

BEDFORD PUBLIC SCHOOLS



TO: Members of the Bedford School Committee
FROM: Cliff Chuang, Superintendent
Julie Kirrane, Director of Finance
DATE: January 12, 2024
SUBJECT: Regular, Athletics, Field Trips, Metco and In-District Specialized Van
Transportation Contract - **Recommendation to Award**

In compliance with Massachusetts 30B Public Procurement laws, Bedford issued an Invitation for Bid (IFB) on November 15, 2023. The invitation was to bid for a three-year contract with two one-year options to renew for comprehensive pupil transportation services (not including out-of-district special education transportation). The Bedford Charter Company submitted the only bid. However, there were 8 requests and downloads of the bid documents, there were two vendors at the bidder's conference and three vendors at the bid delivery.

In year one, the new bid prices are scheduled to increase at rates of 8.2% for the main fleet, 18% for late buses, 14.7% for athletics and field trips, and 14% for Boston buses (paid by METCO grant funds). On January 10, a meeting was held to discuss the bid pricing which is a larger increase as compared to the prior contract which had increases on per diem rates of 5% or less. Bedford Charter provided useful context for the price increases currently faced by the pupil transportation industry including substantial price increases for vehicles, replacement parts, tires, insurance, fuel and staff training and wages. The labor shortage has been challenging for Bedford Charter, as it has been for the entire industry. The district was able to negotiate for a smoothing of the proposed daily rates. This mitigates the impact in year one of the contract (and subsequent impact on the proposed FY25 budget), and allows additional time to adjust for higher bus costs.

The largest component of the contract is regular "big yellow" bus transportation. Because the bid process closed on December 14, we were able to adjust the budget prior to the presentation of the Superintendent's budget proposal on December 19th. Funds were increased to help meet these new costs. The FY25 budget proposal is carrying funds in the amount of \$1,469,887 which is slightly in excess of the \$1,455,180 value of the regular Bedford morning, afternoon and late bus transportation, based on bid pricing. The additional approximately \$15,000 will be transferred to athletics transportation, to help meet the higher price levels. The new pricing includes current higher base fuel price; \$8.80 per day is attributable to documented fuel prices. As long as fuel pricing stays close to the new base price, the contractual fuel escalation clause will not be triggered.

It is notable that athletics and late bus transportation had significant market adjustments. Bedford Charter provided rates from other nearby communities documenting their higher bid prices as still comparatively lower than the contracted pricing in other communities. In response to our request to smooth the rate increases across the 3-year contract period, Bedford Charter agreed to this request and reduced the proposed increase in year one. The final negotiated prices are reported below:

The bid prices for the main fleet daily rates are:

| | FY25 | % chg | FY26 | % chg | FY27 | % chg | FY28 Opt 1 | % chg | FY29 Opt 2 | % chg |
|--------------|-------|-------|-------|-------|-------|-------|---------------|-------|---------------|-------|
| 4 School Bus | \$497 | 8.3% | \$538 | 8.2% | \$584 | 8.6% | \$608 | 4.1% | \$638 | 4.9% |
| 2 School Bus | \$469 | 6.8% | \$499 | 6.4% | \$534 | 7.0% | \$564 | 5.6% | \$594 | 5.3% |

The bid prices for late buses are:

| FY25 | % chg | FY26 | % chg | FY27 | % chg | FY28 Opt 1 | % chg | FY29 Opt 2 | % chg |
|------|-------|------|-------|------|-------|---------------|-------|---------------|-------|
| 118 | 18.0% | 139 | 17.8% | 163 | 17.3% | 180 | 10.4% | 200 | 11.1% |

The bid prices for athletic and field trip transportation are:

| FY25 | % chg | FY26 | % chg | FY27 | % chg | FY28 Opt 1 | % chg | FY29 Opt 2 | % chg |
|------|-------|------|-------|------|-------|---------------|-------|---------------|-------|
| 390 | 14.7% | 440 | 12.8% | 460 | 4.5% | 460 | 0.0% | 480 | 4.3% |

The bid prices for Boston buses are:

| RATES | FY25 | % chg | FY26 | % chg | FY27 | % chg | FY28 Opt 1 | % chg | FY29 Opt 2 | % chg |
|----------------|-------|-------|-------|-------|-------|-------|------------|-------|------------|-------|
| Metco HS | \$615 | 13% | \$655 | 7% | \$695 | 6% | \$735 | 6% | \$775 | 5% |
| Metco MS | \$615 | 13% | \$655 | 7% | \$695 | 6% | \$735 | 6% | \$775 | 5% |
| Metco ES | \$640 | 8% | \$675 | 5% | \$715 | 6% | \$755 | 6% | \$795 | 5% |
| Metco Late Bus | \$350 | 13% | \$370 | 6% | \$390 | 5% | \$410 | 5% | \$430 | 5% |

The Bedford Public Schools published bid, the Bedford Charter submitted bid documents and revised pricing, together with the attached transportation contract will govern the service and business relationship between Town of Bedford, Bedford Public Schools and Bedford Charter during the upcoming contract term. The draft contract is submitted for your review. An original copy will be available during the school committee meeting for signature..

As always, please feel free to contact either of us with any questions.

Recommended Motion: That the Bedford Public Schools award a transportation contract to Bedford Charter according to the submitted bid documents for a three year contract term.