



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM

Date: November 1, 2021

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager
Lisa Burnham, Controller
Brian Goul, Recreation Director
Emily Frontera, Purchasing Manager

Subject: Bid Waiver – Bus Transportation Services

History

- The City of Troy has used the Troy School District buses for transportation services for 23 years.
- In 2011 the School District privatized their bus services and secured a contract with First Student.
- First Student has been used by the City since then for transportation for field trips, for programs and for the ski program.
- This agreement has been very successful for both parties.
- On December 4, 2017, Troy City Council approved a two (2) year contract for Bus Transportation Services, with an option to renew for two (2) additional years based on mutual consent of both parties with *First Student of Chicago, IL*; contract expiring December 31, 2019 (Resolution #2017-12-192-J-5).
- November 11, 2019 City Council approved a two (2) year extension of the contract under the same terms and conditions as the original bid, contract expiring December 31, 2021, (Resolution #2019-11-133-J-6).
- In 2019, the City spent nearly \$25,000 on bus services for the Recreation Department Programs.

Purchasing

The market was surveyed and is summarized below. First Student is able to provide bus services at a considerable savings compared to private companies and also does not require a service fee. Other companies require 24-hour notice and charge \$100 service fee to cancel a bus.

<u>Company</u>	<u>Fees</u>	<u>Day of Cancellation Policy</u>
First Student	\$57.75/hr	No fee
Trinity Bus Service	\$75/hr	\$100 cancellation fee
Servicar	\$85/hr	No refunds, must pay all fees

First Student has done an excellent job providing bus transportation services in the past and has met all contract terms and conditions. First Student has also expressed an interest in continuing to provide bus transportation services for the City under the following terms and conditions: the original bid was \$57/hr., but fees have increased to \$57.75/hr. It is in the best interest of the City to waive the bid process and renew the contract with First Student for two (2) additional years under the new terms and conditions at \$57.75 per hour.



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Financial

Funds are available in the various Recreation operating accounts and is paid entirely through user fees.

Recommendation

City management recommends it is in the best interest of the City to waive the bid process and renew the contract with *First Student of Chicago, IL* for Bus Transportation Services for the City of Troy Recreation Department Programs under the new terms and conditions for two (2) additional years at \$57.75 per hour.