

THIS AGREEMENT WILL BE POSTED ON THE CPS WEBSITE.

**AGREEMENT EXERCISING THE FIRST OPTION
TO RENEW THE PARATRANSIT AND ALTERNATE MODES OF STUDENT TRANSPORTATION
SERVICES AGREEMENT**

(Kalaju Trans, LLC. dba Kalaju Transportation Services)

This Agreement Exercising the First Option to Renew the Paratransit and Alternate Modes of Student Transportation Services Agreement (“**First Renewal Agreement**”) by and between the Board of Education of the City of Chicago, a body politic and corporate, commonly known as the Chicago Public Schools (the “**Board**” or “**CPS**”) and Kalaju Trans, LLC. dba Kalaju Transportation Services, with offices located at 6666 N. Western Ave., Suite #3, Chicago, IL 60645 (“**Vendor**”) is entered into as of this September 1st, 2022 (“**Effective Date**”).

RECITALS:

- A. The Board and Vendor entered into that certain Paratransit and Alternate Modes of Student Transportation Services Agreement for a term commencing January 1st, 2022 and continuing through August 31st, 2022 (“**Original Agreement**”) (authorized by Board Report: 21-0728-RS7), with the Board having three (3) options to renew for a period of one (1) year each.

- B. The Board now desires to exercise the first option to renew the Original Agreement upon the terms and conditions as set forth in this First Renewal Agreement, and Vendor accepts this First Renewal Agreement on the terms and conditions hereinafter set forth. The Original Agreement and this First Renewal Agreement are collectively referred to as the “**Agreement**”.

NOW THEREFORE, in consideration of the foregoing, which are incorporated into and made a part of this First Renewal Agreement by this reference, and the mutual covenants contained herein, the parties agree as follows:

- 1. **Definitions:** Any and all capitalized terms contained in this First Renewal Agreement, and not defined herein, shall have the definition as set forth in the Original Agreement.

- 2. **First Renewal Term:** The term of the First Renewal Agreement shall commence on September 1st, 2022 and continue through August 31, 2023 (“**First Renewal Term**”), unless terminated sooner as provided in the Original Agreement. The Board shall have two (2) remaining options to renew the Agreement after the First Renewal Term expires.

- 3. **Scope of Services:** During the Renewal Term, Vendor shall continue to provide the Services as set forth and described in the Original Agreement, including **Exhibit A** attached thereto and incorporated therein.

- 4. **Compensation:** Vendor shall be compensated during the First Renewal Term in accordance with the pricing set forth in the amended Pricing Exhibit attached hereto and incorporated herein as Exhibit B-1, which replaces and supersedes the Pricing Exhibit attached as Exhibit B to the Original Agreement. Any references to Exhibit B in the Original Agreement shall be understood to refer to Exhibit B-1 during the First Renewal Term. The maximum compensation payable to Vendor during the First Renewal Term shall not exceed (One Million Five Hundred Thousand dollars), as may be amended (“**Maximum Compensation Amount**”). It is understood and agreed that the Maximum Compensation Amount is a ‘not-to-exceed amount’ and is not a guaranteed payment. No expenses shall be reimbursed under the Agreement, except for reimbursable expenses set forth in the Original Agreement and Exhibit B-1 thereto.

Compensation shall be based on actual Services performed during the First Renewal Term and the

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Board shall not be obligated to pay for any Services or other deliverables not in compliance with the Agreement. In the event the Agreement is terminated early, the Board shall only be obligated to pay the fees incurred up to the effective date of termination and Vendor shall promptly refund to the Board any payments received from Services and deliverables not provided. If Vendor overcharges, in addition to all other remedies, the Board shall be entitled to a refund in the amount of the overcharge, plus interest at the rate of 3% per month from the date the overcharge was paid by the Board until the date refund is made. The Board has the right to offset any overcharge against any amounts due to Vendor under this or any other agreement between Vendor and the Board.

5. **Agreement:** Except as expressly provided in this First Renewal Agreement, all terms and conditions of the Original Agreement shall remain in full force and effect during the First Renewal Term.
6. **Counterparts and Electronic Signatures:** This First Renewal Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document. A signature delivered by facsimile or other electronic means shall be considered binding on both parties.
7. **Board Approval:** This First Renewal Agreement is subject to approval by the members of the Board of Education of the City of Chicago.

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IN WITNESS WHEREOF, the parties have caused this First Renewal Agreement to be executed by their duly authorized representatives as of the Effective Date.

**BOARD OF EDUCATION
OF THE CITY OF CHICAGO**

DS
✓

**KALAJU TRANS, LLC dba KALAJU
TRANSPORTATION SERVICES**

DocuSigned by:
Patricia Hernandez
By: _____
68F0875FFDF456...
Patricia Hernandez,
Acting Chief Procurement Officer

DocuSigned by:
David Kane
By: _____
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Name: David Kane

Title: Manager

Date: August 19, 2022

Date: August 20, 2022

Board Report No. 22-0622-RS4

Approved as to Legal Form: DS RP DS ES DS ✓

DocuSigned by:
Joseph T. Moriarty
By: _____
574EC69C3314465...
Joseph T. Moriarty, General Counsel

Attachment: Exhibit B-1 – Amended Pricing Exhibit, Fuel Surcharge Policy, Maximum Compensation Amount

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EXHIBIT B-1

AMENDED KALAJU PRICING EXHIBIT

Category	Rate Provided:	Explanation:
Base Rate	\$230.00 - Zones 1-8 (non-wheelchair vehicle) \$300.00 -Zones 1-8(wheelchair accessible vehicle)	The Base Rate is applied once per day and is consistent across all Zones.
Base Rate For Mid-days Runs	\$125.00- Zones 1-8	This rate applies to Midday Runs
Rate Per Mile	\$4.00	The Per Mile Rate shall be multiplied by the total planned live miles (from the first scheduled pickup to last stop of a run) which is determined by the planned route of the CPS system of record exclusive of deadhead
Accessorial Charges:		
Lifts	\$0.00	Included in Base Rate

Subject to Vendor's receipt of applicable drivers' permits, Vendor will provide the Services for ten (10) regular paratransit vehicles and two (2) wheelchair accessible vehicles

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FUEL SURCHARGE POLICY

The fuel surcharge policy shall apply to all Small Vehicle/Para Transit vehicles provided under this Agreement and shall be based on the scale set below. Adjustment to the fuel rate shall be determined on a quarterly basis based on the Midwest (PADD2) Oil Price Information Service (OPIS) PADD report data and the fuel price for the quarter shall be provided by the Board.

- For every increase or decrease of five cents (\$0.05) per gallon in the index, the fuel surcharge rate shall be changed upwards or downwards by 0.2 cents (\$0.002) per mile.

Depending on the vehicle mix, the Diesel (Ultra Low Sulfur) or Gasoline (Midgrade Conventional) fuel price would apply.

Diesel (Ultra Low Sulfur)

Monthly Fuel Price (USD per Gallon) <i>Continuing at \$0.05 decrements</i>	Surcharge per Mile <i>Continuing at \$0.002 decrements</i>
\$1.89 - \$1.94	-\$0.18
\$1.95 - \$2.00	-\$0.17
\$2.01 - \$2.06	-\$0.16
\$2.07 - \$2.12	-\$0.15
\$2.13 - \$2.18	-\$0.14
\$2.19 - \$2.24	-\$0.13
\$2.25 - \$2.30	-\$0.12
\$2.31 - \$2.36	-\$0.11
\$2.37 - \$2.42	-\$0.10
\$2.43 - \$2.48	-\$0.09
\$2.49 - \$2.54	-\$0.08
\$2.55 - \$2.60	-\$0.07
\$2.61 - \$2.66	-\$0.06
\$2.67 - \$2.72	-\$0.05
\$2.73 - \$2.78	-\$0.04
\$2.79 - \$2.84	-\$0.03
\$2.85 - \$2.90	-\$0.02
\$2.91 - \$2.96	-\$0.01
\$2.97 - \$3.02	\$0.00
\$3.03 - \$3.08	\$0.01
\$3.09 - \$3.14	\$0.02
\$3.15 - \$3.20	\$0.03
\$3.21 - \$3.26	\$0.04
\$3.27 - \$3.32	\$0.05
\$3.33 - \$3.38	\$0.06
\$3.39 - \$3.44	\$0.07
\$3.45 - \$3.50	\$0.08
\$3.51 - \$3.56	\$0.09
\$3.57 - \$3.62	\$0.10
\$3.63 - \$3.68	\$0.11
\$3.69 - \$3.74	\$0.12
\$3.75 - \$3.80	\$0.13
\$3.81 - \$3.86	\$0.14
\$3.86 - \$3.91	\$0.15
\$3.92 - \$3.97	\$0.16
\$3.98 - 4.03	\$0.17
\$4.04 - \$4.09	\$0.18

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Gasoline (Midgrade Conventional)

Monthly Fuel Price (USD per Gallon) <i>Continuing at \$0.05 decrements</i>	Surcharge per Mile <i>Continuing at \$0.002 decrements</i>
\$1.65 - \$1.70	-\$0.18
\$1.71 - \$1.76	-\$0.17
\$1.77 - \$1.82	-\$0.16
\$1.83 - \$1.88	-\$0.15
\$1.89 - \$1.94	-\$0.14
\$1.95 - \$2.00	-\$0.13
\$2.01 - \$2.06	-\$0.12
\$2.07 - \$2.12	-\$0.11
\$2.13 - \$2.18	-\$0.10
\$2.19 - \$2.24	-\$0.09
\$2.25 - \$2.30	-\$0.08
\$2.31 - \$2.36	-\$0.07
\$2.37 - \$2.42	-\$0.06
\$2.43 - \$2.48	-\$0.05
\$2.49 - \$2.54	-\$0.04
\$2.55 - \$2.60	-\$0.03
\$2.61 - \$2.66	-\$0.02
\$2.67 - \$2.72	-\$0.01
<u>\$2.73 - \$2.78</u>	<u>\$0.00</u>
\$2.79 - \$2.84	\$0.01
\$2.85 - \$2.90	\$0.02
\$2.91 - \$2.96	\$0.03
\$2.97 - \$3.02	\$0.04
\$3.03 - \$3.08	\$0.05
\$3.09 - \$3.14	\$0.06
\$3.15 - \$3.20	\$0.07
\$3.21 - \$3.26	\$0.08
\$3.27 - \$3.32	\$0.09
\$3.33 - \$3.38	\$0.10
\$3.39 - \$3.44	\$0.11
\$3.45 - \$3.50	\$0.12
\$3.51 - \$3.56	\$0.13
\$3.57 - \$3.62	\$0.14
\$3.63 - \$3.68	\$0.15
\$3.69 - \$3.74	\$0.16
\$3.75 - \$3.80	\$0.17
\$3.81 - \$3.86	\$0.18
Continuing at \$0.05 increments	Continuing at \$0.01 increments

Contract Price Adjustment – Consumer Price Index

The Board requires that the Base Rate and Base Rate For Midday Runs remain firm for the initial term of the Agreement. Vendor is encouraged to proactively mitigate increase in operating costs and will be

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evaluated based on its program to do so in order to help reduce costs to the paratransit and alternate modes of student transportation program. A two (2%) rate adjustment for the Base Rate and Base Rate For Midday Runs can be made annually on the two renewals after the initial term.

A rate adjustment for the Rate Per Mile, Rate Per Stop After The First Stop, and Accessorial Charges can be made on an annual basis if the Vendor documents to the Chief Procurement Officer, through written financial analysis, the need for such adjustment. The adjustment cannot exceed the yearly average of the Consumer Price Index, All Urban Consumers, All Items less Energy, Not Seasonally Adjusted, Chicago-Gary-Kenosha Area. Example: June 2015 – June 2016.

Method	Type	Applies To	Frequency	Example
Based on Index, difference in Index from last calculation	Forward Adjustment Rate	Rate Per Mile, Rate Per Stop After The First Stop, and Accessorial Charges	Annually	Current Per Mile Rate = \$3.03 CPI June 2015-2016 = 1.6% Increase, New rate would be: \$3.08

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MAXIMUM COMPENSATION AMOUNT

The Maximum Compensation Amount for this agreement is \$1.5 million.