

Memo to: Board of Education  
 From: Stephen R. Johns  
 Date: February 17, 2012  
 Re: Bus Lease Bid Recommendation

Bids were received on Monday, February 13, 2012 for the Millburn Community School District Bus Lease Bid. Three companies responded to the bid notice: Midwest Bus Sales, Central States Bus Sales, and Midwest Transit Equipment. A bid tally sheet and summary sheet are attached.

In addition to looking at the lease cost, I also looked at the maintenance and repair costs that would be required for a 2 or 3 year lease.

Based on these costs, I am recommending that the Board award a 3-year lease to Midwest Transit Equipment for the following:

- 17 – NEW BASE BID 71/72 Passenger Buses with Extended Warranty
- 2 – ALTERNATE BID - NEW 24 Passenger Buses (3 yr warranty standard)
- 1 – NEW BASE BID Wheel Chair Bus (3 yr warranty standard)

The ALTERNATE BID 24 Passenger Bus is being recommended because it includes a rear air conditioning unit that was not a part of our base bid, but comes in at a lower cost than the district's base bid unit.

The total lease cost bid by Midwest Transit for the 3 year period is \$497,262. (Central States = \$629,103.24; Midwest Bus = \$617,754.96). The annual lease cost from Midwest Transit is \$165,754 (20 vehicles) versus our current lease cost of \$226,274 (22 vehicles). This represents an annual lease savings to the district of \$60,520 per year over the district's current one-year lease with Midwest Transit.

The district will see a decrease in maintenance costs for semi-annual & annual bus inspections in the amount of \$700 for the first year. The costs will increase from the current \$7700 per year to \$16,500 per year for years 2 & 3. Taking this into account, the 3 year lease will result in the district realizing a total savings of \$164,660 over the 3 year period.

	Base Bid New w/ext Warranty	TOTAL 3 YEAR LEASE COST
Midwest Transit w/24 Passenger Stock Unit (20 vehicles)	\$ 165,754.00	\$ 497,262.00
Midwest Bus Sales	\$ 205,918.32	\$ 617,754.96
Central States Bus Sales	\$ 209,701.08	\$ 629,103.24

	1st Year Savings	2nd Year Savings	3rd Year Savings
<b>Lease Cost Savings less Addt'l Maintenance Costs</b>	<b>\$ (61,220.00)</b>	<b>\$ (51,720.00)</b>	<b>\$ (51,720.00)</b>
<b>TOTAL ESTIMATED 3 YEAR SAVINGS</b>	<b>\$ (164,660.00)</b>		

## Bid Tally Sheet

February 13, 2012

12 MONTH LEASE COST

INCLUDE TOTAL OF SEMI-ANNUAL PAYMENTS

	Spec Sheet	Security	Unit	NEW BUS		1 YEAR OLD BUS		ALT - EXTENDED WARRANTY LEASE COST PER UNIT	ALT - EXTENDED WARRANTY LEASE COST TOTAL	ALT: WEBASTO HEATER LEASE COST PER UNIT	
				Total	Unit	Total					
Midwest Transit	x	x	71/72 Passenger (Conventional)	17	\$ 10,688.00	\$ 181,696.00	\$ 10,080.00	\$ 171,360.00		INCLUDED	\$ 678.00
Midwest Bus Sales	x	x	71/72 Passenger (Conventional)	17	\$ 11,851.50	\$ 201,475.50					\$ 250.00
Central States Bus Sales	x	x	71/72 Passenger (Conventional)	17	\$ 13,345.58	\$ 226,874.86				INCLUDED	\$ 1,833.16
Midwest Transit			24 Passenger - STOCK UNIT ALTERNATE	2	\$ 7,672.00	\$ 15,344.00				INCLUDED	
Midwest Transit			24 Passenger	2	\$ 8,192.00	\$ 16,384.00				INCLUDED	
Midwest Bus Sales			24 Passenger	2	\$ 9,605.70	\$ 19,211.40				\$ 225.00	
Central States Bus Sales			24 Passenger	2	\$ 8,421.38	\$ 16,842.76				INCLUDED	
Midwest Transit			Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 8,926.00	\$ 8,926.00				INCLUDED	
Midwest Bus Sales			Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 12,255.34	\$ 12,255.34				\$ 225.00	
Central States Bus Sales			Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 10,551.64	\$ 10,551.64				INCLUDED	
Midwest Transit			Alternate: 29 Passenger	2	\$ 7,908.00	\$ 15,816.00				INCLUDED	
Midwest Bus Sales			Alternate: 29 Passenger	2	\$ 8,995.33	\$ 17,990.66				\$ 225.00	
Central States Bus Sales			Alternate: 29 Passenger	2	\$ 8,673.04	\$ 17,346.08				INCLUDED	
Midwest Transit			Performance Bond Price estimate by Dealer if Applicable		\$	3,250.00					
Midwest Bus Sales			Performance Bond Price estimate by Dealer if Applicable			\$0.00					
Central States Bus Sales			Performance Bond Price estimate by Dealer if Applicable			\$15 per \$1000					

**24 MONTH LEASE COST  
INCLUDE TOTAL OF SEMI-ANNUAL PAYMENTS**

Spec Sheet	Security		Unit	NEW BUS		1 YEAR OLD BUS		ALT - EXTENDED WARRANTY	ALT - EXTENDED WARRANTY	ALT: WEBASTO HEATER
				Total	Total	LEASE COST PER UNIT	LEASE COST TOTAL	LEASE COST PER UNIT		
Midwest Transit		71/72 Passenger (Conventional)	17	\$ 9,116.00	\$ 154,972.00	\$ 8,596.00	\$ 146,132.00	\$ 252.00	\$ 4,284.00	\$ 568.00
Midwest Bus Sales		71/72 Passenger (Conventional)	17	\$ 10,538.63	\$ 179,156.71			INCLUDED	INCLUDED	\$ 250.00
Central States Bus Sales		71/72 Passenger (Conventional)	17	\$ 11,052.48	\$ 187,892.16			\$ 211.00	\$ 3,587.00	\$ 916.58

Midwest Transit		24 Passenger - STOCK UNIT ALTERNATE	2	\$ 6,768.00	\$ 13,536.00			INCLUDED	INCLUDED	
Midwest Transit		24 Passenger	2	\$ 6,860.00	\$ 13,720.00			INCLUDED	INCLUDED	
Midwest Bus Sales		24 Passenger	2	\$ 8,861.24	\$ 17,722.48			\$ 225.00	\$ 450.00	
Central States Bus Sales		24 Passenger	2	\$ 6,798.90	\$ 13,597.80			\$ 125.00	\$ 250.00	

Midwest Transit		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 7,876.00	\$ 7,876.00			INCLUDED	INCLUDED	
Midwest Bus Sales		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 11,305.86	\$ 11,305.86			\$ 225.00	\$ 225.00	
Central States Bus Sales		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 8,532.50	\$ 8,532.50			\$ 125.00	\$ 125.00	

Midwest Transit		Alternate: 29 Passenger	2	\$ 6,976.00	\$ 13,952.00					
Midwest Bus Sales		Alternate: 29 Passenger	2	\$ 8,841.23	\$ 17,682.46			\$ 225.00	\$ 450.00	
Central States Bus Sales		Alternate: 29 Passenger	2	\$ 7,013.88	\$ 14,027.76			\$ 125.00	\$ 250.00	

Midwest Transit		Performance Bond Price estimate by Dealer if Applicable		\$ 3,250.00						
Midwest Bus Sales		Performance Bond Price estimate by Dealer if Applicable		\$0.00						
Central States Bus Sales		Performance Bond Price estimate by Dealer if Applicable		\$15 per \$1000						

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**36 MONTH LEASE COST  
INCLUDE TOTAL OF SEMI-ANNUAL PAYMENTS**

Spec Sheet	Security		Unit	NEW BUS		1 YEAR OLD BUS		ALT - EXTENDED WARRANTY	ALT - EXTENDED WARRANTY	ALT: WEBASTO HEATER
				Unit	Total	Unit	Total	LEASE COST PER UNIT	LEASE COST TOTAL	LEASE COST PER UNIT
Midwest Transit		71/72 Passenger (Conventional)	17	\$ 8,302.00	\$ 141,134.00	\$ 7,830.00	\$ 133,110.00	\$ 252.00	\$ 4,284.00	\$ 560.00
Midwest Bus Sales		71/72 Passenger (Conventional)	17	\$ 10,225.68	\$ 173,836.56			\$ 450.00	\$ 7,650.00	\$ 250.00
Central States Bus Sales		71/72 Passenger (Conventional)	17	\$ 10,764.12	\$ 182,990.04			\$ 281.66	\$ 4,788.22	\$ 611.04

Midwest Transit		24 Passenger - STOCK UNIT ALTERNATE	2	\$ 6,428.00	\$ 12,856.00				INCLUDED	
Midwest Transit		24 Passenger	2	\$ 6,514.00	\$ 13,028.00				INCLUDED	INCLUDED
Midwest Bus Sales		24 Passenger	2	\$ 8,115.46	\$ 16,230.92			\$ 350.00	\$ 700.00	
Central States Bus Sales		24 Passenger	2	\$ 6,537.96	\$ 13,075.92			\$ 216.66	\$ 433.32	

Midwest Transit		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 7,480.00	\$ 7,480.00				INCLUDED	INCLUDED
Midwest Bus Sales		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 10,305.84	\$ 10,305.84			\$ 350.00	\$ 350.00	
Central States Bus Sales		Wheel Chair Bus 24 Passenger Capacity (18 +1, 12 +2 or 9 +3)	1	\$ 8,196.92	\$ 8,196.92			\$ 216.66	\$ 216.66	

Midwest Transit		Alternate: 29 Passenger	2	\$ 6,626.00	\$ 13,252.00				INCLUDED	INCLUDED
Midwest Bus Sales		Alternate: 29 Passenger	2	\$ 7,825.69	\$ 15,651.38			\$ 350.00	\$ 700.00	
Central States Bus Sales		Alternate: 29 Passenger	2	\$ 6,748.30	\$ 13,496.60			\$ 216.76	\$ 433.52	

Midwest Transit		Performance Bond Price estimate by Dealer if Applicable		\$ 3,250.00						
Midwest Bus Sales		Performance Bond Price estimate by Dealer if Applicable		\$0.00						
Central States Bus Sales		Performance Bond Price estimate by Dealer if Applicable		\$15 per \$1000						

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**Annual Cost - Not Including Fuel & Maintenance Costs**

BASE BID	12 Month Lease				24 Month Lease				36 Month Lease			
	Base Bid New	Base Bid New w/ext Warranty	Base Bid w/Used 71/72	Base Bid w/Used 71/72 w/Ext Warr	Base Bid New	Base Bid New w/ext Warranty	Base Bid w/Used 71/72	Base Bid w/Used 71/72 w/Ext Warr	Base Bid New	Base Bid New w/ext Warranty	Base Bid w/Used 71/72	Base Bid w/Used 71/72 w/Ext Warr
Midwest Transit	\$ 207,006.00	\$ 207,006.00	\$ 196,670.00	\$ 196,670.00	\$ 176,568.00	\$ 180,852.00	\$ 167,728.00	\$ 172,012.00	\$ 161,642.00	\$ 165,926.00	\$ 153,618.00	\$ 157,902.00
Midwest Bus Sales	\$ 232,942.24	\$ 232,942.24			\$ 208,185.05	\$ 208,860.05			\$ 197,218.32	\$ 205,918.32		
Central States Bus Sales	\$ 254,269.26	\$ 254,269.26			\$ 210,022.46	\$ 213,984.46			\$ 204,262.88	\$ 209,701.08		

**VOLUNTARY 24 PASS ALTERNATE**

Midwest Transit w/24 Stock Unit	\$ 205,966.00	\$ 205,966.00	\$ 195,630.00	\$ 195,630.00	\$ 176,384.00	\$ 180,668.00	\$ 167,544.00	\$ 171,828.00	\$ 161,470.00	\$ 165,754.00	\$ 153,446.00	\$ 157,730.00
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**W/29 PASSENGER ALTERNATE**

Midwest Transit	\$ 206,438.00	\$ 206,438.00	\$ 196,102.00	\$ 196,102.00	\$ 176,800.00	\$ 181,084.00	\$ 167,960.00	\$ 172,244.00	\$ 161,866.00	\$ 166,150.00	\$ 153,842.00	\$ 158,126.00
Midwest Bus Sales	\$ 231,721.50	\$ 231,721.50			\$ 208,145.03	\$ 208,820.03			\$ 196,638.78	\$ 205,338.78		
Central States Bus Sales	\$ 254,772.58	\$ 254,772.58			\$ 210,452.42	\$ 214,414.42			\$ 204,683.56	\$ 210,121.76		

**BASE BID 71/72 ONLY**

Midwest Transit	\$ 181,696.00	\$ 181,696.00	\$ 171,360.00	\$ 171,360.00	\$ 154,972.00	\$ 159,256.00	\$ 146,132.00	\$ 150,416.00	\$ 141,134.00	\$ 145,418.00	\$ 133,110.00	\$ 137,394.00
Midwest Bus Sales	\$ 201,475.50	\$ 201,475.50			\$ 179,156.71	\$ 179,156.71			\$ 173,836.56	\$ 181,486.56		
Central States Bus Sales	\$ 226,874.86	\$ 226,874.86			\$ 187,892.16	\$ 191,479.16			\$ 182,990.04	\$ 187,778.26		

**BASE BID SMALL BUSES ONLY**

Midwest Transit	\$ 25,310.00	\$ 25,310.00	\$ 25,310.00	\$ 25,310.00	\$ 21,596.00	\$ 21,596.00	\$ 21,596.00	\$ 21,596.00	\$ 20,508.00	\$ 20,508.00	\$ 20,508.00	\$ 20,508.00
Midwest Bus Sales	\$ 31,466.74	\$ 31,466.74			\$ 29,028.34	\$ 29,703.34			\$ 23,381.76	\$ 24,431.76		
Central States Bus Sales	\$ 27,394.40	\$ 27,394.40			\$ 22,130.30	\$ 22,505.30			\$ 21,272.84	\$ 21,922.82		

Current Year Cost (less 2 - 71/72 Pass @ \$10,500 each)	\$ 205,274.00
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MIDWEST TRANSIT - Cost/Yr w/29 Pass Alt & Ext Warranty	NEW		1 YR OLD 71/72	
	Total Cost	Cost/Yr	Total Cost	Cost/Yr
1 yr Lease	\$ 206,438.00	\$ 206,438.00	\$ 196,102.00	\$ 196,102.00
2 year Lease	\$ 362,168.00	\$ 181,084.00	\$ 344,488.00	\$ 172,244.00
3 year Lease	\$ 485,598.00	\$ 161,866.00	\$ 474,378.00	\$ 158,126.00