



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ITEM No.:

EE-5.

MEETING DATE 2020-02-04 10:05 - School Board Operational Meeting

AGENDA ITEM ITEMS

CATEGORY EE. OFFICE OF STRATEGY & OPERATIONS

DEPARTMENT Procurement & Warehousing Services

Special Order Request
 Yes No

Time

Open Agenda
 Yes No

TITLE:

Piggyback Recommendation of \$500,000 or Greater - FY20-173 - School Buses

REQUESTED ACTION:

Approve the recommendation to make a piggyback award to the vendor(s) awarded by the Florida Department of Management Services for the School Bus Invitation to Bid 2020-16. Contract Term: February 4, 2020 through December 16, 2021, 1 Year and 10 Months with three (3) one (1) year renewals; User Department: Student Transportation & Fleet Services; Award Amount: \$10,700,000; Awarded Vendor(s): Florida Transportation Systems, Inc.; Matthews Bus Alliance, Inc.; Sun State International Trucks, LLC; Small/Minority/Women Business Enterprise Vendor(s): None.

SUMMARY EXPLANATION AND BACKGROUND:

Purchasing Policy 3320, Part II, Section M, permits the District to piggyback on contracts awarded by public or governmental agencies. School Districts within the State of Florida utilize the Florida Department of Education Bid for the purchase of school buses. This request is for the purchase of one hundred (100) school buses. A copy of the ITB is available online at: http://www.broward.k12.fl.us/supply/agenda/ITB_2020-16_FY20-173_FloridaDepartmentofEducation.pdf

SCHOOL BOARD GOALS:

Goal 1: High Quality Instruction Goal 2: Safe & Supportive Environment Goal 3: Effective Communication

FINANCIAL IMPACT:

The estimated financial impact to the District will be \$10,700,000. The funding source will come from the Capital Budget of the Department. The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.

EXHIBITS: (List)

(1) Executive Summary (2) Financial Analysis Worksheet (3) District Educational Facilities Plan_FY2020 (4) Memo to Revise

BOARD ACTION:
APPROVED
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:	
Name: John Lyles	Phone: 754-321-4400
Name: Mary C. Coker	Phone: 754-321-0501

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title

Maurice L. Woods - Chief Strategy & Operations Officer

Signature
Maurice Woods
1/31/2020, 2:06:35 PM

Approved In Open Board Meeting On:

FEB 04 2020

By: *Donna Fou*
School Board Chair

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ROBERT W. RUNCIE
SUPERINTENDENT OF SCHOOLS

January 30, 2020

TO: School Board Members

FROM: Maurice L. Woods *MLW*
Chief Strategy & Operations Officer

VIA: Robert W. Runcie *RWR*
Superintendent of Schools

SUBJECT: **REVISION TO EE-5, PIGGYBACK RECOMMENDATION OF \$500,000 OR GREATER – FY20-173 – SCHOOL BUSES, FOR THE FEBRUARY 4, 2020, SCHOOL BOARD OPERATIONAL MEETING**

Attached is a revision to EE-5, Piggyback Recommendation of \$500,000 or Greater – FY20-173 – School Buses, for the February 4, 2020, School Board Operational Meeting.

Exhibits:

- Revised Executive Summary page 2

RWR/MLW/MCC:bm
Attachment

cc: Senior Leadership Team

EXECUTIVE SUMMARY

Piggyback Recommendation of \$500,000 or Greater FY20-173 – School Buses

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the recommendation to make a piggyback award to the vendor(s) awarded on the Florida Department of Education's School Bus ITB 2020-16, Invitation to Bid (ITB) FY20-173 – School Buses with a contract term of two (2) years beginning February 4, 2020 through December 16, 2021, with three (3) one (1) year renewals. The approval of this Piggyback will allow Student Transportation & Fleet Services (STFS) to issue a Purchase Order (PO) under this ITB for the purchase of School Buses.

The School Board previously approved ITB 59-033R – School Buses on March 6, 2018. The contract term for ITB 59-033R was from March 7, 2018 through December 31, 2018. ITB 59-033R approval provided the District the opportunity to purchase one hundred (100) buses for Student Transportation & Fleet .

The spending authority being requested for ITB FY20-173 is \$10,700,000.

Goods/Services Description

Responsible: Student Transportation & Fleet Services (STFS)

STFS intends to utilize the Department of Education (DOE) Bid for the purchase of one hundred (100) buses. The DOE Bid was awarded to three (3) vendors, Florida Transportation Systems, Inc., Matthews Bus Alliance, Inc., and Sun State International Trucks, LLC. The objective of this purchase is to provide transportation services to 70,000 plus eligible riders to and from assigned District schools, field trips, and activities.

Procurement Method

Responsible: PWS

Per Purchasing Policy 3320 Part II Section M, the School Board may make purchases at or below the specified prices from contracts awarded by other city or county governmental agencies, other District School Boards, Community Colleges, Federal Agencies, the Public or Governmental Agencies of any state, or from state university system cooperative bid agreements. Purchasing through the State Bid allows the District to benefit from the purchasing power of the sixty- seven (67) districts in the State of Florida. This recommendation will allow Procurement & Warehousing Services to release PO's for items awarded in this contract, in a timely manner, and at contract prices.

The request for approval of piggyback ITB FY20-173 – School Buses allow the School District's to capitalize on the current prices available on DOE's ITB 2020-16.

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Financial Impact
Responsible: PWS and STFS

The School Board approved the five (5) year District Education Facilities Plan on September 4, 2019, allocating \$10,700,000 for the purchase of new buses. The estimated requested spending authority is based on the purchase of approximately one hundred (100) buses at an estimated cost of \$107,000 per bus.

Estimated cost per bus		\$107,000
Approximate number of buses	(x)	100
Total cost		\$10,700,000

Funding for this ITB will come from the Capital Budget.

The District utilized its Master Lease Agreement with Bank of America (BoFA) to obtain lease financing. After several discussions with BoFA, the District was able to reduce the initial interest rate offered of one-point nine thousand three hundred thirty-seven (1.9337) percent by zero-point two hundred fifty-one (0.0251) percent, resulting in a final interest rate of one-point nine thousand eighty-six (1.9086) percent for an eight (8) year term.

Comparing a similar lease transaction with Alachua Schools, they obtained a seven (7) year lease in December 2019 for one-point eight thousand three hundred forty (1.8340) percent. Based on today's market, that lease would have a rate of one-point eight thousand seven hundred thirty-five (1.8735) percent. If the District's lease was for seven (7) years, BoFA would match that rate. However, with the additional year [from seven (7) to eight (8) years] the insignificant/incremental increase of zero-point three hundred fifty-one (0.0351) percent one-point eight thousand seven hundred thirty-five vs. one-point nine hundred eight (1.8735 vs. 1.908) percent still allowed the District to achieve a very competitive rate. Also, BoFA allowed the District to lock the rate until February 12, 2020, with no additional cost.

The amount requested was determined based on STFS requirements to satisfy the needs of the District. The financial impact amount represents an estimate contract value; however, the amount authorized will not exceed the estimated contract award amount.

District Educational Facilities Plan Appropriations

(in thousands)



	<i>Carryover FY 2019</i>	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Appropriations							
COPs Debt Service	\$ 0	\$ 155,879	\$ 149,153	\$ 149,183	\$ 149,134	\$ 149,134	\$ 752,483
Equipment & Building Lease Payments	0	20,239	26,726	29,786	34,988	36,326	148,065
Technology Refresh	0	16,570	16,570	16,570	16,570	16,570	82,850
New/Replacement Buses	0	10,700	10,861	11,023	11,189	11,357	55,130
New/Replacement White Fleet	0	3,500	3,553	3,606	3,660	3,715	18,034
Facilities / Capital Salaries	0	17,204	17,204	17,204	17,204	17,204	86,020
Quality Assurance	0	200	200	200	200	200	1,000
Capital Transfer to General Fund							
-- Maintenance	0	95,849	92,331	94,830	94,830	94,830	472,670
-- Property & Casualty Insurance							
Facility Projects	35,123	0	0	0	0	0	35,123
SMART Program	480,017 *	322,399	53,185	14,312	0	0	869,913
SMART Program Reserve	4,573	54,825	16,615	0	0	0	76,013
Charter Schools - State PECO	0	25,050	14,994	14,440	14,408	14,434	83,326
Charter Schools - Local Millage	0	0	12,353	16,667	20,383	24,099	73,502
Payroll Improvement / Hardware Upgrade	0	750	0	0	0	0	750
Magnet/Innovative Programs Equipment	0	653	653	653	653	653	3,265
Safety/Security							
• Security Equipment Lease	19,366	0	0	0	0	0	19,366
• State Grant District Schools	5,682	4,010	0	0	0	0	10,701
• State Grant Charter Schools	179	830					
Unallocated	33,584	7,243		63,723	72,610	86,590	263,750
Sub-Total	\$ 578,524	\$ 735,901	\$ 414,398	\$ 432,197	\$ 435,829	\$ 455,112	\$ 3,051,961

* SMART Carryover is the SMART Program project budgets less prior year expenditures. See page 1 for full SMART Program budget summary.