

Shaler Area School District
Transportation Committee Meeting - December 14, 2016

1. **Status Update – First Student Inc.**

- Monthly meetings (Manager and District Manager)
- Video review and actions
- Monitor training with DT Watson Institute
- Accountability
- First Solutions Planning Review of routes for cost savings

2. **Contract Extension / Request for Proposals (RFP)**

As you are aware, the District's contract with First Student, Inc. for our student transportation services ends on June 30, 2017. The Administration has been meeting over the past several weeks to begin the initial planning in order to secure transportation services beyond June 2017.

The Administration is submitting to the Board two possible options for negotiating a contract for these services.

Option 1 – Negotiate with First Student Inc. for a contract extension by January 30, 2017

Option 1 would allow the Administration to begin discussions with First Student, Inc. that would could potential result in the following option:

- Extend our current contract for a period of 2 years with minimal increases.

| Estimated Increase | 2.5% | 3.0% | 4.0% | 5.0% | 7.5% | 10.0% |
|---------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| 2017-18 | 117,106.00 | 140,527.20 | 187,369.60 | 234,212.00 | 351,318.00 | 468,424.00 |
| 2018-19 | 120,033.65 | 144,743.02 | 194,864.38 | 245,922.60 | 377,666.85 | 515,266.40 |
| 2019-20 | 123,034.49 | 149,085.31 | 202,658.96 | 258,218.73 | 405,991.86 | 566,793.04 |

By engaging in these conversations with First Student, Inc. the District would anticipate that due to the withdrawal of a neighboring LEA, the District would be in a good position to negotiate a very competitive contract.

Additionally, the Administration has spent a considerable amount of time over the past 12 months working to improve the level of service and hold them accountable to meet the requirements of our contract. We have seen an increase in service and are pleased overall with the direction our relationship is heading.

Option 2 – Issue a Request for Proposals (RFP) for Student Transportation Services

Option 2 would be to issue a formal Request for Proposals (RFP) for Student Transportation services. This RFP would be released in January 2017 with negotiations and approval of a potential 5-year contact occurring by March 2017.

It should be noted that a local School District who issued an RFP before the beginning of the 2016-17 school year received proposals from four contractors that included cost increases.

The Administration will be reviewing the following items for the Contract:

- Adding a van rate to our current fee structure.
- Reviewing routes for efficiencies via First Solutions.
- Maintaining our competitive rate structure.
- Reducing number of bus contractors and allowing additional activities / athletic runs to be secured by the primary transportation contractor.
- Cameras on vehicles
- Depot coverage
- Monitor training