



Kevin Stahl, Purchasing Manager
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To: Robert J. O'Donnell, Superintendent

From: Kevin M. Stahl, Purchasing Manager
 Van E. Swauger, Director of Transportation

Re: School Bus Bid Recommendation

Date: June 1, 2017

Administration has solicited bids for the purchase of three (3), 48-passenger school buses for the 2017/18 fiscal year. The bid package requested pricing for both new and pre-owned gasoline powered buses with delivery of the buses desired on or before August 3, 2017. This requirement was advertised as mandated by the Public School Code.

Bid packages were mailed to five (5) resellers. Ultimately, only M. A. Brightbill responded with the bid opened for public inspection May 22, 2017. M. A. Brightbill provided pricing for new 2018 gasoline powered buses as specified, as well as new 2018 and pre-owned 2015 diesel powered buses. The per-unit costs for the buses bid are as detailed below.

<u>New 2018 (gas)</u>	<u>New 2018 (diesel)</u>	<u>Pre-Owned 2015 (diesel)</u>
\$74,385	\$77,975	\$56,725

In this instance, the lack of competition is primarily attributable to the fact that the district specified gasoline powered buses as opposed to diesel powered buses. The decision to specify gasoline powered buses was driven by a recent surge in repair costs for diesel powered buses, failed turbo charges and failed particulate/emissions filters.

Given the lack of competition for gasoline powered buses as specified, administration has sought and obtained alternative documentation as a

means of proving that the price of \$74,385 quoted by M. A. Brightbill is fair and reasonable. On May 19, 2017, the Berks County, Pennsylvania, Intermediate Unit approved the purchase of 48-passenger gasoline powered buses from M. A. Brightbill at a cost of \$74,325, a price nearly identical to the price quoted to the district. In addition, the National Joint Powers Alliance, a purchasing consortium representing public agencies throughout the United States and Canada, has published a "not to exceed" price of \$75,019, a price slightly higher than the price quoted to the district. The Commonwealth of Pennsylvania currently has no contracts for school buses.

Given the above considerations, it is the recommendation of administration that the low responsible bid submitted by M. A. Brightbill for three (3) new 2018 48-passenger buses be accepted for this 2017/18 expenditure at a total cost not to exceed \$223,155.