



Lincolnshire-Prairie View School District 103

Memo

To: Board of Education

From: Patrick Palbicke

CC: Dr. Scott Warren

Date: December 11, 2024

Re: Contracting Bus Services

A question was raised regarding the cost of contracting transportation services compared to providing it in-house. While direct comparisons are challenging due to the many variables in service contracts, I've reviewed two Lake County districts with similarities to Lincolnshire #103 for reference.

Comparable Districts:

• Zion District 6

- Enrollment: 2,016 students
- FY 2024 Transportation Fund Spending: \$4,191,629 (contracted services)

• Beach Park District 3

- Enrollment: 1,977 students
- FY 2024 Transportation Fund Spending: \$4,202,945 (\$3,920,795 contracted services)

Lincolnshire District 103

- Enrollment: 1,863 students
- FY 2024 Transportation Fund Spending: \$3,074,782 (in-house services)

While these districts are not academically aligned with Lincolnshire, they share transportation characteristics such as:

- K-8 enrollment
- Hazardous routes requiring busing
- Staggered school start times
- Geographic size and student distribution

Contracting Insights:

Drawing on my experience as the Business Manager at Beach Park District 3, we structured contracts to minimize costs, including:

- **No Bus Age Restrictions:** Allowed buses older than eight years, resulting in frequent breakdowns.
- **Bus Barn Utilization:** Beach Park's bus barn was leased to the contractor for \$1, enabling local repairs.
- **Staggered Start Times:** Reduced the number of buses needed.
- **Field Trip Charges:** Instituted a mileage-based per-bus fee for extended trips.
- **Escalation Clauses:** Contracts included a 3.5% annual cost increase.

Durham Transportation secured Beach Park's contract by leveraging its existing presence in the area and using the bus barn. It also serviced nearby districts:

- **Lake Villa District 41:** \$3.4M (with a 5-year bus age limit)
- **Antioch High School District 117:** \$4.3M (with a 5-year bus age limit)

These restrictions aimed to reduce breakdowns and service disruptions.

Lincolnshire #103's FY 2024 costs remain significantly lower than those of comparable districts with contracted services. If the district were to explore contracting, understanding variables like fleet age, repair facilities, and service standards would be critical in determining potential costs while maintaining our current service level.