

Virginia Finance Committee Meeting
Monday, April 22, 2019 5:00 PM Central

Board Room, Roosevelt 104
411 SOUTH 5TH AVENUE
VIRGINIA, Minnesota 55792

1. Call meeting to order

2. 2019-2020 Budget

3. Potential bond proceed investing.

4. Recommendation for bus purchase for the 2019-2020 school year.

5. Repair Costs for Bus #8

6. Other

7. Adjourn

VIRGINIA PUBLIC SCHOOLS
411 South Fifth Avenue
Virginia, Minnesota 55792

Bob Voss
Transportation Director

Transportation Phone: 742-3969
E-mail: bvoss@vmmps.org

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

HOME OF THE BLUE DEVILS

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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April 12, 2019

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Finance Committee Members

From: Bob Voss
Transportation Director

RE: Repair costs for Bus # 8

Dr. Schmidt & Committee Members,

Recently our Bus # 8 developed an oil leak. I brought it into Skubic Brothers International in Virginia and they diagnosed the problem as excessive blow-by and recommended the engine be replaced. I took the bus to Maney International in Duluth for a second opinion because of the cost involved. They agreed that the only way to fix this bus would be to replace the engine. To determine if this bus is worth fixing, I talked to our bus salesman Randy Johnson from Hogleund Bus and service managers from both Maney's and Hogleund's. They all seem to agree that fixing this bus would be in our best interest. This bus is a 2013 model and has only 90,000 miles on it and is in good condition.

I have attached copies of the repair estimates from Maney International and Hogleund Bus Company for your consideration.

If you have any questions, please let me know.

Respectfully



Bob Voss
Transportation Director

HOME OF THE BLUE DEVILS

MANEY INTERNATIONAL OF DULUTH, Inc.

3204 CARLTON STREET

DULUTH, MN 55806

Tel: 218-624-4855

rogerf@maneyinternational.com

Date: 04/10/2019 14:08:08

Customer: BOB VOSS ISD 706 RO# 53029
 411 5TH AVE SOUTH
 VIRGINIA MN 55792

Home: 218 290 8611

Mobile:

Work:

Email: bvoss@vmmps.org

For: 2013 International CE Series - Bus International MaxxForce 7 Diamond Logic Contr...

TYPE	DESCRIPTION	PART #	QTY	PRICE	RATE	HOURS	LINE TOTAL
Labor	PERFORM DIAGNOSTICS, ENGINE HAS EXCESSIVE BLOW-BY, THE DIESEL PARTICULATE FILTER HAS CRACKED, THE TURBO IS PASSING OIL AND EGR COLER IS PLUGGED.	-	-	-	\$125.00	4.0	\$500.00
Labor	REMOVE AND INSTALL A TRIMMED ENGINE.	-	-	-	\$125.00	36.0	\$4,500.00
Parts	TRIMMED ENGINE		1.0	\$17,897.17	-	-	\$17,897.17
Parts	DIESEL PARTICULATE FILTER		1.0	\$1,649.46	-	-	\$1,649.46
Parts	FILTER CORE, (NO CORE VALUE FOR BEING CRACKED)		1.0	\$1,250.00	-	-	\$1,250.00
Parts	GASKETS AND BOLTS FOR FILTER		1.0	\$75.22	-	-	\$75.22
Parts	CHARGE AIR COOLER HOSES		1.0	\$219.85	-	-	\$219.85
Parts	MISC OIL/COOLANT		1.0	\$250.00	-	-	\$250.00
Note	PERFORMED DIAGNOSTICS ON ENGINE, UNIT HAS EXCESSIVE BLOW-BY, PASSING OIL THROUGH THE TURBO,	-	-	-	-	-	-

TYPE	DESCRIPTION	PART #	QTY	PRICE	RATE	HOURS	LINE TOTAL
	CRACKED THE DPF AND THE EGR COLER IS PLUGGED. THIS REMANED ENGINE COMES WITH A 2 YEAR UNLIMITED MILES/HOURS PARTS AND LABOR WARRANTY						

Labor:	\$5,000.00
Parts:	\$21,341.70
Shop Supplies:	\$250.00
Hazardous Materials:	\$0.00
Labor Taxes:	\$0.00
Parts Taxes:	\$0.00
TOTAL:	\$26,591.70

Customer Signature: _____