



# **SCHOOL BOARD ACTION REPORT**

**DATE:** Aug. 6, 2019  
**FROM:** Denise Juneau, Superintendent  
**LEAD STAFF:** Fred Podesta, Chief Operations Officer  
fhpodesta@seattleschools.org

**For Introduction:** Aug. 28, 2019  
**For Action:** Aug. 28, 2019

## **1. TITLE**

Approval of Extension of Contract with Durham School Services for supplemental Bus Transportation Services

## **2. PURPOSE**

This Board Action Report recommends extension of contract SS11822 with Durham School Services LP, in the amount not to exceed \$1,800,000, for transportation services during the 2019-2020 school year. This contract extension provides for continued point-to-point yellow bus transportation services for general education students to and from school.

## **3. RECOMMENDED MOTION**

I move that the School Board authorize the Superintendent to execute a contract amendment extending contract SS11822 through the 2019-2020 school year for School Bus Transportation Services with Durham School Services, Inc. in the form of the amendment attached to the School Board Action Report, with any minor additions, deletions, and modifications deemed necessary by the Superintendent and to take any necessary actions to implement the contract amendment. Immediate action is in the best interests of the district.

## **4. BACKGROUND INFORMATION**

### **a. Background**

Seattle Public Schools provides to and from school transportation in accordance with the School Board approved Transportation Service Standards. Providing safe, reliable and efficient transportation to schools enables students to access instruction. A significant commercial driver's license (CDL) driver shortage exists nationwide with the Seattle region especially impacted due to the low unemployment rate and local competition for CDL drivers. Due in part to this driver shortage, the district's primary contracted school bus provider, First Student, has been unable to completely fulfill the transportation needs of the district during the past two years. In the first two months of the 2018-2019 school year, bus routes were missed or late an average of 56 incidents daily.

To help address this problem, with School Board approval, the district contracted with Durham during a portion of the 2018-2019 school year to supplement the district transportation needs, and service levels improved greatly, with missed or late routes averaging 7 incidents daily from January through June. While First Student and the district are working together to address driver shortages and make service improvements for the 2019-2020 school year, it is recommended that a second transportation provider be retained to ensure adequate coverage.

Unless extended, the contract with Durham will expire prior to the beginning of the 2019-2020 school year. This BAR proposes to extend that contract through the coming school year as a safeguard to ensure more students' transportation needs will be met. Given the impending start of school and the need to begin final transportation planning, the School Board is requested to introduce and act on this proposal Aug. 28, 2019.

**b. Alternatives**

Not approve extension of the contract. This alternative is not recommended as it would impair the district's ability to provide transportation to students.

**c. Research**

N/A

**5. FISCAL IMPACT/REVENUE SOURCE**

The contract cost is not to exceed \$1,800,000. The funding to cover this contract is included in the general fund for the 2019-2020 budget. This cost is for services provided by Durham that will not be provided by First Student and does not represent a duplication of expenses. However, unit pricing for bus service is discounted based on the overall number of buses provided daily, which are far fewer for this secondary contract (15 buses from Durham versus 350 from First Student). The unit price differential of approximately 30% cost per bus is warranted to ensure acceptable service levels and give the district the flexibility of having two transportation providers under contract. Transportation staff will review the mix of services and manage routes as operations stabilize after the fall.

The revenue source for this motion is the general fund.

Expenditure:  One-time  Annual  Multi-Year  N/A

Revenue:  One-time  Annual  Multi-Year  N/A

**6. COMMUNITY ENGAGEMENT**

With guidance from the district's Community Engagement tool, this action was determined to merit the following tier of community engagement:

Not applicable

- Tier 1: Inform
- Tier 2: Consult
- Tier 3: Collaborate

No community engagement took place as this is a time-sensitive, follow-on contract to help fulfill yellow bus service transportation requirements for students.

**7. EQUITY ANALYSIS**

A full equity analysis was not performed as this is a time-sensitive, follow-on contract to help fulfill yellow bus service transportation requirements for students. Service will be prioritized for south end routes and Title 1 schools where feasible.

**8. STUDENT BENEFIT**

The benefit of this contract is to provide safe and efficient transportation to and from school for students residing outside the walk zone of their attendance area schools.

**9. WHY BOARD ACTION IS NECESSARY**

- Amount of contract initial value or contract amendment exceeds \$250,000 (Policy No. 6220)
- Amount of grant exceeds \$250,000 in a single fiscal year (Policy No. 6114)
- Adopting, amending, or repealing a Board policy
- Formally accepting the completion of a public works project and closing out the contract
- Legal requirement for the School Board to take action on this matter
- Board Policy No. \_\_\_\_\_, [TITLE], provides the Board shall approve this item
- Other: \_\_\_\_\_

**10. POLICY IMPLICATION**

This motion is in alignment with Policy No. 0010, Instructional Philosophy, because student transportation is considered an integral element to ensure that all students receive an education that meets the goals enumerated in the district’s Instructional Philosophy.

This motion is in alignment with Policy No. 6220, Procurement, because it uses sound business and financial practices that support the delivery of desired services and goods. Further, the policy is being followed by seeking board approval where the value exceeds \$250,000.

This motion is in alignment with Policy Nos. 6600-6620, Transportation, as the proposed contract provides multiple services enumerated in transportation policies promulgated by the board.

**11. BOARD COMMITTEE RECOMMENDATION**

This motion was discussed at the Executive Committee on Aug. 21, 2019. The Committee reviewed the motion and voted to move it forward for consideration by the full School Board.

**12. TIMELINE FOR IMPLEMENTATION**

Upon approval of this motion, the contract extension will go into effect starting Sept. 1, 2019.

**13. ATTACHMENTS**

- Amendment extending Contract SS11822

# JUSTIFICATION FOR CONTRACT AMENDMENT

This form is to be included if the contract amendment amount is greater than twenty-five percent (25%) of the original contract amount.

## CONTRACT INFORMATION

Contractor Name: National Express Durham Holding Corp.	Purchase Order No./Amendment No.: 1
SPS Contract Owner: Fred Podesta	SPS Contract Owner Phone/E-mail: fredhpodesta@seattleschools.org

## JUSTIFICATION SUMMARY

1. **Amendment Purpose.** Describe the type of services that is to be included under this amendment. Amended services must align with the original contract's purpose and scope of work:

Continuation of supplemental student bus services for 15 routes

2. **Specific Problem or Need.** What is the business problem or need that requires this amendment?

Driver coverage for District routes

3. **Contract Amendment.** State the rationale for amending an existing contract rather than competitively procuring the good and/or services and awarding a new contract.

This is a continuation of their services from the 18-19 school year

4. Are the proposed services under this amendment within the scope of the original contract? If the answer is "no", explain what conditions have changed since the original contract and other applicable information that clearly justifies the decision to amend the contract.

Yes

## SEATTLE PUBLIC SCHOOLS CONTRACT AMENDMENT FORM

<b>CONTRACTOR NAME AND ADDRESS</b> (Legal Name – MUST match registered Name with Tax ID Number)	<b>CONTRACT AMENDMENT MUST BE FULLY EXECUTED IN ADVANCE OF SERVICES</b>	
PO Number (Ex: 7500000001):	Amendment Number: 1	RFP/RFQ/Contract Number: SS11822
Name: National Express Durham Holding Corp.	WA Business License (UBI#): 602242077	
DBA: Durham School Services LP	Phone: 630-821-5795	Fax: 855-210-5691
Address: 2601 Navistar Drive	E-mail:	
City/State/Zip: Lisle, IL 60532	Vendor Number: 106637	

This Contract Amendment is made between the Seattle School District (“the District”) and the above-named contractor (the “Contractor”) under the above-referenced PO Number. All terms and conditions in the above referenced contract shall apply.


District employees, other than personnel in the District Financial Services Department, are not authorized to make promises for contractual services, promises for a particular period of time or promises of a particular level of payment. Any verbal or written statements to that effect by District employees other than Financial Services personnel are null and void.

<b>CHANGE to an existing Contract</b> - Identify the nature of amendment (Check all that apply): <input checked="" type="checkbox"/> Extension of Time (1) <input checked="" type="checkbox"/> Dollar Amount Increase (3) <input type="checkbox"/> Dollar Amount Decrease (3) <input type="checkbox"/> Cost Center Revision (2) <input checked="" type="checkbox"/> Other (4):							
Explain the change in conditions since the initial contract and other applicable considerations that clearly justify the decision to amend the original contract or last approved amendment: Bus Services still required for 2019-20 school year							
For sections 1-4 below, complete only what is relevant to the nature of your change noted above.							
1) Last Approved End of Service Date: 8/31/2019 Revised End of Service Date: 8/31/2020	2) Last Approved Cost Center: 34199521A0 / 7513 Revised Cost Center: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <thead> <tr> <th style="width: 70%;">Cost Center</th> <th style="width: 30%;">Amount (\$)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> </tbody> </table>	Cost Center	Amount (\$)				
Cost Center	Amount (\$)						
3) Original Approved Contract Amount (\$): 1,400,000 Total Amount Added From Previous Mods (\$):  Amount of Increase/Decrease for this Mod (\$): 1,800,000	4) Contract Language to Add or Revise (attach separate document(s), listing new exhibits, if needed): Attachment 1 - Contract Language Revisions, which increases the number of service months to 10 from 8 months in 2018-19. Attachment 2 - Durham Notice for Rate Increase of 3% per bus. Both of these changes increase the total contract to \$1,800,000						
<b>REVISED Total Contract Amount Not to Exceed (\$): \$3,200,000</b>							

1. Capital funds may not be combined with grant or general funds; a separate Contract Amendment should be established.
2. If the modification is solely to revise budget coding, it is considered an administrative change and the contractor is not required to sign the amendment.
3. A certificate of insurance will be required if the revised total contract amount now exceeds \$50,000.

## SEATTLE PUBLIC SCHOOLS CONTRACT AMENDMENT FORM

**CONTRACTOR ACCEPTANCE:**

 _____ Signature Judith A. Crawford _____ Printed Name	8/12/2019 _____ Date willette.cooper@nellc.com _____ E-mail
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**DISTRICT USE ONLY**

Except as specifically modified above, the original contract remains in force. This amendment becomes a part of the original contract when signed by the Contractor and the Seattle School District Accounting Director for amendments up to \$75,000, Chief Financial Officer (CFO) for amendments \$75,000 to \$100,000. Amendment amounts in excess of \$100,000 require the additional approval of the Superintendent. Amendments which exceed \$250,000 require the additional approval of the School Board. Amendments with an increase of more than 25% of original contract amount are required to be signed by the CFO.

**CONTRACT ADMINISTRATOR:**

Signature _____	Printed Name _____	Date _____
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**ADDITIONAL DEPT. APPROVAL (if required):**

Signature _____	Printed Name _____	Date _____
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**ACCOUNTING DIRECTOR (All amendments):**

Signature _____	Printed Name _____	Date _____
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**PROCUREMENT (Amendments more than \$20,000 or 25% greater than original contract amount):**

Signature _____	Printed Name _____	Date _____
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**LEGAL (Amendments more than \$20,000 or 25% greater than original contract amount):**

Signature _____	Printed Name _____	Date _____
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**CHIEF FINANCIAL OFFICER (Amendments more than \$20,000 or 25% greater than original contract amount up to \$100,000):**

Signature _____	Printed Name _____	Date _____
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**SUPERINTENDENT (Over \$100,000)**

Signature _____	Printed Name _____	Date _____
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**BOARD APPROVAL DATE (Required if amendment is over \$250,000):**

\_\_\_\_\_ Date

**BOARD COMMITTEE INFORM DATE (For amendments with a total aggregate that exceeds \$250,000):**

\_\_\_\_\_ Date

**FOR ACCOUNTING USE ONLY**

Grant Review Approval: \_\_\_\_\_ Date: \_\_\_\_\_

Funds Encumbered (\$): \_\_\_\_\_ Date: \_\_\_\_\_ Accounting Initials: \_\_\_\_\_



**SEATTLE PUBLIC SCHOOLS  
AMENDMENT NO. 1  
ATTACHMENT 1  
FOR CONTRACT NO. SS11822  
SUPPLEMENTAL STUDENT BUS TRANSPORTATION SERVICES**

THIS AMENDMENT is made between the Seattle School District no. 1, (hereinafter called “District”), and Durham School Services, L.P. (hereinafter called “Vendor”) regarding Contract No. SS11822 for supplemental student bus transportation services.

Whereas, the District and the Vendor entered into a contract dated January 18, 2019 herein incorporated by this reference; and,

Whereas, the District would like to extend the contract through the end of the 2019-2020 school year, and agree to a three-percent (3%) increase on rates and fees.

NOW, THEREFORE, District and Vendor agree as follows:

1. Term. The term of the contract is extended from September 1, 2019 to August 31, 2020.
2. Contract Price. Section 2 of the Agreement is hereby DELETED and REPLACED in its entirety with the following:

“District agrees to pay Contractor an estimated amount not to exceed **ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS** (\$1,800,000). This amount constitutes the ‘Maximum Authorized Compensation’ for services to perform the work identified for the 2019-2020 school year.

Pricing will be based on a 5-hour daily gate to gate per route/per bus minimum, to include 20 minutes of pre and post trip time. For each route that operates over 5 hours on a given day, a \$41.20 hourly fee will be applied in quarter hour increments. The time starts and ends at our transportation facility located at 9217 Lakeview Ave SW, Lakewood WA, 98499. ***NO Mileage Charges, all fuel included.***

Daily per route/per bus 5-hour rate - \$497.19, excess hourly rate - \$41.20.

This amount shall constitute complete compensation for all costs and fees incurred, including any expenses for meals, travel, lodging, and Washington State sales tax, if applicable. Any increase above this amount will require agreement by the parties.

Compensation will be paid monthly to the extent that Contractor presents documented evidence of fees earned and expenses incurred during the period for which payment is requested, and in no case shall the total compensation exceed the Maximum Authorized Compensation. Contractor shall submit its invoices in the form and according to the schedule prescribed in the General Conditions, to the address listed in Paragraph 3.”



4. Any of the other provisions of the subject contract not modified in writing shall remain in full force and effect.



### **Contract Pricing**

Pricing will be based on a 5-hour daily gate to gate per route/per bus minimum, to include 20 minutes of pre and post trip time. For each route that operates over 5 hours on a given day, a \$41.20 hourly fee will be applied in quarter hour increments. The time starts and ends at our transportation facility located at 9217 Lakeview Ave SW, Lakewood WA, 98499. ***NO Mileage Charges, all fuel included.***

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