FOR ACTION:  Approve contract to purchase three 84 – passenger buses

Recommendation

It is recommended that contract be awarded to $307,647.00 to low bidder, Midwest Transit.

Background Data

See attachments

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>Two 14 passenger activity buses complete</th>
<th>Three 84 passenger chassis complete</th>
<th>TOTALS WITH DISCOUNTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIDWEST TRANSIT</td>
<td>$156,928.</td>
<td>$307,647.</td>
<td>$464,575.</td>
</tr>
<tr>
<td>International Chassis IC Body</td>
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<tr>
<td>Freightliner Chassis Thomas Body</td>
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</tbody>
</table>

Prices include a ten year engine warranty and a five year transmission warranty.
MEMO

TO: Mike Scherer
FROM: Mike Clark
RE: Bus Purchases
DATE: July 1, 2009

Bus Bids were opened May 29, 2009 for three 84 passenger buses and two activity buses. We currently have $353,305 in the bus replacement fund (see Tim’s email explaining budget.) The three buses to be replaced are 1999 Thomas 84 passenger buses. The mileage on the buses ranges between 115,000 to 121,000 miles. I have also enclosed the sheet with the prices for your review. There is not enough money to purchase two activity buses and to replace the three 84 passenger buses. I will give you a few scenarios:

- Purchase three 84 passenger buses for $307,647.00 and no activity buses.
- Purchase two activity buses as specified and one 84 passenger bus.
- Purchase two activity buses with no air conditioning for $147,728.00 and two 84 passenger buses for $205,098.00 for a total of $352,826.00.

It would be my recommendation to replace the existing school buses and omit the two activity buses.
I'll go with whatever you and Mike think is best. Thanks for the information.

Tim,

In my opinion the BE, which is the one we are looking at resembles a school bus. The vision is better out of these than the Type A buses. What I have been hearing from colleagues is they are switching from the Type A to the BE because of longevity. Replacing a gas engine would currently cost about $6000.00 to $7000.00 dollars which I believe would come out of the transportation operating fund. The truck chassis and truck engine gives you better reliability and longevity. Again, what I hear as the Type A gets some age on it, it is not reliable and you tend not to send them on trips or out of town.

Let me know if you, Mike and I need to sit down to talk.

Mike

Michael J. Clark
Monroe County Community School Corporation
Director of Transportation
560 E. Miller Dr.
Bloomington, IN 47401
812.330.7719 Office
812.330.2493 Fax

Mike,
Do you think paying an additional $23,000 per bus is justified by receiving a 10 year engine warranty and having a truck chassis? That seems like a lot more to pay. How much would
an engine cost if we had to replace one? What advantage is derived from having a truck chassis? Thanks.

From: Mike Clark  
Sent: Thu 6/4/2009 7:38 AM  
To: TIMOTHY I THRASHER  
Cc: Michael Scherer  
Subject: RE: 2009 Bus Replacement Budget

Tim,

I am going to be out today and tomorrow so I thought I would try to explain this in an email. We budgeted or ask for additional money to purchase activities buses assuming the price was about $55,000.00 per bus. The buses we specified came back at $78,000.00 per bus. The buses we specified look like a school bus painted white and allow us to get a ten year engine warranty and a "truck" chassis. It would not be my recommendation to go with the other. What I am hearing is after 7-8 years they are pretty much shot and you don't want to send them out of town.

With the money we have we have the following options to the best of my calculations.

- Purchase two activity buses at $156,000.00 and no 84 passengers
- Purchase one activity bus for $78,000.00 and one 84 passenger for $102,549.00
- Purchase three 84 passenger buses for $307,647.00 and no activity buses

I spoke with Scherer and he doesn't want to not replace school buses just to buy two activity buses. I would have to say I agree with him. If we don't replace the three 84 passengers this year it's going to put us behind since we are trying to keep them on a ten year cycle.

He said to talk with you and then he would have to take this back to the board.

Clark

Michael J. Clark  
Monroe County Community School Corporation  
Director of Transportation  
560 E. Miller Dr.  
Bloomington, IN 47401  
812.330.7719 Office  
812.330.2493 Fax

From: TIMOTHY I THRASHER  
To: Mike Clark  
Subject: RE: 2009 Bus Replacement Budget

Mike,
That was the amount we published in the plan. However, that included $122,650 in contract bus driver equipment expense that we will be coding to Bus Replacement rather than the Transportation Operating Fund as part of our recovery plan for the Operating Fund.

Then the assessed valuation declined by 12%, which was much more than anyone anticipated so the tax rate we advertised would not raise as much revenue. We ended up with a total budget of only $475,955. Subtracting the $122,650 contract driver equipment expense left only $353,305 budgeted for buses. $112,000 of this is for activity buses, if we proceed with that purchase. That leaves $241,305 for regular buses. That leaves enough to purchase only 2 buses, rather than the 5 buses included in the plan. If we need to do so we can do some "catch-up" in 2010.

T

From: Mike Clark  
Sent: Wed 6/3/2009 8:42 AM  
To: TIMOTHY I THRASHER  
Subject: 2009 Bus Replacement Budget

Tim,

I am just confirming that there is $820,378.00 budgeted for bus replacement in 2009. Is this correct?

Clark

Michael J. Clark  
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https://mailhub.mccsc.edu/Exchange/mjclark/Inbox/RE:%202009%20Bus%20Replacement...  6/16/2009