

**AUTHORIZATION FOR CHAIRMAN AND SECRETARY  
TO EXECUTE INTENT TO PURCHASE  
SCHOOL BUSES ON STATE CONTRACT**

**BACKGROUND AND RATIONALE:** Fayette County Public Schools will be expanding in 2025 adding Mary E. Britton Middle School. This expansion along with missed purchases during COVID requires an additional 20 buses that must be ordered this year to be available by the fall of 2025. The bus fleet supports an active daily schedule of over 1,400 bus routes, travelling approximately 3.4 million miles per year. A total of 275 routed buses are anticipated for the 2025-2026 school year bringing the fleet to 321 buses. Surplus buses are required to support normal preventive maintenance, mechanical repairs, and regularly scheduled monthly safety inspections.

Although cash purchasing of buses is preferable due to the savings in interest, purchasing through Kentucky Inter-local School Transportation Association (KISTA) provides a reasonable alternative, especially during times of extremely low rates of interest. The time-value of money over the ten-year bond retirement period can also be a counterbalancing amount. The annual interest rate of the presently proposed bonding is expected to be at 4.25% over the next ten years based on current market conditions. The actual bond rate will be determined at the time the bonds are sold and will be at a fixed rate. Use of the bonding program spreads the procurement costs over the ten-year period covered by the state depreciation/reimbursement schedule. 702 KAR 5:020 outlines the state depreciation schedule for school buses and the manner in which local district reimbursement for transportation costs is affected.

In order to purchase school buses on the state bid contract a KDE SCHOOL BUS PURCHASE AUTHORIZATION (PA-1) must be signed by the Chairman and Secretary of the Board of Education. Further, in order to purchase the buses with bonds, which can be repaid over a ten-year period, the Board of Education must adopt a KISTA participation resolution. Options for these buses can be included on the bonding program and will be.

**Bus Replacement Cost:**

Bus Type	Quantity	Unit Cost	Total Cost
Transit Buses - Rear Engine	20	167,140	3,342,800
<b>Options</b>			
Window Tint	20	1,250	25,000
Storage Compartments	20	1,885	37,700
Seon Camera System	20	4,736	94,720
P/A system	20	740	14,800
Back-Up Camera mirror	20	1,325	26,500
Trash cans	20	50	1,000
Roof Top Air Conditioning	20	14,932	298,640
<b>Total</b>			<b>\$3,841,160.00</b>

\*Does not include costs associated with arranging financing, or annual interest costs for the ten-year life of the bonding arrangement.

## PROPOSAL

ITEM	AMOUNT	FUNDING SOURCE	RECURRING/NON	MEASURABLE IMPACT AND TIMELINE
20 Transit Style (78-passenger)	\$3,342,800	KISTA	Non-Recurring	Supports School Bus Fleet for 14-year life cycle

OPTIONS	AMOUNT	FUNDING SOURCE	RECURRING/NON	MEASURABLE IMPACT AND TIMELINE
Window Tint on 20 buses	\$25,000.	KISTA	Non-Recurring	Cools bus interior
Storage Compartments on 20 buses	\$37,700	KISTA	Non-Recurring	Permits storage space on Transit Buses
6 SEON Camera Systems	\$94,720	KISTA	Non-Recurring	Provides 6 cameras on each bus for safety monitoring
20 P/A Systems	\$14,800	KISTA	Non-Recurring	Permits communication with students
20 Back-Up Cameras	\$26,500	KISTA	Non-Recurring	Minimizes accidents
20 Trash Cans	\$1,000	KISTA	Non-Recurring	Cleaner bus
Roof Top Air Conditioning	\$298,640	KISTA	Non-Recurring	Cools interior of bus in the summer.

## STAFF CONTACT:

Kim Webb, Transportation Division

**POLICY REFERENCE:**

702 KAR 5:040

**RECOMMENDATION:**

Motions are in order to:

1. "Authorize the Chairman and Secretary to execute a school bus purchase authorization with the Kentucky Department of Education, Division of Pupil Transportation for the acquisition of 20 buses as described above on the 2024 State Purchase Contract." and
2. "Authorize the Chairman and Secretary to execute an equipment and security agreement between the Kentucky Inter-local School Transportation Association (KISTA) and the Board to provide for the acquisition and leasing of 20 school buses with a total value of \$3,841,160.00 and approve generally the plan of financing the school buses for and on behalf of the Board."

## 2024      **BODY SIDE NUMBERS FOR BUSES**

<b>Thomas</b>	<b>Front of bus</b>	<b>Back of bus</b>	<b>Side 1</b>	<b>Side 2</b>
TH19	2425	2425	2425	2425
TH19	2426	2426	2426	2426
TH19	2427	2427	2427	2427
TH19	2428	2428	2428	2428
TH19	2429	2429	2429	2429
TH19	2430	2430	2430	2430
TH19	2431	2431	2431	2431
TH19	2432	2432	2432	2432
TH19	2433	2433	2433	2433
TH19	2434	2434	2434	2434
TH19	2435	2435	2435	2435
TH19	2436	2436	2436	2436
TH19	2437	2437	2437	2437
TH19	2438	2438	2438	2438
TH19	2439	2439	2439	2439
TH19	2440	2440	2440	2440
TH19	2441	2441	2441	2441
TH19	2442	2442	2442	2442
TH19	2443	2443	2443	2443
TH19	2444	2444	2444	2444