

**CONTRACTING  
TRANSPORTATION SERVICES  
DUVAL COUNTY PUBLIC  
SCHOOLS**

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**Director**

**July, 2009**

# A LOOK AT DCPS TRANSPORTATION SYSTEM

- 19<sup>th</sup> largest fleet in the United States
- Nationally, Duval is the 5<sup>th</sup> largest contracted district behind New York, Chicago, Milwaukee, and Los Angeles
- Number of Contractor Buses:
  - New York City Public Schools – 7,800
  - Chicago Public Schools - 1,852
  - Milwaukee Public Schools – 1,200
  - Los Angeles Unified School District – 1,187
  - Duval County Public Schools (Jacksonville, FL) – 1,054

*Source – School Bus Fleet, Oct, 2008*

# FROM PAST TO PRESENT

1999 - 2000

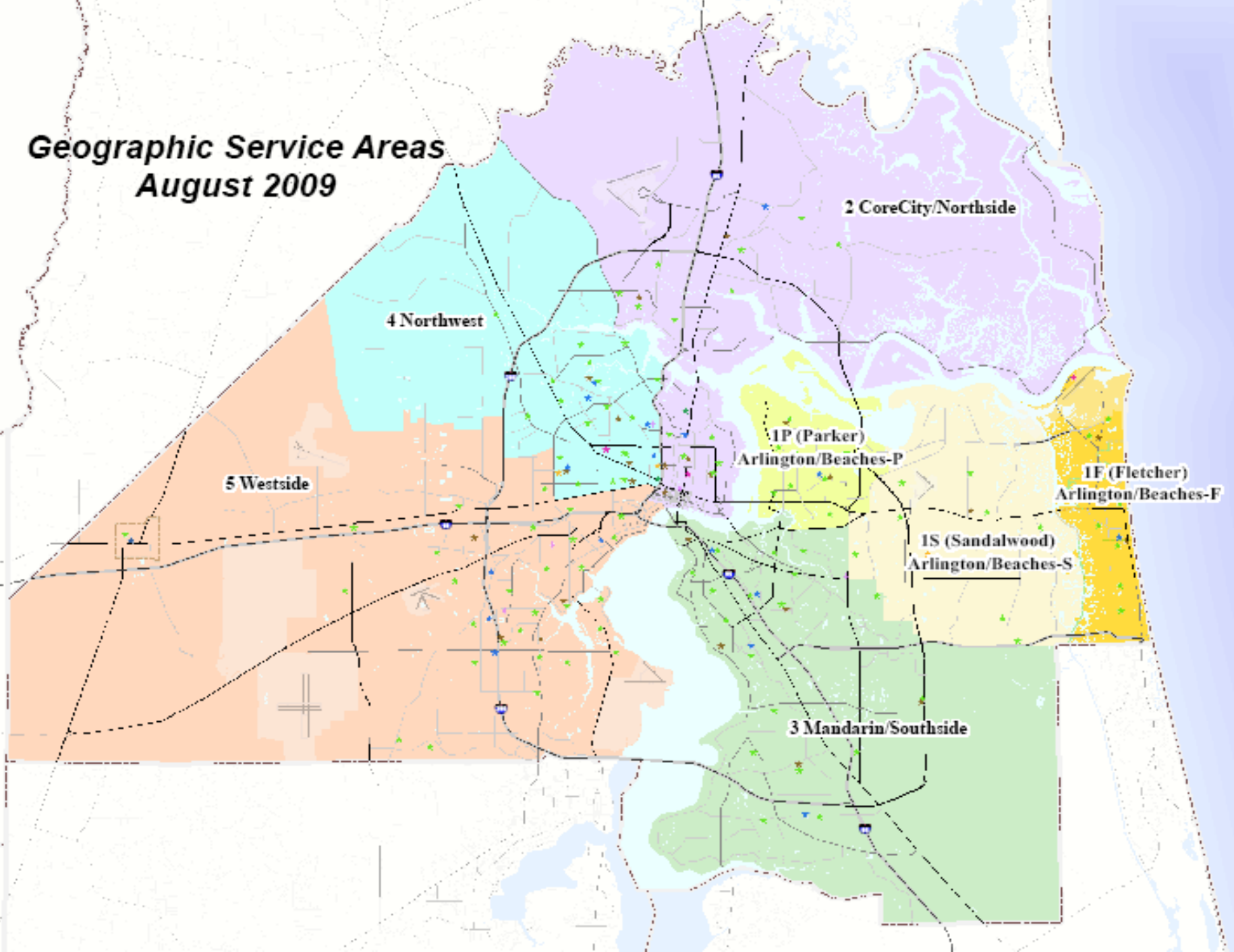
A Superintendent's Advisory Committee was formed and tasked to advise and recommend strategies to improve the efficiency and cost effectiveness of the student transportation system while not compromising safety and security

# PAST TO PRESENT (CONTINUED)

March, 2000

- A recommendation was made to competitively procure service through a request for proposal process open to all qualified proposers. DCPS did not have district owned buses or district employed operators & monitors; however transportation services had never been solicited through a competitively bid process
- It was determined that start up costs for bus purchases, garage and maintenance facilities, and additional staff was higher than estimated costs to procure service
- Pricing would be set by the market, at a price per mile
- Routes were consolidated into 5 Geographic Service Areas (GSA) based on the beginning point of the route and high school boundaries
- The number of contractors would go from 119 individual contractors to potentially 5
- Transportation staff would create the routes – contractors would provide certified bus operators and monitors, Florida specified buses, and facilities from which to dispatch and maintain the fleet

# Geographic Service Areas August 2009



# PAST TO PRESENT (CONTINUED)

## Committee Rationale:

- Achieve economy of scale efficiencies:
  - Capitalized bus costs and contractor volume purchases
  - Centralized overhead cost model
  - Concentration of best business practices
- Greater fuel economy realized by obtaining a fuel contract for best pricing and allocating fuel to contractors for essential route miles at 7.5 MPG versus 5 MPG
- Fuel would no longer be reimbursed at retail cost
- Efficiency incentive to contractor - no longer pay for deadhead miles (miles driven without students AM and PM from where the bus is parked)

# **PAST TO PRESENT (CONTINUED)**

## **Improved Service Level**

- Average fleet age of 6 years required (currently 3-4 years)
- Fleet was standardized with child check mate systems, all ESE buses were air conditioned, camera system technology upgraded and volume increased, GPS technology and electronic pre-trip inspection program implemented
- Driver quality improved with uniform requirements, training enhancements, paid benefits, and advantages of corporate policies
- With consolidation, transportation staff could focus on customer service with school and parent requests, complaint / problem resolution, and performance improvement
- Operation efficiency realized with greater coordination within the fleet

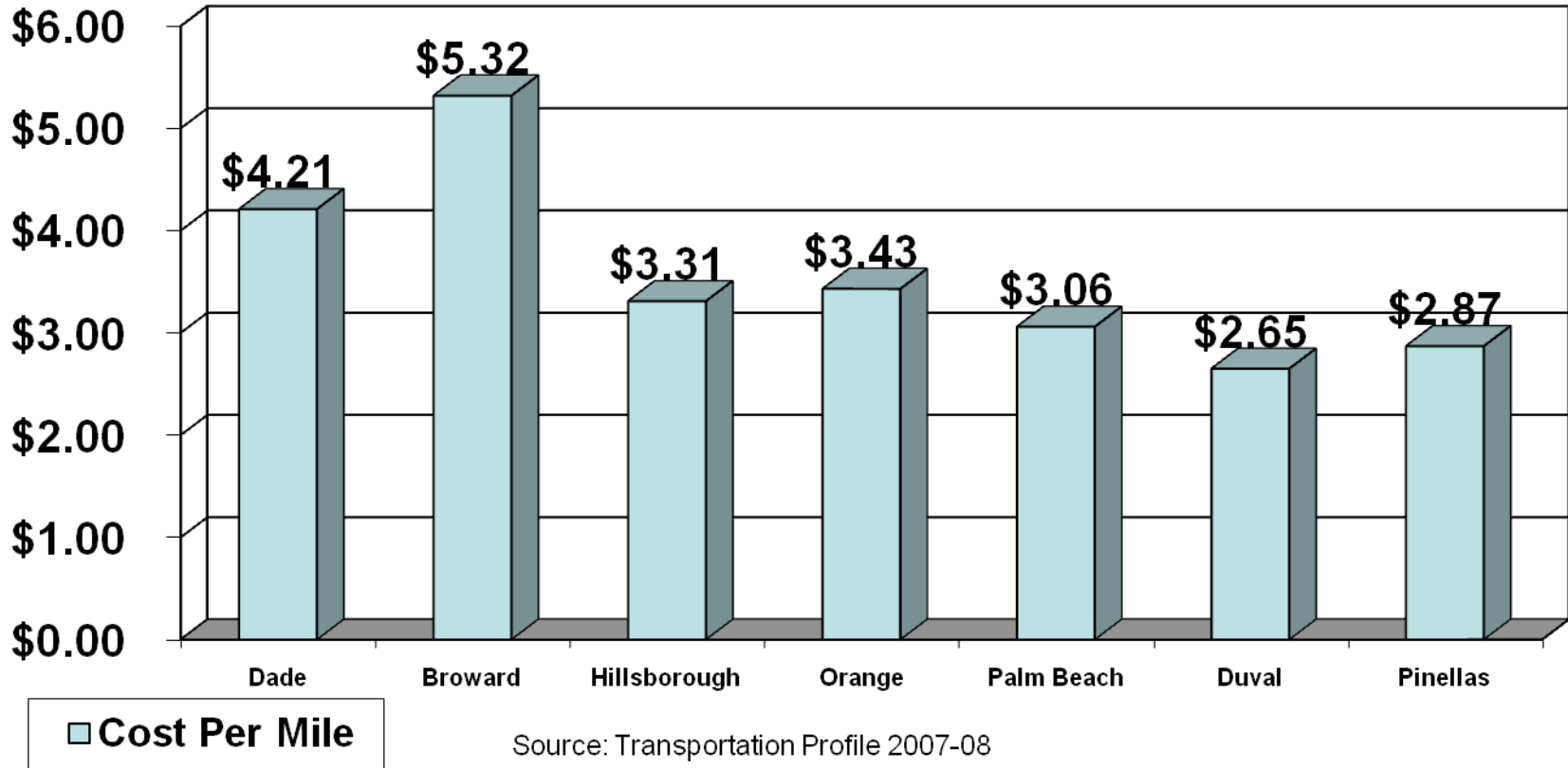
# **PAST TO PRESENT (CONTINUED)**

## **Economic Impact**

- Cost avoidance for the contract and fuel costs equates to approximately \$18.5 million
- Transportation staff reductions approximate an additional \$2 million cost avoidance
- The end result appears that consolidated contracts are less costly and provide a higher level of service

*Data compiled March, 2008*

# Cost Per Mile Comparison to Large Florida Counties



# Current Contractors

- First Student Inc. – Nationally operates approximately 60,000 buses, holds 1,500 district contracts, and transports 4,000,000 students
  - Currently has contracts for GSA 2 (Core City / North) & GSA 4 (Northwest)
  - 253 routes ( non-ESE & ESE)

# Current Contractors (cont.)

- Durham School Services (part of National Express Corp.) - Nationally operates approximately 15,400 buses, holds 320 district contracts, and transports 900,000 students
  - Currently has contract for GSA 5 (Westside) & GSA 3 (Mandarin / Southside)
  - 441 routes ( non-ESE & ESE)

# Current Contractors (cont.)

- Student Transportation of America Inc. -  
Nationally operates approximately 5,000 buses, holds 140 district contracts, and transports 350,000 students
  - Currently has contract for GSA 1 (Arlington / Beaches)
  - 251 routes ( non-ESE & ESE)

# THE PROCESS

- GSA routes are bid in groups from approximately 100 – 250. This size is attractive to national contractors, allows local participation, and encourages competition
- It is the intent of the district to preclude award of all GSA's to a single contractor
- 3 or more Contractors preferred
- GSA route group contracts are staggered for bidding so there is not a “change of contractor(s)” or turn over of all routes during the same year
- Contracts are generally for 5 base years with 5 annual renewals
- Solicitation for service is a 2-part process:
  - RFQ (Request for Qualifications)
  - ITB (Invitation to Bid)
- Each respondent completes a qualification package and a separate price per mile offer
- If a respondent is deemed to be qualified, the bid is opened and the lowest bid is presented to the School Board for approval
- The solicitation is prepared and executed 1 year prior to start of the contract(s)

# PRE QUALIFICATION REQUIREMENTS

*In the pre-qualification phase, it is critical to screen respondents to the assurance level that any respondent would be qualified to provide service regardless of the lowest price in the bid phase*

- Respondent Profile – Includes request for comprehensive financial information, bonding capacity, corporate information, contracting history, client information, litigation history, etc.
- References / Experience – verification of respondent's experience in the student transportation industry
- Financial Information – to include audited financial statements, CPA reviewed, or Dun & Bradstreet report; bid bond
- Human Resource Administration – company standards and guidelines for school bus operators and monitors, mechanics, trainers & managers to include details about screening and hiring practices, employee qualifications and experience, employee retention plan, benefit package, recruiting plan, organization chart, and contingency plan for operator/monitor shortage
- Bid Bond or Irrevocable Letters of Credit – ensures the bid will be honored, and a contract will be executed

# PRE QUALIFICATION REQUIREMENTS (cont.)

- Fleet Plan – detailed plan for acquisition, financing and mobilization of the fleet to include details for repair management and maintenance, quality assurance, & maintenance documentation
- Staff / Safety training – detailed plan for implementation of required state and district training, recertification training, and on-going safety program including accident prevention and awareness
- Facility Plan – detailed plan for storing and maintaining equipment and buses, dispatching, and operations management within the geographic service area
- Drug / Alcohol Testing Plan – detailed plan to set up and administer a testing program in accordance with OTETA
- Minority Business Enterprise Participation – DCPS encourages maximum participation of minority business enterprises in its contract awards, based on availability – currently a 5% goal
- Proof of Insurance – Workers compensation, comprehensive general liability, and business automobile liability

# MONITORING CONTRACT COMPLIANCE

*The key to success is the focus on customer service and the expectation that all contractor staff are accountable for compliance*

- Monthly monitoring visits are made to Contractor facilities by Transportation staff to document compliance in the following areas:
  - Bus inspection and maintenance documents and sampling of physical checks
  - Bus operator and monitor record checks
  - Safety Meeting
  - OTETA Compliance
  - Classroom observation

# MONITORING CONTRACT COMPLIANCE (cont.)

- Annually physical observations are made of each bus in school loading zones for the following:
  - CDL, medical examiner certificate
  - ESE documentation (evacuation plan, emergency form, wheelchair and CSRS securement, lift operation)
  - Copy of route
  - Pre-trip
  - Inspection sticker
  - Operator and monitor uniforms
  - Working equipment (camera, radio)
  - Seating chart
  - Route number display
  - Bus cleanliness
  - Pre-trip evacuation script

# MONITORING CONTRACT COMPLIANCE (cont.)

- Performance Guarantees are damage amounts built into the contract for specific policy/procedural violations
- Incidents include but are not limited to:
  - Failure to provide consistent, timely service; run routes as approved; transport assigned/eligible passengers; comply with routing guidelines; emergency procedures; field trip/activity trips obligations/commitments
  - Any act which endangers the safety and welfare of a student or motorist
  - Transporting students on a non-inspected bus
  - Failure to comply with certification guidelines
  - Failure to comply with staffing requirements and expectations
  - Failure to comply with required reports, records documentation, licenses, documentation on bus, logs, insurance coverages, FEFP reports
  - Unprofessional/uncooperative conduct of Contractor/employees
  - Improper student management techniques
  - Failure to comply with required communication procedures with district staff/schools/education community
  - Failure to comply with compensation procedures as outlined

# Questions / Contact

- Leslee Russell is pleased to answer questions at 904-858-6251
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