

## Memorandum

Date: 3/5/2024  
To: Dr. Negron; NHPS Finance & Operations Committee; NHPS Board of Education  
From: Thomas Lamb, Chief Operating Officer  
RE: Transportation RFP Recommendation for Award

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NHPS will be ending its one-year contract extension with First Student on June 30, 2024. A Request for Proposal (RFP) has been drafted and coordinated through NHPS Transportation Department, City of New Haven Purchasing Department, Corporation Council, Mike Gormany, and NHPS Finance department. The RFP was closed on February 6, 2024. A single response to the RFP has been received and was reviewed with City Purchasing and Director of Transportation and district myself to ensure that all areas of the RFP have been met. Further evaluation of the submission was not required or conducted.

Contract costs are based on 180 days of service with pricing provided per vehicle type per day. The total annual cost for each contract is based on the number of routes that are in place at the beginning of each year with enrolment at each school, where students live and what school they will be attending dictating this number. Currently the district has 313 operating routes and busses in service each day across both of the district's existing contracts. This number is only an approximation of routes and changes throughout the year as the operation becomes more efficient, routes are consolidated or split to better serve the needs of the district.

The RFP for services to begin on July 1, 2024 was posted in Bonfire on December 26, 2023 and closed on February 6, 2024. The RFP for services beginning on July 1, 2023 had an opening on March 6, 2023. The intent of posting more than two full months earlier was not only to give respondents additional planning

time but also to adjust for the possibility of a new provider having to order additional buses. The earlier posting also allows more than adequate time for award, approvals and contract to be drafted.

The scope of work and contract for the previous and current RFP were created in large part from the documents created by CESO Group. In October and November of 2023, I conducted a review of concerns raised about the process and comments from the March 6, 2023 RFP process. From these concerns and comments there were several items to be addressed in drafting the new RFP and contract documents. During this time, I also collaborated with the new City Purchasing agent, Corporation Council, and Mike Gormany, Paul Wessel from the Greater New Haven Clean Cities and Steve Winter.

1. During review of comments from the previous RFP a clear message was made from staff that splitting the contract into segments presented operational challenges at the school level as well as challenges for parents of children who may be placed on different buses. Requires the use of two applications for tracking Bus GPS locations. Added administrative difficulties for the Finance team in tracking invoicing and payments to two or more contractors providing service.
2. In an effort to more effectively score and evaluate submissions a matrix document for respondents to provide answers to documents.
3. In order to expand on the bus electrification aspects of the RFP a requirement was added for the contractor to provide a plan for electrification of the fleet by 2030 within six months of the execution of the contract. The intent of the plan is to identify a pathway for the district to have a fully electrified fleet of more than 340 buses by 2030 to be in compliance with State and Federal mandates as well as the NHPS Climate Resolutions approved by the Board of Education. Savings or costs that are associated with electrification would be negotiated and shared with First Student and NHPS. First Student has applied for 25 electric buses through the EPA Clean Air Act Funding. Award of this grant has not yet been announced. Plan development with district staff will begin as soon as contract is in place.
4. The purchase of fuel for transportation services under the new contract will be 100% provided by the City of New Haven. In previous contract years there was an allowance provided in the contract and any additional costs were covered by the City of New Haven. With fuel costs taken on by the City of New Haven we have more control over overall costs for fuel for the district. In

past contract First Student was responsible for purchasing of fuel in excess of \$500,000.00. This cost would be passed back to the district.

5. The Contract term also needs to be more aligned with the mandate for bus electrification allowing for greater continuity. The district must be able to effectively collaborate with a transportation partner who is vested in our success in achieving this goal by 2030.
6. The term length was changed to a 4-year contract with 2 options for renewal. Each of these options has fixed pricing. This term will take the district to the 2030 deadline for bus electrification. The two options allow the district an option to put back out to bid should the contractor's plan for electrification prove not to be proceeding appropriately.
7. In collaboration with Mike Gormany and City of New Haven Purchasing language was added to allow for the City of New Haven to take advantage of contract pricing for City of New Haven needs related to use of Transportation services.
8. The new contract for services requires First Student to replacement of approximately 120 of our existing fleet to new busses to meet bus age requirements set by the City of New Haven Charter for district buses not to be older then 7 years. At approximately \$95,000 each this represents an estimated \$11,400,000.00 First Student must provide as part of their contract costs.
9. Evaluation of services to meet contract deliverables is an ongoing process for all vendors. Vendors that are not meeting their contractual obligations are brought to corporation counsel and to City of New Haven purchasing department to determine how to work with the vendor to resolve the issue or in the most extreme of circumstances terminate the contract. The Director of Transportation and the COO are directly involved in resolving issues related to service for transportation. In past contract liquidated damages language was not strong enough to peruse. This language has been strengthened to allow the district to apply liquidated damaged where it applies. First Student has been extremely responsive to service related issues and delivering on the needs of the contracts as these issues arise. First Student has been willing to work collaboratively with the district to improve services when issues arise. Service will never be perfect but we will always be striving for improvement and working together toward that goal. An example of this is the driver shortage that First Student and the district staff have been working through the past several years. Currently New Haven is one of only a few districts in the state experiencing at driver surplus. This has significant impact on service delivery.

**First Student RFP Cost Table**

	Contract Years				Option Years	
Current Year	2024/2025	2025/2026	2026 / 2027	2027 / 2028	2028 / 2029	2029 / 2030
\$ 30,730,883.40	\$ 29,402,260.16	\$ 30,578,582.58	\$ 31,801,478.80	\$ 33,073,729.78	\$ 34,396,593.14	\$ 35,772,456.87
	Contract Years Total	\$ 124,856,051.32				
	Option Years Total	\$ 70,169,050.01				

Current Costs for Transportation are based on a 319-route calculation and vehicle mix.

This RFP is based on a 317-route calculation and vehicle mix.

Routs have been declining slightly as transportation becomes more efficient and enrolment decreased.

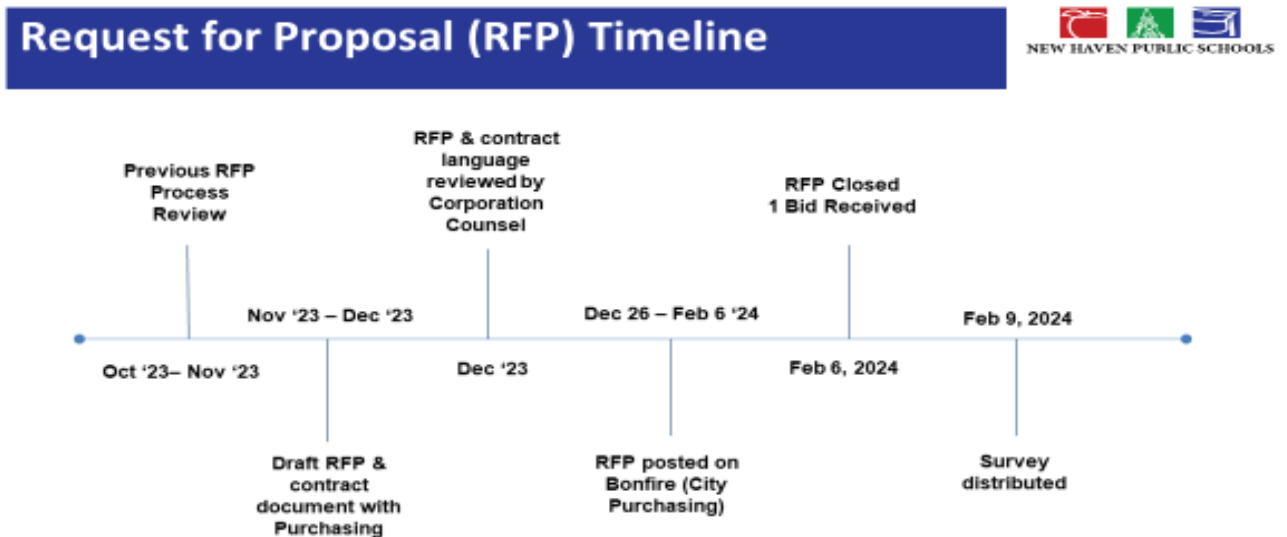
This is a moving target throughout the school year.

A difference of 2 vehicles per day at approximately 511.64 x 180 = \$184,190.40

CDL Driver Wage Scale

	7/1/2024	7/1/2025	7/1/2026	7/1/2027	7/1/2028	7/1/2029
Step 1	23.78	24.96	26.11	TBD	TBD	TBD
Step 2	25.57	26.85	28.39	TBD	TBD	TBD
Step 3	32.5	34.13	36.09	TBD	TBD	TBD

## RFP Timeline



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- September 13, 2023 planning began for drafting the RFP with discussion and collaboration with Teddi Barra and Dr. Negrón.
- November 6, 2023 planning session and timeline provided to Dr. Negrón
- Review of RFP and contract documents with purchasing
- RFP & Contract document reviewed by Corporation Counsel.
- December 26, 2023 the RFP was posted on Bonfire through City Purchasing.
- From Opening of the RFP until the RFP Closed on February 6, 2024 documents downloaded by 30+ individual contractors with First Student, We Transportation, Zum Inc. out of California who recently was awarded the contract for Transportation Services in Branford submitting intent to provide proposals.
- February 6, 2024 RFP Closed
- February 6, 2024 Proposal was received by only First Student
- February 6, 2024 We Transportation provides letter that they will not be submitting a proposal but would be interested in the future RFP's
- February 9, 2024 Survey was sent to all companies that submitted intent to provide proposals
- February 15, 2024 Only one response to the survey has been received; this was provided by First Student.

## Proposed Approval Timeline



Feb 20	Update to F&O
Mar 4	Recommendation to F&O
Mar 11	Recommendation to Board of Ed
Mar 21	Submission Due to Board of Alders Agenda
Apr 1	First Reading to full Board of Alders
Apr 11	Present to Board of Alders Finance Committee
Apr - May	Second Reading to Full Board of Alders for approval