

**APPROVE ENTERING INTO AGREEMENTS FOR STUDENT TRANSPORTATION SERVICES
(NON-PUBLIC SCHOOL BUS SERVICE)**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with various bus companies to provide Student Transportation Services to the Department of Operations for students enrolled in Chicago Public School's Non-Public special education programs at a cost for the three-year agreement period not to exceed \$48,821,607. Vendors were selected pursuant to Bid Solicitation #03-250012. A written agreement for each Vendor's services is available for signature. No services shall be provided by any Vendor and no payment shall be made to any Vendor prior to the execution of such Vendor's written agreement. The authority granted herein shall automatically rescind as to each Vendor in the event a written agreement for such Vendor is not executed within 60 days of the date of this Board Report.

Specifications No.: 03-250012

VENDORS AND BUS AWARDS:

(Individual route prices based on type of service and category of bus are on file in the Purchasing Department.)

It is estimated that 296 school buses, of various sizes and configurations, operating approximately 350 routes, will be awarded pursuant to these agreements. The number of buses actually required to provide services to students will not be known until the school year is underway. Because the number of buses required is estimated, the total cost of the agreement is also estimated. The annual and contract term cost estimates are based upon the year-round calendars established by each facility and approved by the Department of Specialized Services. The Chicago Public Schools reserves the right, during the agreement period, to order the services of more or fewer vehicles than originally awarded through this agreement as the needs of students and/or programs change. The Board is only obligated for costs of buses actually operating CPS routes.

Non-Lift Equipped Buses:

Bus Company	North & South	North		South	
	Total Bus Awards	Weighted Prices	Service Area Bus Awards	Weighted Prices	Service Area Bus Awards
	Non-Lift	Non-Lift	Non-Lift	Non-Lift	Non-Lift
A. M. Bus Company	25	\$565.20	10	\$496.80	15
Bluom Enterprise, Inc.	15	\$480.00	10	\$480.00	5
Bryden Transportation, LLC	0	\$590.23	C	\$560.00	C
Community Action Services, Inc.	20	\$524.52	12	\$498.37	8
First Student, Inc.	20	\$548.57	20	\$548.57	C
Jack Harris Transportation	0			\$539.60	C
Jewel's Bus Co.	45			\$497.98	45
Kenyatta's Transportation Service, Inc.	26	\$514.36	10	\$477.88	16
R & D Bus Company, Inc.	32	\$566.76	32		
Southwest Transit, Inc.	0	\$618.04	C	\$535.96	C
United Quick Transportation, Inc.	19	\$509.40	10	\$486.60	9
Village Transportation Company, Inc.	21	\$512.52	21	\$501.12	C
Total	223		125		98

Lift Equipped Buses:

Bus Company	North & South	North		South	
	Total Bus Awards	Weighted Price	Service Area Bus Awards	Weighted Price	Service Area Bus Awards
	Lift	Lift	Lift	Lift	Lift
A. M. Bus Company	15	\$622.20	C	\$532.52	15
Bryden Transportation, LLC	9	\$625.12	C	\$577.16	9
Community Action Services, Inc.	3			\$513.12	3
First Student, Inc.	10	\$571.37	5	\$571.37	5
Jack Harris Transportation	5			\$554.80	5
R & D Bus Company, Inc.	16	\$603.24	16		
Southwest Transit, Inc.	10	\$684.16	C	\$573.96	10
Village Transportation Company, Inc.	5	\$538.36	3	\$526.20	2
Total	73		24		49

Note: The letter "C" in the "North Bus Award" or "South Bus Award" columns denotes a Contingency Award. The Board reserves the right to accept, on a contingency award basis, bidder's prices in one or more Service Areas or Vehicle Categories. Routes will only be assigned to a vendor with a contingency award as specified in paragraph 27.J. of the Scope of Services.

Total Awards – All Bus Categories:

Bus Company	North & South Service Areas		
	Total Bus Awards	Total Bus Awards	Total Bus Awards
	All	Non-Lift	Lift
A. M. Bus Company	40	25	15
Bluom Enterprise, Inc.	15	15	0
Bryden Transportation, LLC	9	0	9
Community Action Services, Inc.	23	20	3
First Student, Inc.	30	20	10
Jack Harris Transportation	5	0	5
Jewel's Bus Co.	45	45	0
Kenyatta's Transportation Service, Inc.	26	26	0
R & D Bus Company, Inc.*	48	32	16
Southwest Transit, Inc.	10	0	10
United Quick Transportation, Inc.	19	19	0
Village Transportation Company, Inc.	26	21	5
Total	296	223	73

* Based on previous performance, awards to the following vendor reflect the limitations specified below:
 R & D Bus Company, Inc. Limited by 1 bus.

The following Bus Companies receiving awards are not currently serving the Chicago Public Schools as Prime Contractors:

Bluom Enterprise, Inc.
Bryden Transportation, LLC
Jewel's Bus Co.
Kenyatta's Transportation Service, Inc.
Southwest Transit, Inc.
Village Transportation Company, Inc.

The following Bus Companies currently serving the Chicago Public Schools as Prime Contractors are receiving awards that increase the number of buses they operate for CPS:

A. M. Bus Company
Community Action Services, Inc.
First Student, Inc.
Jack Harris Transportation
R & D Bus Company, Inc.
United Quick Transportation, Inc.

USER: Department of Operations/Bureau of Student Transportation
125 South Clark Street, 16th Floor
Contact Person: Woody Fitzmaurice 553-3245

TERM: The agreements shall be for a three-year term commencing April 23, 2003 and ending the last day of summer school transportation service for the non-public facilities served by each vendor occurring in August 2006. These agreements provide for 2 options to renew for periods of 1 year each by mutual agreement of the parties renewal prices indicated in the contracts.

EARLY TERMINATION RIGHT: The Board has the option, in its sole discretion, to terminate any Vendor's agreement with sixty (60) days written notice, for any or no reason.

SCOPE OF SERVICES: School bus service to and from school and other related activities, through these agreements will provide student transportation services to eligible students participating in the Non-Public Special Education Program as per program guidelines. Service will be provided for the regular school term that extends throughout the calendar year. Special education transportation services will include service to non-Chicago Public School sites located within the City of Chicago and surrounding suburbs as designated by the Office of Specialized Services. Limited mid-day service will be provided in accordance with specific program guidelines.

COMPENSATION: Vendors shall be paid in accordance with prices indicated in the contract, on a monthly basis as invoiced by the vendor. Compensation to all Vendors shall not exceed \$15,647,951 during year 1, \$16,273,869 during year 2 and \$16,899,787 during year 3.

AUTHORIZATION: Authorize the President and Secretary to execute the agreements.

AWARD CONTINGENCY: All agreements awarded hereunder are conditional upon the following: (i) a satisfactory site visit conducted by the Department of Operations on or before August 1, 2003, and (ii) submission of an acceptable performance bond by Vendor. For these agreements only, the Board hereby suspends the provisions of Board Rule 5-6 that allow alternative methods of compliance with the performance bond requirement.

AFFIRMATIVE ACTION: As a condition of these awards the Vendors will make every good faith effort to comply with the provisions of the Revised Remedial Plan for Minority and Women Business Enterprise Economic Participation Program Goals: Goals have been set for Student Transportation Contracts at a minimum of 50% MBE (32% Black, 12% Hispanic, 2% Asian) and 5% WBE and are subject to negotiation prior to contract award.

However, the vendors have identified the following percentages:

Total MBE% - 57%

African American – 50%

Asian - 7%

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL: Charge to Bureau of Student Transportation: \$48,821,607

Fiscal Year	Budget Classification	Amount
FY04	0945-210-025-3821-5510 (Transportation – Special Ed-Non Public)	\$15,647,951
FY05	0945-210-025-3821-5510 (Transportation – Special Ed-Non Public)	\$16,273,869
FY06	0945-210-025-3821-5510 (Transportation – Special Ed-Non Public)	\$16,899,787

The State of Illinois provides reimbursement for student transportation costs to the Chicago Public Schools through a Block Grant procedure. Student Transportation and several other programs are partially funded by the State through the same Block Grant. Specific funding levels for each program included in the Block Grant are not identified. The funding amount for the Block Grant is pre-determined by the State. State funds must be appropriated for this purpose.

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.


Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

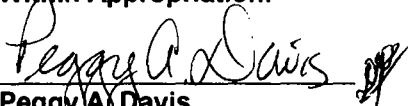
Approved for Consideration:


Sean P. Murphy
Chief Purchasing Officer

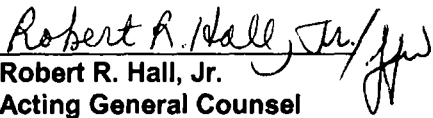
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Peggy A. Davis
Chief of Staff

Approved as to legal form:


Robert R. Hall, Jr.
Acting General Counsel