

To: Board of Education & Dr. Pattee
From: Doug Nefzger
Subject: School bus repairs
Date: November 10, 2016

We have an issue with a couple school buses that I need to bring to your attention.

Bus #21 is a 2005 model year 84 passenger transit bus with 158,974 miles. The bus is in need of a new engine. Cost estimate to rebuild the engine with a new short block is \$24,431. Cost estimate for a replacement remanufactured engine is \$30,068. Bus #21 is scheduled to be replaced in the summer of 2018.

Bus #17 is a 2001 model year 65 passenger conventional bus with 149,280 miles. The bus is in need of significant body repairs due to rust. Estimated cost to replace the steel cross members under the floor of the bus is \$7,850 plus freight cost. This estimate is just to replace those cross members that have significant rust. It is possible the estimate could significantly increase once the steel bows, steel side panels and flooring in the bus are removed to expose all of the steel cross members. Bus #17 is scheduled to be replaced in the summer of 2019.

We have contacted the three school bus companies in Iowa to see what might be immediately available. School Bus Sales of Waterloo, Iowa recently received two 2014 model year 65 passenger conventional buses that were returned off of lease. These buses have 54,418 and 57,845 miles respectively. The setup of the two buses is very similar to the specifications we would use in purchasing a new conventional school bus. Cost is \$57,300 each. School Bus Sales will offer a \$1,000 trade-in value for each of our two buses listed above, for a net total cost of \$112,600 (\$56,300 each). As a reference, the District purchased a new 2016 conventional school bus in January 2016 at a cost of \$81,072 before trade. No other Iowa dealer has a used late model school bus available for purchase.

Due to the costs associated with repairing Bus #21 and the age of Bus #17, I would recommend replacing both buses with the 2014 model year school buses described above. Both buses will be delivered and ready for use, less security cameras, no later than December 1, 2016. Funding will come from the Physical Plant and Equipment Levy. As we look towards next school year, we will bid out at least one 84 passenger transit bus in order to make up for being one transit bus short over the remainder of this school year. You will see these bids in either December 2016 or January 2017. Typical delivery time for a factory ordered new school bus is 6 to 8 months.

If you have any questions, please feel free to contact me. Thank you.