



LINCOLN PUBLIC SCHOOLS

MARY ELLEN NORMEN
ADMINISTRATOR FOR BUSINESS AND FINANCE

To: School Committee
Rebecca McFall, Superintendent of Schools

From: Mary Ellen Normen, Administrator for Business and Finance

Date: March 3, 2023

Subject: Recommendation for Contract Award -- Bus Transportation Services 2024-2028

Process: In accordance with the procedures outlined in M.G.L. 30B, and those approved by the School Committee for the solicitation of the current bus transportation contract, bids for transportation services were solicited from potential bidders using the following process:

- Legal notices were published in the Lincoln Journal on December 1 and December 8, 2017.
- Goods and Services announcements on the State Publications and Regulations web site were published on December 4 and December 11, 2017
- The Invitation for Bids (IFB) announcement and documents were posted on COMMBUYS, the Massachusetts State procurement site.
- IFB packets were sent electronically upon request to the following vendors (alphabetically):
 - AA Transportation, Shrewsbury, MA
 - Deltek, Herndon, VA
 - Doherty's Garage, Lincoln, MA
 - Eastern Bus Company, Somerville, MA
 - Healey Bus, Swampscott, MA
 - MV Transportation, Inc. Boston, Lowell, MA
 - New England Transit, Tyngsboro, MA
 - Student Transportation of America, Hopkinton, MA
- The following vendors attended the mandatory pre-bid conference held December 20, 2022 at 11:00 am (alphabetically):
 - Eastern Bus Company, Somerville, MA
 - Doherty's Garage, Lincoln, MA
 - New England Transit, Tyngsboro, MA
- One addendum was added to the bid packet after the pre-bid conference: Addendum # 1 answered questions from the pre-bid conference and provided documents requested by potential bidders and an adjustment to Bid for #8 Fuel Escalation Clause
- Bids were opened on January 13, 2023 at 2 pm by Maureen Onigman, Coordinator for Business Operations, and Buck Creel former Administrator for Business and Finance as substitute due to illness of current Administrator of Business and Finance. .

Bid Results: One bid was received prior to the bid opening time; none were submitted late. Representatives from the following companies were present to witness the bid opening:

- New England Transit, Tyngsboro, MA
- Doherty's Garage, Lincoln, MA

One bidder, Doherty’s Garage, submitted a complete bid package. The submitted materials meet the requirements of the bid instructions, and we find that Doherty’s Garage is a responsive bidder.

Doherty’s Garage has successfully delivered all required types of transportation services to the Lincoln Public Schools in the past, and we find nothing within the documents submitted or in other information available to us to cause us to believe that they will not be able to continue their past level of excellent service. Therefore, we find Doherty’s Garage to be a responsible bidder.

Price Analysis: The rule for award included in the bid documents states:

“One contract will be awarded for all anticipated regular route buses, field trips and athletic events buses. Contract will be awarded to the responsive and responsible bidder with the lowest sum of the price for regular route buses for each of the three contract years, plus the cost of the performance bond for each of the three contract years, plus the combined total of the representative set of field trips and athletic events buses for each of the three contract years.”

As only one bid was submitted, it is automatically the low bid, so we did not perform the exact total price calculations required by the rule for award.

Regular bus pricing below shows the prices for seven regular run buses under the pricing schemes of the current, proposed and option contract years. The total increase over the three-year proposed contract period is 13.5%, which is higher than the average CPI of 11.24% for three-year periods over the past 18 years. Please note that the first-year price for 2018-19 included an additional amount to cover the cost of installing video recording devices on all buses.

	Current contract			Current contract Option years		Proposed contract			Option years	
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
price for 1 bus	377	389	401	416	431	454.65	472.85	491.75	521.25	552.53
price for 7 buses	475,020	490,140	505,260	524,160	543,060	572,859	595,791	619,605	656,775	696,188
% increase from prior year	7.7%	3.2%	3.1%	3.7%	3.6%	5.5%	4.0%	4.0%	6.0%	6.0%

The increase of 6% for the option years may not present a value to the School Committee under the current conditions. As we finalize the contract we will re-evaluate the value of the options and attempt to negotiate more favorable rates for the future. In addition, determining relative price value when only one firm submits a bid is often difficult. Contract pricing discussions are ongoing to ensure that there is fair pricing for all parties going forward.

Performance Bond: The IFB contained a requirement for the posting of a 100% performance bond, as spelled out in the following language:

“The Contractor will, within ten (10) days of the contract award and by September 1 of each year of the contract, provide a Performance Bond in a form that is satisfactory to Town Counsel in the amount of 100% of the contract price for one year of regular transportation service, and keep that bond current for all contract and option years (if executed). The School Committee reserves the right to waive this requirement, in whole or in part, if deemed in the best interest of the Town. However, the cost shall be included for bid purposes.”

Doherty’s Garage bid included the costs for performance bonds shown in Table 4 below.

Table 4

	Proposed contract			Option years	
	2023-24	2024-25	2025-26	2026-27	2027-28
Performance Bond	\$8,369	\$8,704	\$9,052	\$9,595	\$10,642

Doherty’s Garage has a long history of excellent performance in providing school bus transportation services in Lincoln, and holds a respected position in our Town. Our performance risk may be managed through means other than a performance bond, so this additional cost may be properly avoided.

Conclusion: We consider both sets of prices reasonable. While the anticipated first year prices are within the amount included for transportation in the FY24 Budget currently proposed by the School Committee, adjustments may be made in several budget lines to accommodate any extra cost incurred when needing to add any additional routes.

Electronification of School Bus Fleet: The district has received inquiries as to whether we can change the contract during this procurement cycle to require Doherty’s to purchase electric vehicles through grant programs that are being advertised. On December 20, 2022, all potential bidders were informed that any mention of converting to electric school buses was not included in the bus bid documents. They were also informed that Lincoln does not preclude a transition to electric school buses in the years to come. The Lincoln Green Committee for the Town of Lincoln and many others are very interested in exploring electric or alternative fuel vehicles. Due to the many variables, planning has yet to begin. In addition, it was stated that The Town would appreciate having the school bus provider participate in future discussions.

At this time, The School Committee committed to participating in a regional study proposal for school transportation electrification, to be done in partnership with the [Metropolitan Area Planning Council \(MAPC\)](#). This proposal is for districts that own bus fleets and/or contract for transportation (yellow bus) services. We are awaiting the response from the submittal to the [Technical Assistance Program grant](#) program. Once the outcome of the award is known, research can begin on the viability of changing the business model for school bus services and how to continue privatization. The timing would allow for bidding of a successor contract in the Fall of 2025 that could include a possible business model change, infrastructure installation, and specific considerations for the capitalization of equipment. Advancing this initiative any sooner than knowing the outcome of the MAPC grant, a full understanding of the cost benefits of various operational models, and infrastructure requirements will not be part of a recommendation from staff of the school department at this time. If the School Committee would like to have staff investigate the option without the MAPC grant, resources will need to be identified for staff to work with Doherty’s and the Lincoln Green Committee and Capital Committee representative, Ed Kern, to review the knowns and the unknowns of the current School Transportation Business Model of the Lincoln Public Schools and what will be required to undergo this type of vehicle transition.

Recommendations: Doherty's Garage, Inc. is a responsive, responsible bidder who has offered a reasonable price. Accordingly, we recommend:

- that the School Committee award the bus transportation services contract for the three-year period 2024-26 to Doherty's Garage, Inc.;
- that the School Committee waive the requirement for a performance bond for the contract period; and
- that the School Committee not award the bus transportation services contract for the option years at this time.