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January 27, 2026

Mr. Eric Rogers
Assistant Supt. of Finance & Operations
Diamond Lake School District 76
26156 N. Acorn Lane
Mundelein, IL 60060

Dear Mr. Rogers;

As a follow up to our conversation concerning your transportation contract, I wanted to provide you with a written proposal for contract pricing for FY27. Below I have listed some of the areas in our business that are beyond the CPI numbers and have affected our costs since we last discussed pricing.

LABOR

We never stop trying to hire good quality school bus drivers. Besides creative ways to recruit new drivers, increasing wages is required to remain competitive for employees seeking those part-time positions. We expect to increase driver wages between 4.0-5.0% for FY27.

Attracting and maintaining quality paraprofessionals is as challenging as hiring drivers. It is an entry-level position, and we are competing with fast food companies and the big box retail industry. We expect to increase their wages between 4.0-5.0% for FY27.

We lose mechanics to the trucking industry and to the auto industry. We simply cannot afford to pay the same wages that they pay. We put a lot of training into our mechanics and as they become more and more ASE certified we need to increase their salaries. We expect to increase their wages between 5.0-6.0% for FY27.

RISK INSURANCE

The renewal of our risk insurance (liability, auto, worker's compensation, SAM, etc.) is now February 1st. For the last 2 years we have received increases of 23% and 21%. We

expect a similar type of increase for February of 2026. Six to seven years ago, our risk insurance was about 3% of our overall cost, now it is about 7-8% of our overall cost.

COST OF VEHICLES

To keep our average age of our bus fleet at a manageable level, we replace about 7-10% of our fleet each year. For the past 6-7 years we have only purchased gas or propane engine buses. We do not purchase diesel engines. The cost of new buses continues to rise at alarming levels, and we are being told there is no slowdown to the rising prices. The last 2 years the cost of new buses has increased 12% for 2024 and 15% for 2025.

PAID LEAVE ACT

This on-going benefit (became law on 1/1/24) for our drivers/paras has become an operational nightmare for our locations. Drivers' absenteeism has increased substantially this year (especially Mondays and Fridays). We are trying to hire more drivers so we can create more sub-drivers that are available for these high absenteeism days. Besides the operational issues this creates it is also costing us an additional 2% of our overall cost.

Based on all of the above we are asking for a 5.5% increase for all price categories for FY27(see enclosed).

If this proposal meets with your approval, please indicate so by signing both copies, keeping one copy for your files, and returning the other copy to me.

Sincerely,

LAKESIDE TRANSPORTATION


Thomas M. O'Sullivan
Vice President, Contracts & Bids

TMO/mm

DIAMOND LAKE
SCHOOL DISTRICT 76

By: _____
Title: _____

Date: _____

DIAMOND LAKE SCHOOL DISTRICT 76

2026/2027

TRANSPORTATION PROPOSAL FROM LAKESIDE TRANSPORTATION

	2025/2026		2026/2027	
	shared	non-shared	daily rates per bus	shared non-shared
REGULAR TRANSPORTATION				
AM (3 Tier)	\$268.10			\$282.84
AM (2 Tier)	\$238.27			\$251.37
PM (3 Tier)	\$268.10			\$282.84
PM (2 Tier)	\$238.27			\$251.37
EARLY CHILDHOOD				
AM & PM Routes	\$252.34	\$252.34		\$266.22
One-Way Routes	\$126.17	\$126.17		\$133.11
			\$266.22	\$266.22
			\$133.11	\$133.11
SPECIAL EDUCATION				
AM & PM Routes In-District	\$252.34	\$447.28		\$266.22
One Way Routes In-District	\$126.17	\$223.64		\$133.11
AM & PM Routes Out-of-District	\$279.04	\$459.30		\$294.38
One Way Routes Out-of-District	\$139.52	\$229.65		\$147.19
One Way Routes Mid-day	\$139.52	\$139.52		\$147.19
One Way Routes Work Runs	\$92.13	\$92.13		\$97.97
One Way Routes Late Bus	\$139.52	\$139.52		\$147.19
			\$97.97	\$97.97
			\$147.19	\$147.19
FIRST DIVISION VEHICLE (FDV)				
AM & PM Routes	\$266.34	\$380.50		\$280.88
One Way Routes	\$133.17	\$190.25		\$140.49
			\$280.88	\$401.42
			\$140.49	\$200.71
SUMMER SCHOOL				
AM & PM Routes	\$237.64	\$416.56		\$250.70
One Way Routes	\$118.82	\$208.28		\$125.35
			\$250.70	\$439.46
			\$125.35	\$219.73
ACTIVITY SHUTTLE				
After School Rt/Lat Activity Bus	\$92.13	\$139.52		\$97.97
In-District Shuttle	\$61.41	\$92.13		\$64.79
			\$97.97	\$147.19
			\$64.79	\$97.97
Cost per hour			Cost per hour	
Bus Aide (Minimum 4 hrs)	\$34.70	\$34.70	\$36.60	\$36.60

DIAMOND LAKE SCHOOL DISTRICT 76

2026/2027

TRANSPORTATION PROPOSAL FROM LAKESIDE TRANSPORTATION

CHARTER PRICING/EXTRA-CURRICULAR/ATHLETIC TRIPS/FIELD TRIPS

2026/2027 PRICING: \$237.72 minimum charge for three (3) hours plus \$19.81 per $\frac{1}{4}$ hour thereafter or \$3.95 per mile, whichever is greater, plus parking and tolls, if applicable. Charter trips that are canceled less than twenty-four (24) hours prior to the start of the trip are subject to a \$89.65 cancellation fee. Trips that involve bus work before 8:30am and/or between 2:00pm – 4:00pm, which prevent them from being available for school routes, will be subject to a \$70.40 per bus surcharge. Trips to Chicago airports now require a \$54.00 per bus City of Chicago Airport Tax.