

ATTACHMENT IX-A

ATTACHMENT IX-A:	Bus Leasing and Purchasing
Suggested Motion:	Purchase or Lease 10 Buses from Midwest
Recommended Action:	Approve the motion

The attached presentation outlines the options for bus purchasing and leasing. It is recommended that we purchase ten buses from Midwest.

Transportation Proposal								
North Boone	2018							
		Midwest lease/purchase	Midwest lease/purchase	Midwest Purchase	Midwest Purchase	Central lease/purchase	Central purchase	American Bus lease/purchase
		77 Passenger	lease 71 or 72 passenger and buy 77 passenger	71/72 and 77 passenger	77 passenger	77 passenger	77 passenger	77 passenger
		Air Brakes Cycle 1 *	hydraulic & air Cycle 1 *	hydraulic & air	air brakes	air brakes	Purchase	air brakes
Year	Bus	Cycle 1 *	Cycle 1 *			Cycle 1 *		Cycle 1 *
2004	31	\$ 13,933.00	\$ 12,793.00	\$ 76,079.00	\$ 79,084.00	\$ 14,544.73	\$ 85,880.00	\$ 13,865.00
2006	S39	\$ 13,933.00	\$ 12,793.00	\$ 76,079.00	\$ 79,084.00	\$ 14,544.73	\$ 85,880.00	\$ 13,865.00
2006	S40	\$ 13,933.00	\$ 12,793.00	\$ 76,079.00	\$ 79,084.00	\$ 14,544.73	\$ 85,880.00	\$ 13,865.00
2006	41	\$ 13,933.00	\$ 12,793.00	\$ 76,079.00	\$ 79,084.00	\$ 14,544.73	\$ 85,880.00	\$ 13,865.00
2007	44	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2007	46	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2008	49	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2008	50	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2008	s51	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2008	52	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 79,084.00	\$ 85,880.00	\$ 85,880.00	\$ 69,175.00
2008	106							
2008	107							
2009	53							
2010	111							
2011	113							
2013	u64							
2013	61							
2013	62							
2013	u63							
2013	u65							
2013	112							
2014	66							
2014	67							
2014	68							
2014	69							
2014	70							
2016	71							
2016	72							
2016	73							
Total Potential cost		\$ 530,236.00	\$ 525,676.00	\$ 778,820.00	\$ 790,840.00	\$ 573,458.92	\$ 858,800.00	\$ 470,510.00
Possible reimbursement per lease	\$ 8,000.00	\$ 24,000.00	\$ 24,000.00			\$ 24,000.00		\$ 24,000.00
Possible reimbursement per purchase	80% of purchase	\$ 75,920.00	\$ 75,920.00	\$ 124,611.00	\$ 126,534.00	\$ 82,440.00	\$ 137,408.00	\$ 66,408.00
Reimbursement	Total	\$ 99,920.00	\$ 99,920.00	\$ 124,611.00	\$ 126,534.00	\$ 106,440.00	\$ 137,408.00	\$ 90,408.00
Total non-reimbursement Cost		\$ 430,316.00	\$ 425,756.00	\$ 654,209.00	\$ 664,306.00	\$ 467,018.92	\$ 721,392.00	\$ 380,102.00



Bus Purchase

School Board Meeting
November 13, 2018



History

Topic recently discussed at Business Services Committee on October 30, 2018

Price quotes have not changed from the Business Services Committee. These quotes were obtained from Midwest Transit, American Bus Sales and Central States Bus Company.



Staff Survey



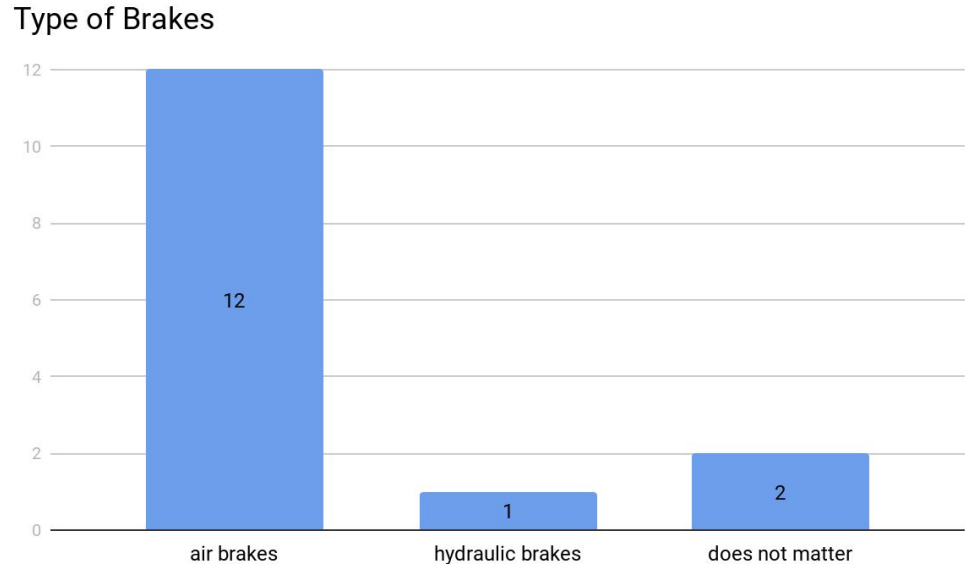
Driver Input

Business Service Committee asked that we survey bus drivers in regards to preference of air brakes vs. hydraulic brakes.

Bus drivers voluntarily completed a paper survey. We had 15 surveys returned out of 22.

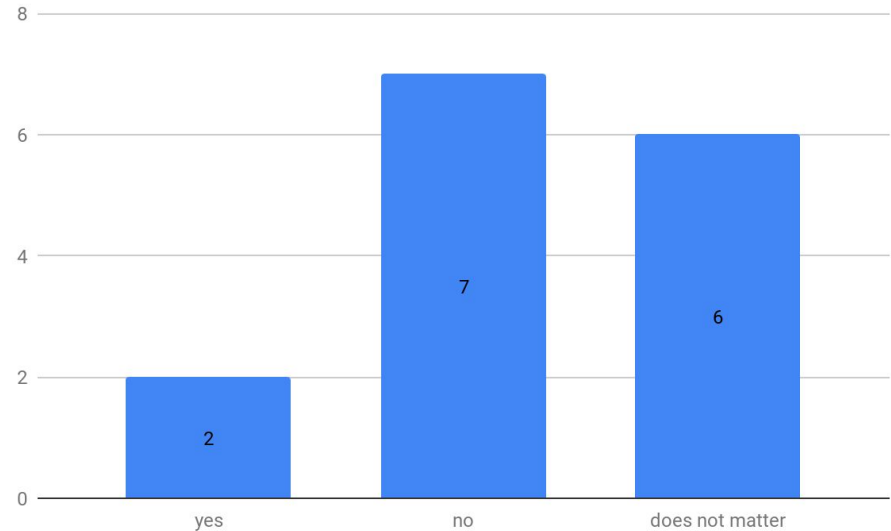


Do you prefer to drive a bus with air brakes or hydraulic brakes?



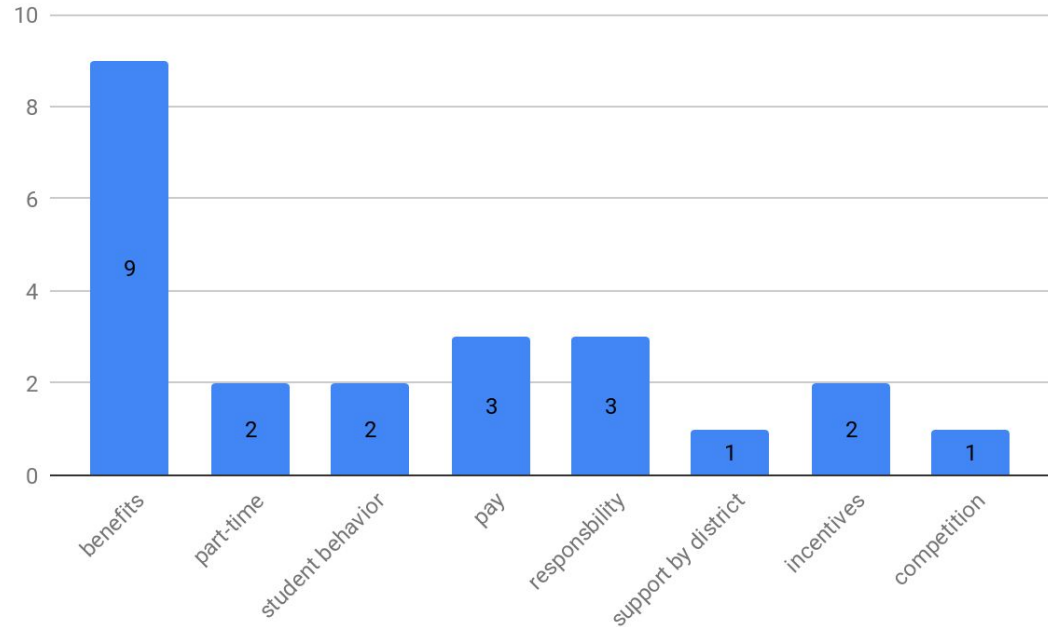


Do you feel the type of brakes impact bus driver recruitment and retention?





What are the roadblocks for recruitment of bus drivers?



Funding



Funding

In the budget:

- \$550,000 for bus purchases in 2018-2019

- Proposed Transportation Revenue \$1,475,445

- Proposed Transportation expenses \$1,467,170

- Fund balance for Transportation at end of FY18 was \$1,545,821



Ways to fund a purchase

- Increase levy amount for transportation fund (would decrease amount in other areas)
- Use money set aside in transportation fund balance
- Purchase and lease buses



Purchase

Company	Bus	Purchase Price	Budget allocation	Fund Balance allocation	Remaining fund balance
Midwest	6 air & 4 hydraulic	\$778,820	\$550,000	\$228,820	\$1,317,001
Midwest	10 air	\$790,840	\$550,000	\$240,840	\$1,304,981
Central Sales	10 new air	\$858,800	\$550,000	\$308,800	\$1,237,021



Lease Options-Midwest

Midwest Transit is going to keep the interest rate at 4.30% for the 3 years. (It has increased since then but they will honor the original quote)

Original sale price on 71 or 72 passenger bus is \$76,079

Lease price is \$12,793.00

After a 3 year 8 month term the District can purchase the buses at \$44,500 a piece. (Lease ends on June 2022)



Lease Options-Central State Bus Co

77 Passenger New Blue Bird Bus

Interest rate: 5.20%

3 year lease price is \$14,544.73



Lease Options-Other finance options

District is waiting on other finance options and will update at the Board meeting.



Updates



Midwest Updates

Espar Heaters: If we choose to purchase from Midwest they can cover the Espar heaters for the buses with a grant. This would be the entire cost of the heaters and installation.

Mileage on Midwest 1 year old buses: Will range around 12,000-15,000 miles. They were out on a 1 year lease.

Questions?

