

VIRGINIA PUBLIC SCHOOLS
411 South Fifth Avenue
Virginia, Minnesota 55792

Bob Voss
Transportation Director

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April 12, 2019

To: Dr. Noel Schmidt
Superintendent

Gail Baribeau
Stacey Sundquist
Murray Anderson
Finance Committee Members

From: Bob Voss
Transportation Director

RE: Recommendation for Bus Purchase for School Year 2019-2020

Dr. Schmidt & Committee Members,

I have compiled pricing for two 77 passenger conventional school buses through the Minnesota Cooperative Purchase Program. The district has purchased buses from this cooperative program for many years. I have taken into account purchase price, trade in value, brand and warranty as well as accessibility to service. Also one bus is priced with side storage and one is priced with a trailer hitch & brake controller. Taxes due at the time of purchase are estimates. The bids are as follows:

Diesel Powered

Company	Base Price	Tax (est.)	Trade	Total
Hoglund Bus Co.	\$86,153.00	\$4,949.95	\$10,000.00	\$81,102.95
	\$85,896.00	\$4,998.24	\$9,000.00	\$81,894.24
Telin Transportation	\$86,806.40	\$5,057.42	\$9,000.00	\$82,863.82
	\$86,695.40	\$4,855.20	\$12,000.00	\$79,550.60

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There is another alternative. We can purchase the same model buses from Hoglund Bus Co. in a gas powered version rather than the diesel powered version. Telin Transportation does not offer a gas model. The price of the gas powered bus would be approximately \$4,351.00 plus the tax difference less than the diesel version listed above.

Regular Unleaded Gas Powered

Company	Base Price	Tax (est.)	Trade	Total
Hoglund Bus Co.	\$81,890.00	\$4,672.85	\$10,000.00	\$76,562.85
	\$81,545.00	\$4,715.43	\$9,000.00	\$77,260.43
Telin Transportation	Unavailable			

There are advantages to the gas powered bus. They are as follows:

1. Lower price point.
2. Per gallon, regular unleaded fuel is less expensive than diesel fuel.
3. No Diesel Exhaust Fluid is required.
4. Less emission control components should help lower overall maintenance costs.
5. Gas engines have better starting capabilities in cold temperatures.

Disadvantages

1. Gas powered buses are less fuel efficient than diesel powered buses. Estimates are 9 miles per gallon for diesel vs. 4 miles per gallon for gas.
2. Gas engines have a shorter life span than diesel engines.

Please let me know if you have any other questions.

Respectfully,


Bob Voss

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