School Bus Purchase Recommendation

Ashland School District
Melissa Roberts, Director of Transportation
2027–28 Budget Beginning July 1, 2027

As we prepare for the 2027–28 budget, I have reviewed the age of our transportation fleet and developed a replacement planning schedule to help guide future purchases. For this budget year, I have identified three buses as the highest priority for replacement, addressing two vehicles already beyond our 10-year target and one about to reach that milestone.

The proposed purchase through Western Bus Sales includes a 27-passenger Micro Bird, a 77-passenger Blue Bird Vision conventional bus, and a 78-passenger Blue Bird All American rear-engine, flat-nose bus, at a combined quoted purchase price of $593,676 before trade-in adjustments or financing costs.

Buses 141 and 42 are 2014 models used regularly as spares. By 2027, they will be approximately 13 years old—three years beyond our replacement target. Bus 172 is a 2017 model in regular service and reaches the 10-year target in 2027.

The 10-year rotation matters financially as well as operationally. Under Oregon's transportation reimbursement rules, eligible bus purchase costs are depreciated at 10 percent annually and included in the calculation of the district's annual transportation reimbursement. Once a bus is fully depreciated, its original purchase cost no longer generates depreciation reimbursement. The district still incurs the cost of maintaining, inspecting, and repairing that bus. Eligible operating expenses may still qualify for reimbursement, but the purchase-cost depreciation benefit has ended. I am using this cycle as our replacement planning benchmark, rather than a mandatory retirement deadline.

As buses age, mechanical problems can become more frequent and replacement parts harder to obtain, increasing repair costs and time out of service. Bus 141 is already an example: many of the parts needed to maintain it are no longer manufactured. Keeping an older bus as a spare still requires ongoing upkeep, and it must be dependable when called into service. Limited parts availability makes that increasingly difficult.

Bus 172 has already required thousands of dollars in repairs and will reach our 10-year replacement target in 2027. Its repair history makes replacement a current operational priority. Continuing to invest in repeated repairs as it approaches the end of its depreciation cycle risks committing more funds to a vehicle already demonstrating significant maintenance needs.

The replacement planning schedule identifies when each bus reaches its replacement target and helps guide future budget requests. It allows us to

address overdue buses and plan subsequent purchases before more vehicles fall years behind the cycle. These three replacements begin correcting the backlog while establishing a more consistent rotation.

The smaller Micro Bird and the Blue Bird Vision are intended for route service. The model year 2026 Micro Bird G5 200 five-row Type A on a Chevrolet 4500 DRW chassis is quoted at $147,882. The model year 2027 Blue Bird Vision conventional bus is quoted at $199,526, with the new-order proposal identified as propane. The Blue Bird All American rear-engine, flat-nose bus is quoted at $246,268. We will confirm replacement assignments and determine the disposition of the outgoing buses.

All three buses have the same estimated delivery timing after July 1, 2027. Before ordering, we will confirm final pricing, equipment, powertrains, and warranty coverage, and coordinate delivery and payment arrangements with the 2027–28 budget.

{Pause for questions or comments}

I recommend moving forward with these purchases, subject to final specifications, financing, and district approval. My goal is to maintain dependable student transportation through planned fleet renewal and prevent the replacement backlog from continuing to grow.

Sherry will now explain the funding source, financing terms, annual budget obligation, and any applicable reimbursement or trade-in adjustments.