



# memo

To: The Board of Education and Dr. Patrick Broncato, Superintendent  
From: Curt Saindon, Assistant Superintendent for Business Services/CSBO  
Date: February 21, 2025  
Subject: Recommendation to Approve Special Education Student Transportation Services Three-Year Extension with Sunrise Southwest, LLC

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As you know, we have been negotiating with our current special education student transportation services provider, Sunrise Student Transportation Management (Sunrise), since October regarding an extension to their existing contract. I am one of four CSBO's from SASSED (our special education cooperative) member school districts serving on the negotiating team, along with Rachel Wisniewski (the SASSED business manager) and we represent the eleven SASSED member districts who currently contract with Sunrise through SASSED. We initially contracted with Sunrise back in July of 2018, as a result of a bid that was completed by SASSED. We collectively decided to bid out this service in the fall of 2017 due to service and performance issues with our prior special education student transportation services provider. Sunrise provided the best financial package, as well as the best overall plan for routing, staffing and managing those specialized student transportation needs. They have done a very good job for us over the past six and a half years, despite challenges related to the ongoing bus driver shortage and bus monitor shortage, as well as other operational challenges and increasing costs. While operating costs have increased significantly over the years due to both labor shortages and inflationary pressures, the contract increases have been at, or below, those seen in the regional market, and we believe that we are still getting a very good value for the services received from Sunrise.

As the new student transportation law passed last year in Springfield allows for contracts of up to ten years (fifteen, if you have a significant number of electric school buses in your fleet), and as we are completing our seventh year with Sunrise, we began negotiations back in the fall with Sunrise and asked for 1, 2 and 3 year contract extension proposals, along with a renewal amendment/agreement and wording clarification related to route cost sharing, bus monitor charging and the definition and use of single, double and triple tier route rates, as well as midday routes. We received an initial proposal in late October for a 1 year (6.5% increase), 2 years (5% and 5% increase) and 3 years (4.5%, 4.5% and 4.5% increase). We were also able, through subsequent negotiations, to come to general agreement about the operational issues previously mentioned above, and we decided to focus on a three-year contract extension to provide security and stability with the contract and aid in planning and budgeting going forward.



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We were able to secure a three-year extension at annual increases of 4% (see the attached letter dated January 8, 2025). This is a very good result and locks in increases at very reasonable and manageable rates for the next three years. With SASED Board approval on February 20<sup>th</sup>, we are recommending to all existing SASED members who use Sunrise to approve this extension with the understanding that in three years (ie, the winter of 2027-28) we will go out to bid as required by law. In the interim, any SASED member using Sunrise can always opt out in future years by providing the requisite notice of termination to Sunrise. We estimate that our special education student transportation service costs in Woodridge will range from \$1.25M to \$1.50M per year, on average, over this three year term, if we maintain the same basic number of routes and buses. These costs are partially covered by the State Special Education Transportation Services Mandated Categorical Reimbursement Program (covers about 65% of allowable costs) and the rest is covered by our Transportation Fund Levy (covers the remaining 35% of allowable costs and all non-allowable costs). We feel that this three-year extension provides us with the best combination of cost savings, operational efficiency and ongoing service, while also providing stability and consistency for our budget planning over the next three years. As always, if you have any questions or need additional information, please let me know. Thanks!

## **RECOMMENDATION**

*It is the recommendation of the Administration that the Board approve a three-year contract extension with Sunrise Southwest LLC, as outlined in the attached letter, as annual increase of 4% for the 2025-26, 2026-27 and 2027-28 school years, along with clarifications related to route cost sharing, bus monitor charging, midday route usage and tiered route determinations, as agreed to during contract renewal negotiations. With Board approval we will begin planning for the continuation of these services and the startup of the 2025-26 school year.*