



# LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL  
ADMINISTRATOR FOR BUSINESS AND FINANCE

December 27, 2012

To: Lincoln School Committee  
Rebecca McFall, Superintendent of Schools  
From: Buckner Creel, Administrator of Business and Finance

Subject: Recommendation for Contract Award -- Bus Transportation Services 2013-2016

**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 November 29 and December 6, 2012.
- Goods and Services announcements on the State Publications and Regulations web site were published on November 26 and December 3, 2012
- Invitation to Bid packets were sent electronically upon request to the following vendors:
  - New England Transit, Tyngsboro, MA
  - Doherty's Garage, Lincoln, MA
  - Illinois Central School Bus, Channahon, IL
  - Bedford Charter Service, Bedford, MA
  - NRT Bus, Inc, Newbury, MA
  - Durham School Services/National Express, Syracuse, NY
  - Healey Bus Inc, Swampscott, MA
  - Dattco Inc, New Britain, CT
  - Eastern Bus Co, Somerville,
- The following vendors attended the mandatory pre-bid conference held December 5, 2012 at 11:30am:
  - New England Transit, Tyngsboro, MA
  - Doherty's Garage, Lincoln, MA
  - Illinois Central School Bus, Channahon, IL
  - Bedford Charter Service, Bedford, 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.
- Bids were opened on December 20, 2012 at 11:30 am.

**Bid Results.** Three bids were 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
- Illinois Central School Bus, Channahon, IL

Two bidders (New England Transit and Illinois Central School Bus) bid "No Bid," and are considered non-responsive. 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 net present value (using a discount rate of 3%) for the price for regular route and kindergarten buses 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 net present value calculations required by the rule for award.

**Regular bus pricing.** Table 1 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 9.8%, which is higher than the average CPI of 8.2% for three-year periods over the past 10 years. On the other hand, the total increase over the three-year proposed contract plus the prior two year option period is 13.5%, which is slightly less than the average CPI of 13.9% for five-year periods over the past 10 years.

**Table 1**

	Current contract		Current contract Option years		Proposed contract			Option years	
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1 bus price	281	289	297	300	300	315	330	350	370
7 bus price	354,060	364,140	374,220	378,000	378,000	396,900	415,800	441,000	466,200
% increase from prior year		2.8%	2.8%	1.0%	0.0%	5.0%	4.8%	6.1%	5.7%

The increase of 11.8% for the option years does not seem to present a value to the School Committee under the current conditions.

Determining relative price value when only one firm submits a bid is often difficult. By way of comparison, Table 2 on the next page shows per-bus prices for several communities:

**Table 2**

<u>City/Town</u>	<u>Company</u>	<u># buses</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY14</u>
Newton	First Student	28	\$375.00			
Belmont	Eastern Bus	6	\$299.00	\$306.00	\$312.00	
Needham	Michael J. Connolly		\$290.00	\$315.00	\$338.00	
Lincoln	Doherty's Garage	7	\$297.00	\$300.00	\$300.00	\$315.00
Sudbury	First Student	28	\$291.38	\$298.66	\$306.13	
Natick	Michael J. Connolly	20	\$295.28	\$305.00	\$315.00	
Wellesley	Eastern Bus	14	\$265.00	\$315.00	\$320.00	
Waltham	Illinois Central	27	\$375.49	\$375.49	\$375.49	

The proposed pricing appears reasonable when compared with the pricing for bus services in communities around Lincoln.

**Athletic and field trip bus pricing.** Table 3 below shows the prices for a representative set of field trip and athletic events buses under the pricing schemes of the proposed and option contract years. Comparison with current and prior-year pricing is not easy, because the representative slate of bus trips in the current solicitation was changed to reflect the current actual requirements. The total increase over the three-year proposed contract period is approximately 9.0%, which is higher than the average CPI of 8.2% for three-year periods over the past 10 years, but less than the proposed increase for regular buses.

**Table 3**

	Proposed contract			Option years	
	2013-14	2014-15	2015-16	2016-17	2017-18
price for representative field trips & buses	37,754	38,886	40,057	42,065	44,175
% increase from prior year	3.0%	3.0%	3.0%	5.0%	5.0%

The increase of 10.0% for the option years does not seem to present a value to the School Committee under the current conditions.

**Conclusion.** We consider both sets of prices reasonable. The anticipated first year prices are within the amount included for transportation in the FY14 Preliminary Budget currently under consideration by the School Committee.

**Recommendation.** 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 2013-2016 to Doherty’s Garage, Inc.; and
- that the School Committee not award the bus transportation services contract for the option years at this time.