

EDMONTON PUBLIC SCHOOLS

May 27, 2003

TO: Board of Trustees

FROM: A. McBeath, Superintendent of Schools

SUBJECT: Carrier Contracts 2003-2004

ORIGINATOR: A. Habinski, Executive Director, School and District Services

RESOURCE
STAFF: Jenise Bidulock, Mark Gratton, Dorothy Sombach

RECOMMENDATION

1. That the transportation contracts for fixed routes for the 2003-2004 school year with the following carriers, be approved:

Briggs Bros. Student Transportation Ltd.:
approximately 29 a.m./p.m. routes and 6 noon routes;

Cunningham Transport Ltd.:
Approximately 5 a.m./p.m. routes and 2 noon routes

Golden Arrow School and Charter Buses Ltd.:
approximately 37 a.m./p.m. routes and 16 noon routes

Laidlaw Transit Ltd.:
approximately 30 a.m./p.m. routes and 15 noon routes

Red Arrow Express Ltd.:
approximately 38 a.m./p.m. routes and 15 noon routes;

2. That the transportation contracts for special needs curb service transportation for the 2003-2004 school year with the following carriers, be approved.

Briggs Bros. Student Transportation Ltd.:
Transportation Zones 1, 2, 3, 4, 5 and 6

Red Arrow Express Ltd.:
The Academy at King Edward,
L.Y. Cairns, Early Education District Sites,
Glenrose, Tevie Miller Heritage School,
Alberta School For the Deaf, Autistic,
Trainable Handicapped, Woodside and
Special Circumstance transportation

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Background

Board policy, EEA.BP Student Transportation Services, states that public proposals for the provision of charter bus service for district students are to be called at least every three years with provision for the extension of contracts for two additional one-year terms, subject to successful negotiations. The last call for proposals was in April 2000. The administration issued a call for proposals on May 2, 2003 for the provision of charter bus services for the 2003-2004 school year. The closing date for receipt of the proposals was 2:00 p.m. on May 14, 2003.

A pre-qualification for new school bus carriers interested in providing charter bus services for the district was advertised on MERX (electronic bidding system). The purpose was to invite new carriers not presently serving the district to the process and to ensure that they met the mandatory requirements in order to pre-qualify for the opportunity to submit a bid. A total of six vendors submitted documents for pre-qualification. Five out of the six vendors pre-qualified and submitted bids. School bus carriers pre-qualifying with the district were requested to provide an overview of their preventative maintenance program, their staff and safety training programs and their technology plan, along with their bid. This information was taken into consideration when proposals were evaluated and recommendations made to award contracts

The guiding principle throughout the call for proposals was to achieve competitive prices based on volume discounts while ensuring that district students continue to be provided with safe, efficient and reliable transportation. The criteria and weighting used for evaluating proposals are as follows:

- A weighting of 40 per cent was used for tender price which reflected price discounts based on volume.

- A weighting of 15 per cent was used to evaluate the vendor's preventative maintenance program and ability to effectively manage and perform the volume of work.
- A weighting of 15 per cent was used to evaluate the continuity of service to students and to ensure the district's best interest in the long-term to maintain a healthy competitive market.
- A weighting of 15 per cent was used to evaluate staff and safety training programs.
- A weighting of 10 per cent was used to evaluate the vendor's technology plan.
- A weighting of 5 per cent was used to evaluate the vendor's company profile.

Results of the Call for Proposals

The total expenditure for charter bus service for 2003-2004 based on the administration's recommendation is estimated to be \$12,517,000 including GST (Appendix I & II). This represents a \$86,000 increase or .69 per cent over the total projected expenditure of \$12,431,000 for 2002-2003. The .69 per cent reflects an increase in the rate by the carriers for high need curb service students and higher noon kindergarten rates.

The total contract with the carriers is expected to increase by 2.86 per cent, from \$12,431,000 to \$12,786,000, which is reflective of the projected increase in the number of students and buses.

Four proposals were received from carriers currently under contract to the district for the provision of charter bus service in 2002-2003. One proposal was received from a carrier currently not under contract to the district but pre-qualified this past year and submitted a bid. It is proposed that this carrier be awarded a limited number of buses. Two of the carriers submitted proposals for fixed route service only, and the other three carriers submitted proposals for both fixed route service and special needs curb service transportation. (Appendix III)

1. Fixed Route Service

Each of the proposals for fixed route service was evaluated against the established criteria. Based on the cost savings to the district and the ability of the carrier to effectively manage and perform the volume of work, the administration is recommending that Red Arrow Express Ltd. be awarded 38 morning and afternoon routes and 15 noon routes, Golden Arrow School and Charter Buses Ltd. be awarded 37 morning and afternoon routes and 16 noon routes, Laidlaw Transit Ltd. be awarded 30 morning and afternoon routes and 15 noon routes, Cunningham Transport Ltd. be awarded 5 morning and afternoon routes and 2 noon routes and Briggs Bros. Student Transportation Ltd. be awarded 29 morning and afternoon routes and 6 noon routes.

Although further cost savings could have been achieved by awarding a larger number of fixed routes to only two carriers with the lowest price, the recommended mix of carriers provides a competitive and healthy environment which will maximize the district's flexibility to respond to changing circumstances in the future. It is also advantageous to maintain a competitive market rather than take advantage of short-term savings and possibly create a monopoly situation in the long term. Awarding purely on the basis of rate would have saved the district in the short term but be detrimental in the long term.

2. Special Needs Curb Service

Each of the proposals for special needs curb service was evaluated against the established criteria. Based on the cost savings to the district and the importance of continuity of service to students with special needs, the administration is recommending that Briggs Bros. Student Transportation Ltd. and Red Arrow Express Ltd. be awarded the same portions of the special needs contract that they are currently serving. The administration is recommending that Briggs Bros. Student Transportation Ltd. be awarded transportation zones 1, 2, and 3, and transportation zones 4, 5, 6 combined. In the case of Red Arrow Express Ltd., it is recommended that the company be awarded The Academy at King Edward and L.Y. Cairns, Early Education and Glenrose, Tevie Miller Heritage and Alberta School for the Deaf, Autistic and Trainable Handicapped, Woodside and Special Circumstance transportation.

The number of vehicles and transported students are approximations and may vary depending on the number of students requiring the service. The actual number of contracted vehicles and transported students will be adjusted by administration as required.

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Appendix I - 2002-2003 Actual and 2003-2004 Proposed Charter Bus Service Expenditures

Appendix II - 2002-2003 Actual and 2003-2004 Proposed Curb Bus Service Expenditures