

Bus Lease Recommendation

- I. Current bus situation
 - a. # of Buses leased – 12 (11 - 77 passenger, 1 – 51/3WC)
 - b. # of Buses owned – 18 (2 micro-birds 26pass, 2 white buses, 2 wheelchair (1- 30/2WC, 1- 38/2WC), 2 71 passenger, 7 77 passenger, 3 78 passenger)
 - c. Average mileage per owned bus – 139,314
 - d. Least amount of mileage on an owned bus – 2010yr with 97,350 mls.
- II. Bussing logistics
 - a. Average mileage per year put on average bus – (actual thru end Nov 141,595) 11,900 avg.
 - b. Buses needed to operate routes and after-school routes as currently constructed – **30**
 - ❖ 22 AM/21PM Routes 18 - 77+ passenger route/4 – SpedEd/WC route
 - 3 for Spare route with 1 spare being for WC
 - 3 for Activates/Athletics
 - 2 White Buses
 - c. Cost of a new bus – \$78,958.00
 - d. Average lifespan of bus before repair costs escalate – Approximately 4 years
- III. Repair and Maintenance Costs
 - a. Line item for year – 40E000 2550 3230 (\$117,300.00 budgeted)
 - b. Percentage used mid-way through year – 48.48% as of 12/22/14
 - c. Capital expense line item for FY 15 – \$55,362.52
 - d. Percentage of line item expended on owned buses –97%
 - expected to decrease over time
 - e. Transportation Departments estimated annual repair and maintenance to the leased portion of the fleet: \$620 per bus yearly
- IV. Finances
 - a. Current cost of leased buses - Total: \$147,367.46 (12 buses)
 - b. Current cost of repairs, maintenance, and capital purchases – \$112,217.42
 - Projected total cost for the year - \$172,662.52
 - c. Total cost of leasing 24 buses, 8 per year on 3-year renewable cycle – \$289,333.68 (using current lease costs from the 2014 leases)
 - d. Bonus of – one-time trade in revenue of **-\$131,050.00** if all turned over this year
 - Cost for 8 buses leased: \$96,445 per year/ 3 year lease
 - Onetime Bonus would be \$77,750
 - Year 2 Bonus would decrease dramatically due to amount of miles on buses at time of trade in
- V. Overall Rationale
 - a. For current cost of leases, plus repairs and maintenance savings, plus the elimination of an annual need for capital purchases (outside of needed vans, and eventual replacement of White Buses and added lease of 2 Micro-birds) it is a net savings of **\$31,444.75** for the district. (Plus the onetime Bonus of \$131,050.00. Grand total first year \$162,494.00)
 - b. At this savings this provides a sustainable, consistent expense for the district that provides quality service to our students while being fiscally responsible.