacted Act 13 of 2020 which includes provisions for bus contractors;

**WHEREAS**, Act 13 of 2020 provides the following: Each school entity may renegotiate a contract for school bus transportation services to ensure contracted personnel and fixed costs, including administrative and equipment, are maintained during the period of school closure. During the period of school closure, the school transportation contractor shall submit weekly documentation to the school entity that its complement levels remain at or above the level on March 13, 2020 in order to continue being paid; and

**WHEREAS**, Wellsboro Area School District has entered into a busing contract with the Contractor for the 2019-2020 school year which provides for the transportation of students; and

**WHEREAS**, due to the COVID-19 disaster, and the closure of school districts by directive of the Governor of the Commonwealth, there is no reason for bus services; and

**WHEREAS**, the parties understand that there could be additional directives from the Commonwealth of Pennsylvania regarding the operation of schools, the school calendar, and modifications to the manner in which school contractors are compensated; and

**WHEREAS**, the School District understands that although the Contractor is not providing services, and as such is not using fuel, and incurring other expenses, there are still fixed costs that the Contractor is enduring.

**NOW, THEREFORE**, in consideration of mutual covenants and promises contained herein, all intending to be legally bound hereby, agree as follows:

1. The foregoing recitals are incorporated herein by reference.
2. The School District pays the Contractor in 11 installments throughout the school year and will continue payment on a monthly basis.
3. The Contractor already provided busing services for 9 school days during the month of March, and the District will pay the full amount for these days.
4. The School District agrees to pay the Contractor up to 85% of the total contracted cost for the days that the Contractor did not provide busing services.
5. Pursuant to Act 13 of 2020, the District will reimburse the Contractor up to the 85% as though busses were running if the Contractor's complement levels remain at or above the level they were on March 13, 2020, and that the Contractor submits weekly documentation to the District evidencing that its complement levels remain at or above the level they were on March

13, 2020. For the days the Contractor meets the requirements set forth in Act 13 of 2020, the District will pay up to the 85%, and will adjust payments accordingly.

6. The Contractor must submit to the District a weekly report that provides a listing of employee names, class of employee and amount paid to said employees to satisfy the reporting requirement of Act 13 of 2020 and substantiate payment to employees.

7. The Contractor agrees to continue paying all their employees that were employed as of March 13, 2020 and respond to the PA Bureau of Unemployment for any and all claims filed on or after March 13, 2020 that the employee has not been laid off or separated and is still employed by the Contractor.

8. The Contractor agrees to provide transportation related services as requested by the District to facilitate District operations during this mandated closure. Any District request would be paid up to 100% of the contracted costs. Said services could include, but shall not be limited to: material distribution, food distribution, etc. Any District request will be in compliance with CDC guidelines. These guidelines may change as updated guidance is made available through local, state and national health departments.

9. As a condition of receiving any payment now or in the future, the Contractor agrees to cooperate with the District in complying with PDE requests and requests for documentation.

10. The Contractor and the District agree to work through any issues or inconsistencies related to the Contractor incurring less expenses due to the sudden closure of schools. The Contractor understands that the payments may be adjusted due to the Contractor incurring less expenses and/or due to directives of the Pennsylvania Department of Education.

11. Nothing in this Memorandum of Understanding is intended to or will confer any more or less rights, revenue or income to the Bus Contractor.

12. The Parties understand and agree that additional directives, guidance, regulations or statutes may be forthcoming from the Commonwealth, and the parties agree that any directive of this nature controls over this Memorandum of Understanding.

13. Term. This Agreement shall be effective through June 30, 2020, or when the Commonwealth or the Pennsylvania Department of Education provide new guidance, regulations, or statutory guidance, whichever occurs first.

14. The parties agree and understand that the Commonwealth may provide guidance, directives, regulations, or statutory directives, and both parties agree to comply that the Commonwealth's directives supersede this Memorandum of Understanding.

15. This Agreement must be formally approved by the Board of School Directors.

16. If any portion of this Agreement is for any reason found to be invalid or unenforceable, it is hereby declared that it is the intent of the parties as such invalid or unenforceable provision would not have been included herein.

**IN WITNESS WHEREOF**, the parties have hereunto set their hands and seals the day and date first above written.

[CONTRACTOR]

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Witness

By: \_\_\_\_\_

WELLSBORO AREA SCHOOL DISTRICT

By: \_\_\_\_\_  
Superintendent

\_\_\_\_\_

Secretary

(SEAL)