GLASSBORO PUBLIC SCHOOLS
GLASSBORO, NEW JERSEY

TO: Mark Silverstein

FROM: Scott Henry

DATE: 2/12/16

RE: Agenda Item for February 24, 2016: Bus Replacement

Recommend the lease purchase of 24 passenger diesel bus through the Middlesex Regional Educational Services Commission (MRESC) joint purchasing consortium. List price is $54,350. Financing will be obtained through MRESC.

		Glassboro Board of Education			
		January 2016 Operations Agenda			
		Analysis of Bus replacement Costs			
Asssumptions:					
Bus #6 was involed in an accident on October 6, 2015 and totalled buy our insurance carrier.					
District received $4,000 as payment.					
Bus was 16 Passenger Diesel with approximately 200,000 miles					
7 Year lease purchse					
per diem rental cost $200					
Replacement Bus					
Option #1			Option #2		
Bus Capacity:	24		**Bus Capacity:**	24	
Engine Option:	Diesel		**Engine Option:**	Propane	
Cost to Purchase Replacement Bus:					
Base Price:	$ 43,600.00		**Base Price:**	$ 69,182.00	
Diesel Option	$ 10,750.00				
Total Cost		$ 54,350.00	**Total Cost**	$ 69,182.00	
Annual Lease Purchase Cost		$ 7,764.29		$ 9,883.14	
(7 Years)					
Uisefull Life of Bus:		15 Years		15 Years	
Pay Back Period					
Fuel Efficiency (MPG or DGE)	10.00			10.00	
Fuel Cost per October 2015 Alternative Fuels Report	2.73			2.25	
Cost Differential per Gal.				(0.48)	
Yearly Fuel Consumption: 200 days @ 5 Gal./DGE per day	1,000.00			1,000.00	
Yearly Fuel Cost	2,730.00			2,250.00	
Fuel Usage Differential (gal.)				(480.00)	
Incremental Fuel Savings:				230.40	
Payback Period (Years)				64.38	
Pay back period may be shortened slightly due to reduced maintenance costs					
Fo r example longer oil change intervals and reduced tire wear.					
DGE= Diesel Gallon Equivalents					