



# SCHOOL BOARD MEETING REPORT

Board Meeting Date: 19-Jul-11

Agenda # \_\_\_\_\_

Staff/Administrator: Dan Huber-Kantola

Superintendent: Dan Huber-Kantola

Type of Item:  Informational  Action

**Please state your proposal briefly and clearly. What do you want the board to know, discuss, or decide?**

I would like the Board to approve the First Student contract for student transportation which would be effective until June 30 2017.

**Provide history/background information on your proposal.**

First Student and Three Rivers School District have worked extensively this past year finding ways to reduce the cost of student transportation. They have continued this effort which is evident in the contract extension submitted for your approval.

**List the advantages of your proposal:**

- \* Effective 7/1/2011 the fuel cap has been increased from \$.75 to \$1.05 per gallon. With an average annual usage of 220,000 gallons, this could save the district **\$66,000** next year.
- \* Transportation rates shall not increase for the next 2 school years. Beginning July 1, 2013 the transportation rates will increase according to existing contractual CPI escalation language. For fiscal year 2011-2012 this is a savings of approximately **\$116,134** (anticipated 3% CPI avoidance)
- \* Effective 7/1/2011, First Student will make an annual scholarship contribution of \$5,000.
- \* Beginning July 1, 2012, First Student will increase the current \$100,000 contribution for Athletic Trips to \$125,000 for each school year. This is an additional **\$25,000** savings to schools and sports groups.
- \* First Student will install a digital camera on every home to school bus prior to the start of the 2012-2013 school year. This is an \$80,000 value that will benefit the district greatly.
- \* First Student will look for 2 suitable locations to install bulk fuel tanks. Bulk fuel can save approximately \$.25 per gallon, and the fuel tanks will eventually be inherited by the district. An approximate \$300,000 value.

**List possible disadvantages of your proposal:**

Beginning July 1, 2011 forward, First Student will apply a minimum days charge for all transportation less than 163 school days.

**List possible alternatives that could also offer a solution to your proposal. Why were they not recommended?**

Spending an additional \$182,134 for transportation next year and then going out to bid on a new contract in a field with a very limited number of possible vendors.

Superintendent's recommendation(s):

Approve: Yes  No