

OFFICE OF THE SULLIVAN COUNTY PURCHASING AGENT
3411 HIGHWAY 126 – SUITE 201
BLOUNTVILLE, TN 37617-0569

KRISTINIA DAVIS, CPPB
PURCHASING AGENT

PHONE 423/323-6400

FAX 423/323-7249

Kris.davis@sullivancountyttn.gov

ADDENDUM NO. 1

Date Issued: August 26, 2021

Bid Title: Rebid School Bus Transportation

Re: RFP #BUSRT2021(KD)

This addendum is issued to answer questions that have been submitted regarding the Rebid for School Bus Transportation for the Sullivan County Department of Education.

1. **Question:** In the information received there is a paragraph about tax exemption. Will we be eligible for this exemption, or does it apply to us in any way?

Answer: No, this does not apply to contractors. This is stating that Sullivan County is exempt from sales tax.

2. **Question:** If we are chosen to participate in the negotiations will we be able to only negotiate the pricing or will we also negotiate the contents or wording of the contract.

Answer: Both price and certain terms of the contract may be up for discussion.

3. **Question:** If there were to be driver shortage due to Covid issues or another pandemic issue is this a reason for a contractor to be terminated providing the situation is not long term?

Answer: Enrollment change is the primary factor in determining the termination of a route. Other factors may be considered not limited to Covid or other pandemic issues.

4. **Question:** How much notice is required for a contractor to end operation of buses?

Answer: It would take the district a minimum of 30 days to secure (if possible) replacement transportation. The district would feel more comfortable with 45-60 days.

5. **Question:** Will there be an actual contract to look at prior to negotiation provided they are negotiable?

Answer: We can provide a sample contract to work from during the time of any scheduled negotiations.

6. **Question:** Are we losing cost of living formula 3%-5%?

Answer: No

7. **Question:** Are we losing fuel formula?

Answer: No

8. **Question:** Are we losing mileage overage formula?

Answer: No

9. **Question:** Are we losing the ½ pay formula while school is out during the school year?

Answer: No

10. **Question:** Who negotiates these terms in the future?

Answer: Purchasing and Student Services Supervisor

11. **Question:** Time to time the federal and or state government sets new rules and guidelines, will we be able to negotiate at these times?

Answer: No

12. **Question:** Is direct deposit an option for payment to our company due to delays in the mail?

Answer: Yes

13. **Question:** Can the proposals be hand delivered to the Purchasing Department versus being mailed?

Answer: Yes

14. **Question:** Are all of the other aspects of the contract such as fuel escalation, pay while out of school, raises yearly, etc., negotiated after a winning bid is declared?

Answer: No, this information has been added to the solicitation see the amendment to the scope of work below.

15. **Question:** Upon contract award what will be the actual start date and lead-time?

Answer: Immediately

16. **Question:** Payment terms?

Answer: Monthly

17. **Question:** Is there an escalation clause for fuel?

Answer: Yes

18. **Question:** Is there an age maximum for buses for Sullivan County?

Answer: We follow the state guidelines.

19. **Question:** Will contract continue to be paid if Covid temporarily shuts down schools?

Answer: Yes, at a reduced rate.

20. **Question:** What are the estimated minimum and maximum hours per routes for drivers?

Answer: Minimum is 4 hours a day. Currently we do not have a maximum.

21. **Question:** Are cameras required?

Answer: No

22. **Question:** Are school bus GPS tracking systems for children safety allowed?

Answer: Yes

23. **Question:** Will the school county provide the camera's including installation?

Answer: No

24. **Question:** What is the reason for re-bid?

Answer: Contract term has increased 6 years vs. 4 years.

25. **Question:** Are any buses allowed or required to remain on school grounds overnight?

Answer: It is up to the contractor.

4. SCOPE OF WORK

4.2 **Cost of Living Adjustment:** After the first year of the Agreement, the base amount paid to contractor shall be adjusted annually at the beginning of the fiscal year. The cost-of-living adjustment shall be calculated as hereinafter set out. The base amount for each bus route, which Contractor is assigned will be multiplied by the “formula amount” which shall be ascertained as hereafter set out. The “formula amount” shall be a minimum of 3% and up to a maximum of 5% based on the percentage that the consumer price index published in January of that year by the United States Bureau of Labor Statistics, US City Average – increased over the previous year. In the event that the CPI percentage increase for the previous year is less than 3% then the formula amount shall be 3%. In the event that the CPI increase shall be greater than 5%, then the formula amount shall be 5%. In the event that the CPI percentage increase shall fall between 3% and 5%, then the formula amount shall be the CPI percentage increase. The formula amount should be multiplied by the base amount for each bus route which the Board has with Contractor to obtain the amount of the increase for each bus route. In the event that the above-referenced index cannot be used, then a similar statistical measurement of the increase in the cost of living produced by the United States government which most nearly reflects the change in the cost of living in Blountville, Tennessee, shall be used.

4.3 **Fuel Escalation Adjustment:** In addition to the annual cost of living adjustment set out above, there shall also be a fuel escalation adjustment which shall be as follows:

- 4.3.1 The fuel gauge report of the American Automobile Association (AAA) posted on its East Tennessee website for Johnson City-Kingsport-Bristol, will be used to determine the fuel escalation adjustment.
- 4.3.2 The listed “current” price for diesel fuel will be used to determine the fuel index for each pay period. (The fuel index being the “current price” on the first day of each pay period.)
- 4.3.3 The base fuel index for the 2021-2026 school years shall be \$3.25 per gallon.

- 4.3.4 A new fuel index will be established on the first day of each pay period and used for each day of said pay period.
 - 4.3.5 Each five cent (\$0.05) increase in the fuel index will increase the compensation to the Contractor one and one-half cents (\$0.015) per contract mile for each day service is scheduled during the current pay period.
 - 4.3.6 Calculations will be performed to the hundredths position of the five-cent interval with no rounding up or down.
 - 4.3.7 Expenditures under this paragraph are not to exceed the amount budgeted for fuel escalation each year. Therefore, when the budgeted amount has been paid for any fiscal year, fuel escalation payments shall cease for the remainder of the fiscal year, unless the Board, at its discretion, amends the amount budgeted for fuel escalation payments.
- 4.4 **FUEL:** Fuel shall be paid for and provided by Contractor. The Contractor shall be responsible for all taxes on fuel used and fuel storage. Fuel storage will not be allowed on School or Board property.

End of Addendum No. 1