

District Transportation Report

(Final Report)

for the

Concord Public Schools

&

Concord Carlisle Regional School District

Provided by
The Flahive Consulting Group
January 27, 2012

Overview

The Concord Public Schools (CPS) and the Concord-Carlisle Regional School District (CCRS) currently operate their own school transportation service, servicing grades K-12 students in Concord, grades 9 - 12 students in Carlisle, as well as METCO students attending Concord Carlisle Regional High School.

The school bus yard is located at 500 Walden St. (behind the High School) and is comprised of a maintenance facility, fuel depot, dispatch and management offices, bus parking, and employee parking.

The building plans for the new high school require taking the land where the bus yard is currently located, which would lead to the CPS and CCRS either finding a new location and constructing the necessary maintenance and operations buildings to support the operation, or solicit bids from outside bus vendors to provide the same transportation services.

Bid Process and Results

In August, 2011, The Flahive Consulting Group was contracted by the Concord Public Schools to assist in preparing bid Specifications and managing the bid process for Student Transportation Services for the Concord Public Schools and the Concord-Carlisle Regional School District.

Bid specifications were prepared to receive pricing submittals from vendors who were deemed to be responsive and responsible according to the terms and requirements of the bid specifications under the provisions of Chapter 30B of the Massachusetts General Laws. Cost submittals were requested for both a 3-tier bus system which would mirror the existing system, and for a 2-tier system, which would combine the High School and Middle School routes, allowing for a later start time for the High School, but would require additional buses under this system. The bid specifications called for the CPS to retain ownership of the bus fleet. In this way, if the CPS decided to go back to operating their bus service after the three (3) year contract prices expired, they would have the bus fleet to do so.

A Pre-bid conference was held on November 16, 2011, which allowed the interested bus vendors the opportunity to ask any questions they may have regarding the bid specifications and service expectations expected by the CPS and CCRSD. All questions were answered with copies of the answers distributed in writing to all of the vendors in attendance at the pre-bid conference.

On December 7, 2011, at the scheduled date for submittal of bids, First Student Bus Company and Illinois-Central Bus Company submitted bids. After reviewing both bid submittals in detail, it was determined that First Student was the lowest responsive and responsible bidder under the provisions of Chapter 30B of the Massachusetts General Laws. The 3-year contract prices submitted by both vendors are as follows:

First Student

	3-Tier System		2-Tier System
2012-2013	1,811,828		2,084,205
2013-2014	1,836,189		2,115,545
2014-2015	1,860,869		2,147,313
Lease Credit	(108)		(108)
	5,508,778		6,346,955

Illinois Central

	3-Tier System		2-Tier System
2012-2013	3,391,148		3,483,672
2013-2014	3,494,230		3,587,844
2014-2015	3,599,204		3,696,838
	10,484,582		10,768,354
Lease Credit	(3)		(3)
	10,484,579		10,768,351

Price Comparison

3-Tier System		2-Tier System	
Illinois Central	10,484,579		10,768,351
First Student	5,508,778		6,346,955
Difference	4,975,801		4,421,396

The First Student bid also stipulates that First Student will provide 3 new full-size buses to supplement the current Concord Public School fleet at no cost to the district(s). First Student has also indicated that they will agree to interview all of the current Concord Public Schools transportation staff for employment consideration.

Outsourcing School Transportation - Pros and Cons

Currently, over 90% of the school bus transportation services in Massachusetts are provided by private vendors - outsourced. Most school districts in Massachusetts have outsourced transportation for a variety of reasons, including:

- Lack of knowledge and expertise in school busing
- Lack of facilities to maintain and operate a school bus service
- Changing complex Federal and State regulations and policies regarding school busing
- Non-educational service offering - not a core competency of the district
- Capital financing for new buses not always available
- Environmental issues, and regulations
- Labor / union issues

In short, most school districts feel they do not have the expertise, time, or resources to successfully operate a school transportation service.

On the other hand, school districts that do successfully operate their own transportation program can offer a high level of service to their school districts at a competitive cost. Employees of district operated transportation systems tend to have more longevity in the work place with less turnover. Since school districts are tax exempt and non-profit organizations, the districts don't have to worry about profit margins, boards of directors, and even stockholders, in making decisions on how to operate their services.

Transitioning to a Vendor Operated Service

Framingham Public Schools recently transitioned from a district operated to a vendor operated transportation service - approximately 80 vehicles, starting in 2011.

Framingham was looking to save money on their operating costs as well as deal with the future pension and health insurance costs of retiring employees. After experiencing some operational issues at the beginning of school, the service is now where they would expect it to be.

Any time a school district transitions to a new vendor, there can be expected "growing pains" in the operation. Ways to eliminate or minimize service failure are:

- Hire existing management staff
- Hire existing drivers
- Dry-run routes during the summer
- Hold meetings with drivers and staff administrators to discuss start-of-school issues, expectations, policies
- Verify all buses have been maintained and ready for service or first day of school.
- Train new drivers over the summer to insure adequate number of regular drivers and spare drivers.

In short, do all the necessary work over the summer to insure a smooth start of school.

Recommendation

I believe it would be in the best interest of the CPS and CCRSD to award the school transportation bid to First Student for the following reasons:

1. First Student is the largest School Bus Company in North America and Massachusetts. They have the experience and capability of providing the level of service expected by the school districts.
2. The Concord Public Schools is losing its bus yard and facilities due to the construction of the new high school. In order for the CPS to continue to operate bus service, they would have to either build or lease another facility to operate from. This option would be problematic in terms of locating an existing facility, locating land to build a facility within the town of Concord, and in time for the next school year.
3. The terms of the bid specification call for the CPS to retain ownership of the bus fleet. In the event the CPS decides to again operate their own school bus service in three (3) years from now, they would have the fleet necessary to do so,