DURHAM SCHOOL SERVICES RESPONSES TO INQUIRIES 12/3/2012

Can contractors reduce the age of the fleet in SC within current cost per bus per day being spent by SC today?

Absolutely. In fact, we can do so and reduce the total current cost per bus per day for many school districts. Due to the large number of buses older than 15 years, this would need to be done over time.

In addition, we can accelerate reducing the age of the fleet if we are granted similar waivers to the state bus specifications that have already been granted by the State.

Is insurance included within a contract with the contractor? Yes.

What type of insurance does the contractor carry and how much?

Each customer determines the coverage and limits. Our typical coverage includes the following: Commercial General Liability; Vehicle Liability, Umbrella Liability; Workers Compensation and Employers' Liability with a total indemnity limit of \$20 million. Customers are listed as additional insured.

Is maintenance included within a contract with the contractor? Yes.

How is discipline handled on the bus by contractors?

We manage student discipline in accordance with the school district's Board policies. Normally, this means that we report violations of policy and make recommendations to school administrators who have authority and responsibility to determine consequences and any action to be taken. Where student discipline is a challenge, we recommend the use of on-board digital video and audio recording devices.

In what instance are aides assigned to a bus?

Aides are assigned to buses as required by an IEP (Individual Education Plan), by regulation (Head Start/Early Childhood programs), and to assist on buses with discipline problems. These assignments are made in agreement with the school district and typically billed on an hourly basis.

Bus Drivers -

Cost to provide the driver. Information about the type of compensation package offered to include retirement, insurance, etc as many drivers are currently district employees and receive state benefits

Durham School Services tailors wage packages to the individual school district based on the local job market. Wages in our South Carolina locations are similar to local school district wages for the same jobs. We offer paid time off, healthcare coverage, a 401k retirement plan with company match, and paid life insurance. In order to protect employees who are close to retirement, we have made arrangements for those workers to remain employees of the school district until they qualify.

Buses-

Cost to lease

What lease may cover (fuel, maintenance, etc)

Durham provides buses as part of a daily fee rather than simply providing a bus lease. Contracts are based on what each customer wants. Typically, they include the all employees in the transportation department, buses and maintenance. Facilities are typically provided by the school district where facilities currently exist. Fuel can be provided, but we recommend that the State continues to provide fuel for the school districts. School districts are very concerned about ongoing funding and this would remove concern regarding one of the higher, variable costs.

What buses may be used for by both the district and the contract company outside of delivery of students to and from school. May the company contract their buses out to other groups when not in use by the district?

Buses owned by the contractor would be marketed to non-school customers for charter. Durham ensures that such trips do not interfere with on-time, safe daily transportation for the school district. Buses owned by the State or school districts are not used for other customers.

Maintenance

May maintenance be contracted to include buses owned by district or state? Yes

Safety

Accident reports

Pupil incidents on bus (are there aides?) Safety is our number one concern. We report any incidents or accidents to the school district and appropriate authority immediately. As mentioned above, aides and on-board recording devices are used to ensure that pupil incidents are minimized and observed for fact based resolution.

Efficiency

Are students delivered on time? Of course, on-time performance is essential.

Insurance, bus registration, taxes and any other pertinent information.

Insurance, bus registration and taxes will be paid by the contractor. One benefit of privatization is that each school district will receive the tax revenue for the contractor owned buses registered in their school districts.

If I can be of any further assistance please do not hesitate to contact me.

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