



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

October 25, 2016

To: School Committee
Becky McFall

From: Buckner Creel

Subject: Contract amendment and option exercise – Bus transportation

Background. On January 24, 2013, the School Committee entered into a contract with Doherty’s Garage, Inc. for the transportation of resident Lincoln School students. The contract included pricing for three contract years of service (2013-2016) and for two options years (2016-2017 and 2017-2018).

Discussion. Municipal contracts are governed by the provision of the Uniform Procurement Act, Chapter 30B of the Massachusetts General Laws (MGL 30B). Section 12 of MGL 30B allows the awarding authority to exercise options to extend the contract performance period if the options were included in both the original solicitation and the contract, if the contract provides the awarding authority with the sole discretion to exercise the option and if the awarding authority determines that exercising the option is advantageous.

The 2013 contract pricing for the two option years provides increases; the increase from FY16 to FY17 is 6.1%, and from FY17 to FY18, 5.7%. Last year, the School Committee authorized the administration to award the Option Year 1 to Doherty’s, at the bid price of \$350 per bus per day.

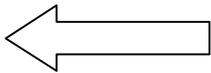
For school year 2016-2017, in preparation of the FY18 budget, the administration initially considered a new competition for transportation services, but then asked Doherty’s to provide new pricing for Option Year 2.

Section 13 (5) of MGL 30B says that “the governmental body, with the agreement of the contractor, may reduce the unit price for supplies or services or both specified in a contract to be paid by the governmental body at any time during the term of the contract or when an option to renew, extend or purchase is exercised.” After some discussion and assessment on their part, Doherty’s proposed to decrease the Option Year 2 price from \$370 per bus per day to the match Option Year 1 of \$350. The cost history and resultant prices are shown below.

Period	Cost for 7 bus routes	Percent increase	Per diem bus rate
Prior Contract (FY10)	\$354,060		\$281
Prior Contract (FY11)	\$364,140	2.8%	\$289
Prior Contract Option 1 (FY12)	\$374,220	2.8%	\$297
Prior Contract Option 2 (FY13)	\$378,000	1.0%	\$300
Contract Year 1 (FY14)	\$378,000	0.0%	\$300
Contract Year 2 (FY15)	\$396,900	5.0%	\$315
Period	Cost for 7 bus routes	Percent increase	Per diem bus rate
Contract Year 3 (FY16 current)	\$415,800	4.8%	\$330
Option Year 1 (FY17)	\$441,000	6.1%	\$350
Option Year 2 (FY18) (as bid)	\$466,200	5.7%	\$370
Option Year 2 (FY18) (revised)	\$441,000	0.0%	\$350

Comparisons Below are some comparative per diem bus rates for FY17, the current fiscal year:

<u>School District</u>	<u>Per Diem</u>
Newton	\$551.00
Lexington	\$461.00
Framingham	\$428.04
Waltham	\$401.11
Brookline	\$390.00
Cambridge	\$375.00
Billerica	\$372.00
Belmont	\$360.00
Needham	\$353.00
Natick	\$353.00
Lincoln	\$350.00
Medford	\$349.00
Wellesley	\$340.00
Sharon	\$334.00
Somerville	\$325.00
Watertown	\$322.00
Wayland	\$316.19



Conclusions & Recommendations. It appears from the comparisons that the price offered by Doherty's is reasonable. I have determined that the 0.0% increase offered by Doherty's Garage, a price below that allowed by the current contract bid price for Option Year 2, is more advantageous to the Committee than the price expected from an open competition.

A bilateral contract amendment is required to substitute the newly-negotiated price for that included in the original contract; the proposed amendment is attached. The language and form of the amendment was reviewed by the School Committee's counsel in prior years. The negotiations included recognition that the price is offered in anticipation of the School Committee agreeing to exercise the option year now. A unilateral contract amendment is required to exercise the option included in the original contract; the proposed amendment is attached.

Accordingly, I recommend that the School Committee VOTE to amend the contract with Doherty's Garage, Inc. to incorporate new pricing for Option Years 2, and to exercise the contract option for bus service for Option Year 2.



Lincoln Public Schools

Ballfield Road
Lincoln, Massachusetts 01773
781-259-9401 • FAX: 781-259-9246 • www.lincnet.org

**Amendment 2 to
CONTRACT
For
School Bus Transportation
Lincoln Public Schools
Lincoln, Massachusetts**

On January 1, 2013, the Lincoln Public School Committee, Lincoln Public Schools, Ballfield Road, Lincoln, MA 01773 ("Committee") and Doherty's Garage, Inc., 161 Lincoln Road, Lincoln, MA 01773 ("Contractor") (collectively, the "Parties") entered into a contract for the transportation of school pupils. The contract included pricing for three (3) contract years of service (2013-2016) and for two (2) options years (2016-2017 and 2017-2018). The Parties wish to amend the contract to reflect new pricing for the second of two (2) option years, Option Year 2.

In consideration of the agreements on the part of the other herein contained, the parties hereto agree as follows:

1. Paragraph 5 Compensation and Payment of the Contract is amended to read:

The Town agrees to pay and the Contractor agrees to receive as full compensation for services performed for Contract years 1 through 3 under this contract, and for Option Year 1, the amounts shown on the Bid Form #2, with Attachment 1, as submitted in response to the IFB. Pricing for Option year 2 shall be:

PART A. Lincoln Regular Route Buses:

Estimated need: 7 buses for 180 days per year*:

Option year 2 (2017-2018)

Price per bus per day: \$ 350.00 X 7 buses X 180 days = \$ 441,000.00 Annual Cost (in numerals)

Four hundred forty-one thousand dollars and no cents Annual Cost (in words)

**PART A REGULAR ROUTE BUSES - In any given year during the contract term, the Committee may increase or decrease the number of regular route buses. Any increase/decrease will be at the unit prices specified on this bid form.*

2. The Contractor acknowledges that it has not been influenced to enter into this Amendment, nor has the Contractor relied upon any warranties or representations not set forth in this instrument.
3. By entering into this Amendment, the Contractor certifies and reaffirms under penalties of perjury that its original Bid for the Contract was made and submitted in good faith and without collusion or fraud with any person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.
4. By entering into this Amendment, the Contractor hereby agrees that it shall continue to comply with any and all insurance and indemnification requirements contained in the original Contract for the Contract Term, including any options for renewal thereof.

5. By entering into this Amendment, the Contractor certifies under the penalties of perjury, pursuant to M.G.L. c.62C, Section 49A(b), that it has complied with and that it shall continue to comply with all laws of the Commonwealth relating to taxes, to reporting of employees and Contractors, and to withholding and remitting child support.

6. The Contractor understands that the Massachusetts Conflict of Interest Law, Chapter 268A of the Massachusetts General Laws, applies to the Contractor with respect to the services required to be provided under this Amendment. The Contractor and its officers, employees, agents, subcontractors and affiliated agencies shall not participate in any activity which constitutes a violation of the Massachusetts Conflict of Interest Law or which creates an appearance of a violation of the Massachusetts Conflict of Interest Law.

7. The Contractor reaffirms herein that it shall not discriminate against or exclude any person from participation herein on grounds of race, color, religious creed, national origin, sex, sexual orientation, which shall not include persons whose sexual orientation involves minor children as the sex object, age, genetic information, ancestry, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, and handicap. The previous sentence shall include, but not be limited to, the following: advertising, recruitment; hiring; rates of pay or other forms of compensation; terms; conditions or privileges of employment; employment upgrading; transfer; demotion; layoff; and termination. The Contractor reaffirms that it shall take affirmative actions to insure that applicants are employed, and that employees are treated during their employment, without regard to race, color, religious creed, national origin, sex, sexual orientation, which shall not include persons whose sexual orientation involves minor children as the sex object, age, genetic information, ancestry, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, and handicap.

8. The Contractor reaffirms that it shall not participate in or cooperate with an international boycott, as defined in Section 999 (b)(3) and (4) of the Internal Revenue Code, as amended, or engage in conduct declared to be unlawful by Section 2 of Chapter 151E of the Massachusetts General Laws.

9. The Contractor shall not assign or subcontract in whole or in part this Amendment or in any way transfer any interest in this Amendment without the prior express written approval of the Lincoln Public Schools.

10. This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, regardless of choice of law issues or principles.

This Amendment contains all of the terms and conditions agreed upon by the Parties as amendments to the original Contract. No other understandings or representations, oral or otherwise, regarding amendments to the original Contract shall be deemed to exist or bind the Parties, and all other terms and conditions of the Contract remain in full force and effect. Provided, however, that nothing herein shall be construed as to limit the ability of the parties to further amend the contract by mutually acceptable written instrument or to limit the ability of the Lincoln School Committee to exercise any option it may have under the original contract.

IN WITNESS WHEREOF, the Committee and the Contractor have caused this Amendment

to be executed under seal by their respective authorized officers on _____, 2016.

LINCOLN SCHOOL COMMITTEE

By _____
Jennifer Glass

Chair, School Committee

By _____
Rebecca McFall
Superintendent, Lincoln Public Schools

DOHERTY'S GARAGE, INC.

(Affix Corporate Seal)

_____ By _____
Cynthia Murphy
President



Lincoln Public Schools

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**Amendment 3 to
CONTRACT
For
School Bus Transportation
Lincoln Public Schools
Lincoln, Massachusetts**

On January 1, 2013, the Lincoln Public School Committee, Lincoln Public Schools, Ballfield Road, Lincoln, MA 01773 ("Committee") and Doherty's Garage, Inc., 161 Lincoln Road, Lincoln, MA 01773 ("Contractor") (collectively, the "Parties") entered into a contract for the transportation of school pupils. The contract included pricing for three (3) contract years of service (2013-2016) and for two (2) options years (2016-2017 and 2017-2018). The Committee wishes to exercise its right to unilaterally accept the pricing for Option Year 2, amended through Amendment 2, and amend the contract to reflect this option exercise.

No other understandings or representations, oral or otherwise, regarding amendments to the original Contract shall be deemed to exist or bind the Parties, and all other terms and conditions of the Contract remain in full force and effect. Provided, however, that nothing herein shall be construed as to limit the ability of the parties to further amend the contract by mutually acceptable written instrument or to limit the ability of the Lincoln School Committee to exercise any option it may have under the original contract.

IN WITNESS WHEREOF, the Committee has caused this Amendment to be executed under seal by its authorized officers on November _____, 2016.

LINCOLN SCHOOL COMMITTEE

By _____
Jennifer Glass
Chair, School Committee

By _____
Rebecca McFall
Superintendent, Lincoln Public Schools