INFORMATION SHEET 8/16/16 TRUSTEES' MEETING

ATTACHMENT: 7.3

TO: Jim Bridges

FOR: Board of Trustees

FR: Mindy Maxedon

ISSUE: Approval to Negotiate for Used Buses

The Jefferson School District Transportation bus fleet is currently comprised of five buses. The buses range from 1986 through 2005 models and are Thomas (4) and Blue Bird (1) brands.

The newest buses we own (2004 & 2005) are both CNG buses. The CNG fuel tanks on the buses are certified for 15 years at which time they are required to be replaced. The estimated cost to replace a tank is $20,000 per bus. This expense per bus exceeds the estimated fair market value of the vehicle. We will need to replace the tanks on those buses in 2019 and 2020 or arrange to acquire replacement vehicles.

Additionally, the oldest vehicle in our fleet (1986 Blue Bird diesel) is rarely driven and needs to be retired. The vehicle has 301K miles and has some performance issues that make it a rarely driven bus.

The district has funds saved for student transportation equipment in Fund 15. Our estimated balance as of 2015-16 year-end is $276,637. These funds are only to be used to purchase buses or other student transportation vehicles. The district currently contributes $20,000 annually to this fund.

A neighboring district has indicated they have a bus available for sale and the district is interested in purchasing this bus to add to our fleet. We would like approval to enter into real property negotiations and try to obtain the bus.

If our negotiations are successful, we would report back to the board for approval of the purchase prior to issuing the warrant. We would also discuss the status of negotiation for purchase in future closed session meetings.

We would also like to confirm the approval to continue to seek out possible used buses to add to our fleet. There are some routes where a smaller bus would work well and/or we will still need to make arrangements to replace the older Blue Bird and the 2nd CNG.

As the district enters its next growth phase, we are continuing to monitor our routes and may (at some point) need to consider purchasing a new bus (or two). Those plans will be presented to the board before any action is taken. For now, we are only requesting the approval to watch for and pursue negotiations for one or two used buses if/when available.