



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

December 21, 2017

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

Subject: Recommendation for Contract Award -- Bus Transportation Services 2018-2021

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):
 - Doherty's Garage, Lincoln, MA
 - First Student Bus Company, Hanson, MA
 - Healey Bus Inc, Swampscott, MA
 - NELLC - Durham School Services, Coventry, RI
 - New England Transit, Tyngsboro, MA
 - NRT Bus, Inc, Newbury, MA
- The following vendors attended the mandatory pre-bid conference held December 13, 2017 at 11:00 am (alphabetically):
 - Doherty's Garage, Lincoln, MA
 - First Student Bus Company, Hanson, 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.
- Bids were opened on December 21, 2017 at 11:00 am.

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 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 14.0%, which is higher than the average CPI of 9.7% for three-year periods over the past 18 years. Please note that the first year price includes an additional amount to cover the cost of installing video recording devices on all buses.

Table 1

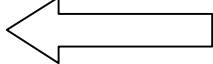
	Current contract		Current contract Option years		Proposed contract			Option years	
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
1 bus price	315	330	350	350	377	389	401	416	431
7 bus price	396,900	415,800	441,000	441,000	475,020	490,140	505,260	524,160	543,060
% increase from prior year	5.0%	4.8%	6.1%	0.0%	7.7%	3.2%	3.1%	3.7%	3.6%

The increase of 7.3% for the option years may present a value to the School Committee under the current conditions. We will re-evaluate the value of the options in the fall of 2020, during the FY22 budget process.

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 Comparisons Below are some comparative per diem bus rates for FY19, the next fiscal year and first year of the next contract:

<u>School District</u>	<u>Per Diem</u>
Lexington	\$480.00
Leominster	\$456.61
Framingham	\$428.04
Easton	\$410.00
Mendon-Upton	\$410.00
Easton	\$410.00
Easton	\$410.00

Uxbridge	\$400.00	
Blackstone-Millvale	\$397.00	
Seekonk	\$382.01	
Millbury	\$377.00	
Lincoln	\$377.00	
Quabog Regional	\$374.00	
Dedham	\$373.50	
Pathfinder Regional	\$371.68	
Nashoba Regional	\$371.00	
Ashland	\$366.00	
Manchester-Essex	\$360.00	
Douglas	\$360.00	
Groton-Dunstable	\$360.00	
Littleton	\$358.00	
Tyngsborough	\$358.00	
Southern Berkshire	\$357.00	
Milford	\$352.00	
Blackstone Valley	\$346.00	
Westport	\$342.00	
Wakefield	\$330.00	

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%, less than the proposed increase for regular buses.

Table 3	Proposed contract			Option years	
	2018-19	2019-20	2020-21	2021-22	2022-23
price for representative field trips & buses	67,286	69,299	71,381	73,523	75,726
% increase from prior year		3.0%	3.0%	3.0%	3.0%

The increase of 3.0% for each of the option years may present a value to the School Committee under the current conditions.

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	
	2018-19	2019-20	2020-21	2021-22	2022-23
price for performance bond	8,178.30	8,432.10	8,685.90	9,009.90	9,320.40

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 not within the amount included for transportation in the FY19 Preliminary Budget currently under consideration by the School Committee, adjustments may be made in several budget lines to accommodate the extra cost.

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 2018-2021 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.