



Oak Park Elementary School District 97

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TO: Dr. Ushma Shah, Superintendent of Schools
Board of Education

FROM: Patrick King, Senior Director of Finance

RE: Transportation Contract Extension - Lakeview

DATE: April 25, 2023

Summary

The transportation agreements between District 97 and Lakeview Bus Lines, Inc. for regular transportation, in-district special education transportation, and out of district special education conclude at the end of school year 2022-2023 and may be extended 2 additional years by mutual agreement of the parties per Section 13.1 of the contract.

We were pleased to obtain a favorable pricing proposal given the challenging transportation market which includes historically high fuel prices and national bus driver shortages. The price per route will increase 7.5% in school year 2024 and 6% in school year 2025. These increases are well within our 5-projections presented to the board in the Fall of 2022.

Section 12 of the current contract also stipulated that the parties may negotiate fuel surcharges upon a possible contract extension. These are now commonplace in transportation contracts given the high fuel prices and the concern was raised three years ago when the current contract was agreed to. The proposed fuel surcharge is \$16.25 per route if the price of diesel fuel is over \$4.00, which seems most likely for the foreseeable future. The District is currently paying \$59 per route for COVID cleaning. The fuel surcharge will not kick in unless the District chooses to discontinue the COVID cleaning. We cannot be charged for both so the District will realize savings in this area given that we have been paying COVID cleaning for the past 3 school years.

During our last bid in 2020, Lakeview was the only bidder for regular transportation. They also had the best bid for both in-district and out of district SPED routes. Grand Prairie only bid on about half of our out of District routes but their price was not competitive. Zum was a much different transportation model (similar to Uber), and it was determined we would try them for some out of district routes over 30 miles and for our McKinney-Vento families. There has been a significant increase in McKinney-Vento transportation requests in 2023 and Zum has been unable to accommodate any transportation request.

Lakeview has been our transportation provider for over 30 years and continuity is a big plus given the bus driver shortages all companies are experiencing. We have reached out to all major transportation companies throughout the year for various requests and none have been able to provide any drivers due to shortages in each circumstance. Lakeview has always been our best option.

For all the reasons noted above, administration recommends District 97 continues with Lakeview Bus Lines, Inc. for the next 2 school years for regular transportation, in-district special education transportation, and out of district special education. State law requires a full transportation bid every 5 years, so D97 will prepare that in 2 years and will again reach out to all the providers at that time. Please let us know if you have any questions.