Panel for Educational Policy
Contract Agenda
March 23, 2010

Item: 1 Withdrawn

Item: 2 **Description:** Pilot project for a learning platform and tools necessary to administer an online learning experience including a portal for students and teachers to access content, integrated course delivery.

Term: 1 year **Options:** None **Funding:** Tax Levy

Division: Deputy Chancellor for Strategy and I **Contract Type:** Full Value

Vendor Name	Annual Amount
Cisco Systems	$200,000

Item: 3 **Description:** Graduate courses in administration and supervision to enable nonpublic school principals and prospective principals to become school building leaders.

Term: 5 years **Options:** None **Funding:** Title IIA

Division: Bureau of Non-Public School Reimb **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Adelphi University	$160,000
Brooklyn College	$175,000
College of New Rochelle	$100,000
Fordham University	$200,000
Manhattan College	$250,000
Mercy College	$400,000
St. John's University	$800,000

Item: 4 **Description:** Attach economizers to boilers in schools throughout the city to obtain fuel savings.

Term: 4 years **Options:** None **Funding:** Tax Levy

Division: Division of School Facilities **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Intellidyne LLC	$2,006,963

Item: 5 **Description:** Increase internet capacity (bandwidth) in all schools and offices. Each vendor serves as a backup to the other in case of network failure by a vendor.

Term: 3 years **Options:** 2 one year options **Funding:** Tax Levy

Division: Div. of Instructional & Information Te **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
RCN New York Communications	$1,088,640
TW Telecom, Inc.	$1,120,320

Item: 6 **Description:** Educational software programs for schools and offices that focus on developing math, reading/writing skills, science and language arts.

Term: 2 years **Options:** 1 one year option **Funding:** Reimbursable

Division: Division of Contracts and Purchasing **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Plato Learning, Inc.	$1,396,000

Item: 7 **Description:** Professional development for arts education services including blueprint trainers, standards-based professional development, and instructional planning and support services.

Term: 5 years **Options:** None **Funding:** Various

Division: Office of Curriculum and Professiona **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Arts Connection	$200,000
Brooklyn Academy of Music	$150,000
CUNY Creative Arts Team	$100,000
J. Brodsky & Associates Educational Consultants, Inc.	$50,000

Item: 8 **Description:** Professional development for school leaders and teachers in instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement.

Term: 5 years **Options:** None **Funding:** Various

Division: School Support **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Educational Alternatives Associates, Inc	$61,000

Item: 9 **Description:** Professional development services for educators in instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement in schools.

Term: 5 years **Options:** None **Funding:** Tax Levy and Reim

Division: Office of Curriculum and Professiona **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
NCS Pearson, Inc	$61,000
New York University	$61,000

Item: 10 **Description:** Instructional textbooks and ancillary materials for use in classrooms.

Term: 3 years **Options:** None **Funding:** Reimbursable, Tax

Division: Division of Contracts and Purchasing **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Oxford University Press, Inc.	$90,000

Item: 11 **Description:** Parent/caregiver volunteer training sessions, family literacy workshops, and other informational workshops for public school parents in over 900 schools city-wide.

Term: 2 years **Options:** None **Funding:** City Council

Division: Office of Family Engagement and Ad **Contract Type:** Full Value

Vendor Name	Annual Amount
Learning Leaders	$80,000

Item: 12 **Description:** Professional development services for teachers that link policy and research with classroom practices.

Term: 1 year **Options:** None **Funding:** Federal Funded

Division: Office of Curriculum and Professiona **Contract Type:** Full Value

Vendor Name	Annual Amount
UFT – Educational Foundation, Inc.	$6,500,000

Item: 13 **Description:** Community learning center to provide after school academic enrichment to a high poverty and low performing school, MS302 (X302) in District 8.

Term: 1 year **Options:** 3 one year options **Funding:** State Funded

Division: Office of School and Youth Develop **Contract Type:** Full Value

Vendor Name	Annual Amount
Episcopal Social Services	$103,482

Item: 14 **Description:** Evaluation services of the Teaching American History program for Students in Need of Improvement (SINI) middle schools and high schools (24 schools) in Districts 8, 11 and 12.

Term: 3 years **Options:** None **Funding:** Federal Funded

Division: Teaching & Learning **Contract Type:** Full Value

Vendor Name	Annual Amount
Houck Educational Consultants, LLC	$30,000

Item: 15 **Description:** ELA related professional development, support for web-based tools and tuition for graduate courses for teachers in 13 public schools, intermediate schools and high schools in District 27.

Term: 1 year **Options:** 6 months **Funding:** State Funded

Division: Office of Accountability **Contract Type:** Full Value

Vendor Name	Annual Amount
New York Institute for Technology	$69,364

Item: 16 **Description:** Professional development in academics and fitness for SINI in Districts 19 and 23.

Term: 1 year **Options:** 2 one year options **Funding:** State Funded

Division: Office of Accountability **Contract Type:** Full Value

Vendor Name	Annual Amount
New York Institute of Technology	$56,250

Item: 17 **Description:** Evaluation services of work performed under an Educational Technology grant in District 5.

Term: 1 year **Options:** 1 one year option **Funding:** State Funded

Division: Office of Accountability **Contract Type:** Full Value

Vendor Name	Annual Amount
Research Works Inc.	$40,000

Item: 18 **Description:** Evaluation services of work performed under an Educational Technology grant in District 1.

Term: 1 year **Options:** 1 one year option **Funding:** State Funded

Division: Office of Accountability **Contract Type:** Full Value

Vendor Name	Annual Amount
Research Works Inc.	$40,000

Item: 19 **Description:** Online training to students and teachers through Digital Literacy for the Digital Age: ICT Skills for the 21st Century in seven schools in Districts 23 and 32.

Term: 6 months **Options:** None **Funding:** State Funded

Division: Office of Accountability **Contract Type:** Full Value

Vendor Name	Annual Amount
Virtual High School	$110,500

Item: 20 **Description:** Web based attendance tracking system and support services for the 21st Century Community Learning Center.

Term: 1 year **Options:** None **Funding:** NYSED

Division: Office of School and Youth Develop **Contract Type:** Full Value

Vendor Name	Annual Amount
Cityspan Technologies	$156,250

Item: 21 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 4 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Anchor Bus	$1,600,080

Item: 22 **Description:** Extension of K-12 special education school year and special education summer transportation services (2 contracts).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Safe Coach Inc	$3,596,761

Item: 23 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Third Avenue Transit	$4,928,802

Item: 24 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 3 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Boyton Bus Inc	$2,227,771

Item: 25 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 4 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Gotham Transportation	$6,278,495

Item: 26 **Description:** Extension of K-12 special education school year, general education school year and special education summer transportation services (4 contracts).

Term: 3 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Boro Wide Buses Inc	$6,615,616
Jofaz Transportation Inc	$20,840,364

Item: 27 **Description:** Extension of K-12 special education school year and special education summer transportation services (2 contracts).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Addies	$212,671
Careful Bus	$6,985,628

Item: 28 **Description:** Extension of K-12 special education school year transportation services (2 contracts).

Term: 3 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Dak Transportation Corp.	$2,449,917
Hoyt Transportation	$39,634,736

Item: 29 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 3 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Mar-Can Transportation	$9,338,451

Item: 30 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Mountainside Transportation	$3,547,158

Item: 31 **Description:** Extension of K-12 special education school year transportation services (1 contract).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
R&C Transit Inc	$495,093

Item: 32 **Description:** Temporary personnel services to be utilized on an as-needed basis by all schools and offices.

Term: 6 years **Options:** 3 two year options **Funding:** Tax Levy

Division: Division of Contracts and Purchasing **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
New York State Industries for the Disabled	$5,000,000

Item: 33 **Description:** Add-on item. Extension of K-12 special education school year and special education summer transportation services (4 contracts).

Term: 3 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
All American School Bus Corp.	$2,416,839
Citywide Transit Inc	$11,404,804
Rainbow Transit Inc	$18,743,515

Item: 34 **Description:** Add-on item. Community learning centers to provide academic enrichment to high poverty and low performing schools. Correction to a contract approved by the Panel at the December meeting. The approved contract term was one year with no options and an annual amount of $156,000. The correct term is one year with 2 one year options and the correct annual amount is $52,000.

Term: 1 year **Options:** 2 one year options **Funding:** State

Division: Community School District 07 **Contract Type:** Full Value

Vendor Name	Annual Amount
Sports Foundation, Inc	$52,000

Item: 35 **Description:** Add-on item. Extension of K-12 special education school year, special education summer and general education transportation services (4 contracts).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Pioneer Transportataion Corp	$76,290,092

Item: 36 **Description:** Add-on item. Extension of K-12 special education school year and general education transportation services (3 contracts).

Term: 5 years **Options:** None **Funding:** Tax Levy

Division: Office of Pupil Transportation **Contract Type:** Requirements

Vendor Name	Estimated Annual Amount
Varsity Transit Inc	$49,558,559

Item: 1

Description: Withdrawn

Item: 2

Description:

Pilot project for a learning platform and tools necessary to administer an online learning experience including a portal for students and teachers to access content, integrated course delivery.

REQUEST FOR AUTHORIZATION

CISCO Systems, Expanding Access to Online Instruction

Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$200,000 Total	Tax Levy	1 Year	None	Negotiated Services	No	Fixed Price
	CISCO Systems, 300 East Tasman Drive, San Jose, CA					

Service Requestor/Contract Manager:	**Division of Contracts and Purchasing Contact**
Arthur VanderVeen	Edward Cohen, Procurement Analyst
Strategy & Innovation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to contract with CISCO Systems for the delivery and implementation of a new learning platform that will expand access to online instruction. The Department seeks to develop a "virtual learning platform" that offers online courses for initial credit and credit recovery as well as enhancing the learning experience of traditional face-to-face classes by integrating online resources in a blended learning environment.

DISCUSSION

The virtual learning platform is expected to expand opportunities and resources for students, enabling highly individualized learning to happen during and beyond the school day - from home, libraries, or anywhere students have access to online resources.

The pilot will start in the fall of the 2010 school year and will further our understanding of the benefits, challenges, requirements, and success measures for innovative new school models. The pilot will target approximately 47 schools and 3900 students with online course work available in a range of content areas. This short term engagement will set the stage for a larger, competitively procured, project planned for the following school year.

The pilot requires a learning platform to facilitate the online delivery of the course work, integration with providers of online content, integration with DOE systems and the tools

necessary to administer an online learning experience. Accordingly, the necessary technology must be in place by July in order to ensure there is sufficient time for the training of the teachers. This procurement was conducted as a negotiated service and was approved by the Committee on Contracts. It would have been impractical to conduct a competitive procurement given the short timeframe required to get the program in place for the coming year, and CISCO's already embedded infrastructure at DOE will allow for a speedy deployment.

Notably:

- CISCO will provide over two-thirds of the project's deliverables on an in-kind basis.

- The CISCO learning platform includes capabilities for delivering virtual courses, course authoring tools, support for content standards, video management capabilities and the ability to integrate with appropriate systems and providers.

- This platform will be an open architecture, allowing the Department to customize the solution and integrate with other vendors for content, applications, and infrastructure.

At the conclusion of this pilot project, the Department intends to issue an RFP soliciting proposals that would enable expansion to many more schools.

NYC DOE has neither the expertise nor the resources to accomplish the entire task in house. As its contribution to this effort, CISCO is prepared to assemble a team of approximately 40 people for this project.

Based on initial discussions with comparable other providers, the cost of implementing this limited pilot with another vendor would more than double costs, without even considering the additional professional services fees included in this agreement. Accordingly, prices are considered fair and reasonable.

The Division of Contracts & Purchasing has reviewed the federal debarment list, the City's VENDEX files, its own procurement and performance review files, and has determined CISCO as responsible.

Item: 3

Description:

Graduate courses in administration and supervision to enable nonpublic school principals and prospective principals to become school building leaders.

REQUEST FOR AUTHORIZATION

For the provision of Graduate Courses in Administration and Supervision to Enable Nonpublic School Principals and Prospective Principals to Become School Building Leaders – RFP R0743.

Contract Cost	Funding Source	Contract Term	Procurement Method	Is Contract Retroactive?	Contract Type
Annual $2,085,000 **Total** $10,425,000	Title IIA	Five Years 1/1/10-12/31/14	RFP	No	Requirements
Vendor Name & Address	See Table Below for Awardees and Contract Data				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Caren Zayde Moncher, Executive Director	Stephen Stamo, Procurement Analyst
Bureau of Nonpublic Schools (BNPS)	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

The Chancellor's approval is sought to enter into requirements agreements with eligible providers for the provision of graduate courses in administration and supervision to enable nonpublic school principals and prospective principals to become school building leaders. All of the contracts will be active for approximately five (5) years commencing on or around January 1, 2010 and terminating on or around December 31, 2014 for an estimated total annual amount of $2,085,000.

VENDOR	ESTIMATED ANNUAL CONTRACT AMOUNT
St. John's University	$800,000
Fordham University	$200,000
Manhattan College	$250,000
College of New Rochelle	$100,000
Mercy College	$400,000
Brooklyn College	$175,000
Adelphi University	$160,000

DISCUSSION

The No Child Left Behind (NCLB) Act of 2001, Title IIA, provides funds for professional development for the purpose of preparing future school building leaders and allow current principals to enroll to keep current in the field of administration and supervision. These services are currently provided by four (4) colleges.

An RFP was issued so as to allow more schools to participate and to provide more graduate course options for potential students. An RFP was used as an alternative to a Competitive Sealed Bids to allow for evaluation of the qualitative differences amongst the comprehensive course offerings.

Proposals were evaluated by a three member committee drawn from the Bureau of NonPublic Schools (BNPS). They included the current School Building Leadership program manager, the Title III coordinator and the Deputy Director for Fiscal Accountability, all of whom have a thorough knowledge of the nonpublic schools and their unique needs through their daily interaction with the nonpublic schools.

Proposals were scored using the following Evaluation Criteria: Program Plan (25 points), Organizational Capacity (15 points), Demonstrated Effectiveness (35 points) and Price (25 points). Of nine (9) proposals received, seven (7) were recommended for award. Award recommendations were based on the vendors having a New York State approved program and experience working with both public and non-public schools in providing these services. Additionally, schools which the committee recommended either offer courses in multiple locations or make the courses available online.

BNPS will manage and disseminate the funds. Catalogues listing graduate course offerings by the colleges/universities will be mailed to approximately 900 nonpublic schools. Graduate courses will be scheduled in the evenings, on weekends, and during the summer. Applicants will be approved based upon policy as set forth by consultation between BNPS and Non-Public schools.

The Policy and Vendor Performance (P&VP) unit conducted background checks on those institutions whose contract amount will exceed $1,000,000 over the five year term. While the background checks revealed adverse information for St. John's, Fordham, Research Foundation of CUNY on behalf of Brooklyn College and Manhattan College, the findings were not unusual for these large schools with a vast number of students, faculty and administration and should not prevent an award. Additionally, the VENDEX system and Vendor C.I.P. Reports did not reveal cautions for those institutions that were not background checked by the P&VP unit. Program managers who have worked closely with these schools have provided the P&VP unit letters deeming the schools responsible. The contract for Research Foundation of CUNY will not be registered until MOCS receives their Vendex.

The approved tuition rates range from $322 to $675 per credit and reflect discounts ranging from 2.6% to 47.5% off their standard rates, except for Brooklyn College which charged their standard CUNY rate. All rates include associated fees and textbooks. Thus, the Cost Price Analysis (CPA) unit determined that prices were fair and reasonable.

VENDOR	PER CREDIT TUITION RATE	DETERMINATION
St. John's University	$523	Awarded
Fordham University	$675	Awarded
Manhattan College	$570	Awarded
College of New Rochelle	$417	Awarded
Mercy College	$594	Awarded
Adelphi University	$650	Awarded
Brooklyn College	$322	Awarded
Bank Street College	$775	Not Awarded
College of St. Rose	$320	Not Awarded

Item: 4

Description:

Attach economizers to boilers in schools throughout the city to obtain fuel savings.

REQUEST FOR AUTHORIZATION

Intellidyne, to provide economizers to attach to boilers in schools throughout the city

Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$2,006,963 annual $8,027,852 for contract term	Tax Levy	4 Years	No	RFB	No	Requiremer
Vendor Name & Address	Intellidyne					
	303 Sunnyside Boulevard #75					
	Plainview N.Y. 11803					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Volkert Braren, Program Director	Shelley Epstein
Division of School Facilities (DSF)	Division of Contracts and Purchasing DCP)
(718) 610-0214	(718) 935-2066

STATEMENT OF PURPOSE

Approval is sought on behalf of the Division of School Facilities to contract for the purchase and delivery of fuel economizers, electrical boxes that are attached to boilers to optimize fuel efficiency. The annual estimated cost is $2,006,963, and $8,027,852 for the life of the contract.

DISCUSSION

A request for bids (RFB) was advertised in the City Record and DCP website for seven days. Four companies bid, including two or three bids in each of three aggregate classes as follows:

Aggregate Class 1	Commercial steam heating economizers	3 Companies bid
Aggregate Class 2	Commercial hot water economizers	3 Companies bid
Aggregate Class 3	Fuel catalytic devises	2 Companies bid

Though the low bidder for aggregate class one, Rentar's offering was non responsive because it is not a boiler control device (economizer) but rather a catalyst. No protest was received for aggregate class one. Intellidyne, the second low bidder, met all bid specifications and is recommended for award of aggregate class one. Intellidyne was also the low bidder for aggregate class two, met all bid specifications and is also recommended for award in class two.

No award will be made for aggregate class three. Two bids were received for this item, including one from Advanced Power for a Fitch catalyst and one from Rentar for their device. The specification required that one properly sized device (catalyst) will be suitable to condition the fuel for an entire multiple boiler plant (up to six burners).The Fitch catalyst met the specification in that one device could service multiple burners whereas the Rentar's device required an individual device for each burner and, therefore, many more installations. In addition, there were differences in the catalytic agents of the two devices.

Since the Rentar product offering was not in line with what the Department specified in the request for bids, and since the technology would be new to our environment, DSF required formal tests/evaluation to determine the results and affects of the proffered items. Accordingly, DSF installed samples of both devices in similar plants. The devices will run for a full heating season to determine the results and so that we can extrapolate the prospective savings for each item.

In the interim, the DOE can achieve energy and cost savings by awarding class one and two. The initial target for DSF is to install Intellidyne Controller devices in every building using #4 or #6 fuel oil. The 474 buildings in these categories use approximately $21.4M in fuel oil annually (FY09). DSF anticipates reducing fuel consumption by a minimum of 10% which would provide New York City with a savings of at least $2.1M per year after installation.

The Vendor Research and Price Analysis Unit conducted a background check and found no significant adverse information. After a review of their financials it was determined that Intellidyne has the financial capacity to service this contract. A meeting was held with Intellidyne and it was determined that they have the operational capacity to service these contracts.

The Vendor Research and Price Analysis Unit conducted a price/cost analysis and determined that the prices may be deemed fair and reasonable. This is the first time these items are being purchased by the DOE. There is no pricing history.

Item: 5

Description:

Increase internet capacity (bandwidth) in all schools and offices. Each vendor serves as a backup to the other in case of network failure by a vendor.

REQUEST FOR AUTHORIZATION
Internet Service Provider Services

Contract Cost	*Funding Source*	*Contract Term*	*Procurement Method*	*Is Contract Retroactive?*	*Contract Type*
Estimated $3.56 million for 3 years: - $1.6 million (RCN) - $1.9 million (TW Telecom) Extensions $4.11 million - $2 million (RCN Metro) - $2.1 million (TW Telecom)	Tax Levy	3 years plus two options to renew for one year each	RFB	No	Requirement
Vendor Names & Addresses (2 vendors)	1) RCN New York Communications 55 Broad Street New York, NY 10004 2) TW Telecom Inc. 200 Meridian Centre, Suite 130 Rochester, NY 14618				

Service Requestor/Contract Manager	*Division of Contracts & Purchasing Contact*
Steve Vigilante, Deputy CIO	Jason Henry, Chief Administrator of Purchasing Operations
Division of Instructional and Information Technology	Division of Contracts and Purchasing (DCP)
718-935-5200	718-935-2058

STATEMENT OF PURPOSE

Approval is sought to contract with RCN New York Communications and TW Telecom, to provide access to the Internet. This service will be extended to all DOE schools and offices, and provide for growth in Internet access and educational applications.

DISCUSSION

Having two vendors/contracts will mitigate the risk that the DOE could lose complete Internet access due to a temporary vendor outage. The two vendors will share the Internet traffic from the schools. Approximately 80% of the estimated costs will be reimbursed through E-Rate funds. The project will start July 1, 2010.

These contracts will provide the DOE with five levels of Internet access, defined in terms of transmission speed or Gigabits per second (Gbps). The DOE will increase the number of Gbps each year as needed to allow for growth in accessing educational applications. In the current contract, the DOE uses three Gbps, which is too low for current applications. It is expected that six Gbps will be required for the first year of the new contract, increasing by three Gbps each additional year.

A Request for Bids was advertised in the City Record and posted on the DOE website for 28 days, satisfying requirements for E-Rate eligibility. Eight vendors responded.

Representatives from Operations and Special Services (OSS) and the Division of Instructional and Information Technology (DIIT) qualified the two vendors with the lowest prices (Table 1) and found them responsive and capable of providing required services. In the original responses, both vendors said they could not perform a minimum requirement necessary for a responsive bid, but each clarified its response to the affirmative after the

DOE representatives explained the minimum requirements. Each vendor confirmed its willingness and ability to meet the minimum requirements based on an administrative error in a response and on a further understanding of E-Rate billing.

Background checks on the two qualified vendors are not complete. If significant adverse findings are indicated, this Request for Authorization will be amended. Notwithstanding, each vendor's proposal was thoroughly vetted by the DOE representatives.

The Office of Policy and Vendor Performance reviewed the process for award. The vendors that won the award, RCN Metro (the incumbent vendor) and TW Telecom, presented the two lowest bids shown in Table 1. Both vendors' BAFO pricing was less than the DOE pays the current vendor (RCN) for these contract services ending June 30, 2010. The DOE pays $19,000 per Gbps in a month in the current contract; the new one from RCN will be $10,080 per Gbps. For TW Telecom, the range will be $9,326 to $12,622 per Gbps. Therefore, the prices may be deemed fair and reasonable.

Table 1: Vendor prices from lowest to highest

Vendor	Years 1 to 3	Year 4	Year 5
RCN Metro	$1,643,400	$916,200	$1,088,640
TW Telecom	$1,914,900	$981,720	$1,120,320
Sub-Total	$3,558,300	$1,897,920	$2,208,960
Lightower	$2,007,000	$1,035,000	$1,188,000
Level 3	$2,329,440	$1,257,864	$1,257,864
Time Warner Cable	$2,493,000	$1,305,000	$1,512,000
ITOCHU	$2,764,800	$1,443,600	$1,659,600
Paetec	$3,816,619	$1,995,206	$2,310,206
Verizon	$3,955,800	$2,256,000	$2,256,000

Item: 6

Description:

Educational software programs for schools and offices that focus on developing math, reading/writing skills, science and language arts.

REQUEST FOR AUTHORIZATION

RFB B1083 - Various Educational Software					
Funding Source	**Contract Term**	**Optional DOE Renewal**	**Procurement Method**	**Contract Type**	**Is the contract Retroactive?**
Reimbursable	2 years from date of execution	1 years from expiration date	RFB	Requirements	No
Class	**Brand**	**Vendor Name**	**Original Contract Est. Amount**	**Optional 1 Yr Renewal Amount**	**Total Contract Est. Amount**
01	Eduware	No Bid	No Bid	No Bid	No Bid
02	Examgen	Examgen Inc.	$240,000.00	$120,000.00	360,000.00
03	Lego Education	Lego Dacta–Pitsco, LLC	$492,000.00	$246,000.00	$738,000.00
04	Successmaker	NCS Pearon,Inc.	$628,000.00	$314,000.00	$942,000.00
05	Waterford	NCS Pearon,Inc.	$1,384,000.00	$692,000.00	$2,076,000.00
06	Neufeld Learning	Neufeld Learning System, Inc.	$140,000.00	$70,000.00	$210,000.00
07	National Geographic	No Bid	No Bid	No Bid	No Bid
08	Plato Learning	Plato, Inc.	$2,792,000.00	$1,396,000.00	$4,188,000.00
09	Study Island	No Bid	No Bid	No Bid	No Bid
Service Requestor / Contract Manager			**Division of Contracts & Purchasing Contact**		
Steven Cheung			Domion Pontrelli		
Division of Contracts & Purchasing			Division of Contracts & Purchasing		

STATEMENT OF PURPOSE

Approval is sought to enter into requirements contracts with the above vendors for instructional/educational software programs. The term of these contracts will be two years from date of execution with a unilateral DOE option to renew for an additional 1 year. These software programs focus on developing math, reading/writing skills, science and language arts.

DISCUSSION

RFB# B1083 was mailed to 20 potential bidders, advertised for 11 days in the City Record and posted on the DCP's website for 5 weeks. The bid blank contained nine classes for which single bids were received for classes 2 through 6 and class 8, including 5 vendors. No bids were received for any of the other classes.

Despite efforts to encourage a competitive environment, results of the bidding process confirm that instructional software brands are typically not resold due to the long standing business models used by publishing vendors. Each of the vendors said that they are the manufacturers of their product line, that their software is proprietary and that they do not sell through traditional reseller channels.

Until 2 years ago, the DOE was receiving discounts typically between of 0 to 3% off publisher list prices for educational software brands/titles. Through market research it became clear that the discounts historically offered to DOE by publishers were insufficient and typically could be raised to a minimum of 20% off the publisher's list price without losing access to titles. In order to address this and secure savings, DCP established a 20% minimum discount requirement in all bids for educational software. These vendors here have conformed to this requirement, resulting in the DOE securing 20% or greater discounts for each of the 6 awarded classes, including some discounts as high as 90%.

Class	Vendor	Software Brand	Prior Contract Discount	Awarded Discount
01	No Bid	Eduware	No Bid	No Bid
02	Examgen Inc.	Examgen	20%	30%
03	Lego Dacta–Pitsco, LLC	Lego Education	20%	20%
04	NCS Pearon,Inc.	Successmaker	20%	20%
05	NCS Pearon,Inc.	Waterford	20%	20%
06	Neufeld Learning System, Inc.	Neufeld Learning	25% - 50%	25% - 90%
07	No Bid	National Geographic	No Bid	No Bid
08	Plato, Inc.	Plato Learning	20%	20%
09	No Bid.	Study Island	No Bid.	No Bid.

Each awarded vendor's percent discount has been deemed fair and reasonable based on equal or improved discounts as compared to previous contracts. No bids were received for brands Eduware, National Geographic and Study Island. The companies that could provide these brands submitted late bids. DCP confirmed that these companies will respond in a timely manner to future solicitations. A new RFB will be released for these brands.

Looking at each brand's historical multi-year spend, there was an average yearly spend increase of 20% across all brands. Each contract estimate was determined using this average increase in addition to the brand's historical spend.

Comprehensive background checks were performed by Policy and Vendor Performance. D&B, Lexus/Nexus, Hoover's and criminal records reports were checked. Vendex checks revealed no advice of cautions and a review of previous contracts held with the DOE were favorable. Accordingly, the awarded vendors have been determined responsible bidders.

Item: 7

Description:

Professional development for arts education services including blueprint trainers, standards-based professional development, and instructional planning and support services.

AUTHORIZATION TO ENTER INTO AGREEMENTS WITH ELIGIBLE PROVIDERS FOR THE PROVISION OF PROFESSIONAL DEVELOPMENT SERVICES FOR ARTS EDUCATION FOR THE NEW YORK CITY DEPARTMENT OF EDUCATION (PQS #R0089) ~RA#1

Estimated Contract Cost per annum	Funding Source	Contract Term	Procurement Method	Is Contract Retroactive?	Contract Type
$10,000,000	Various including Tax levy & Reimbursable funds	November 1, 2008 to October 31, 2013 (5-Years)	Pre-Qualified Solicitation (PQS)	No	Requirements
Vendor Name & Address	**See Table Below**				

Service Requestor/Contract Manager	Division of Contracts and Purchasing
Paul King, interim acting Senior Instructional Manager for Arts Education	Andrea Black, Procurement Contract Manager
Office of Arts and Special Project (OASP)	Division of Contracts and Purchasing (DCP)
Tel: 212-374-0290	Tel: 718-935-4984

Statement of Purpose

The Chancellor's approval is sought to enter into requirements contracts with twenty-three (23) vendors to provide professional development services for arts education. The department will partner with organizations and/or individuals that can provide services in one or more of the following component areas: Component #1- Blueprint Trainers, Component #2- Standards-Based Professional Development, and Component #3- Instructional Planning and Support Services. These programs would be provided at the discretion of each participating school.

Discussion

The goal for this initiative is to enter into contracts with providers who can deliver high quality professional development and consultancy services for arts education to support and advance teaching and learning. As an essential priority of the Children's First agenda, professional development and consultancy service providers will collaborate with schools to utilize the Blueprints for Teaching and Learning in the Arts ("Blueprint") to maximum effectiveness, as well as to assist schools in providing content-rich arts learning as required by the New York State Learning standards for arts education.

Blueprint trainers and providers of standards-based professional development will work with schools to enhance teaching and learning in one or more of the following art forms: Visual Arts, Music, Dance, Theater and/or Film and New Media. Providers of instructional planning and support services will consult with school leaders in the areas of facilities, budgeting, planning, and scheduling for arts education as well as in the areas of assessment and evaluation.

A Pre-Qualified Solicitation (PQS) was released and thirty-six (36) proposals were received. The Evaluation Committee was drawn from OASP Arts Directors, Directors of Arts Accountability and Support, one Principal Assigned, and the Coordinator of Theater Programs. Members of the Evaluation Committee are experts in their respective discipline and conduct citywide professional development workshops. OASP Arts Directors wrote the scope and sequence for the requested services outlined in this solicitation. Proposals were evaluated and scored based on the following evaluation criteria: Program Plan (25 points), Organizational Capacity (25 points), Demonstrated Effectiveness (25 points) and Price (25 points). Successful vendors had to achieve a minimum score of 75. Providers proposing for more than one component were evaluated separately for each component. To ensure scoring consistency, a mandatory training session outlining DCP's procurement process was conducted for committee members.

Twenty-three (23) providers were recommended for contract award by the evaluation committee, contingent upon background investigations. Down-selected proposers will be notified of the deficiencies in their proposal and will be allowed to resubmit at a later date.

The estimated annual amount for each previously contracted vendor was based on the following factors: discussions with the program manager, vendors' availability to perform service and prior years' utilization. It was agreed that vendors new to the system should be allocated a base amount of $50,000.

Pricing varies with each program, but most of the twenty-three (23) vendors had previous professional development contracts. Hourly rates were analyzed and either had not changed or had increased slightly, which is reasonable considering the prior contract pricing is three years old. The newly proposed rates were found to be fair and reasonable based on comparable rates charged by similar providers. Blueprint Trainers' (Component #1) may provide up to 125 hours per annum at an hourly rate of $75 per trainer. Because this is a new service classification, a Blueprint Trainer estimate will be set at $50,000.

As a part of the PQS process, all service requests over $25,000 must go through the Multiple Task Award Contract (MTAC) process for procurement of services. Users will be required to create a scope of services and conduct a mini-solicitation process among the awarded vendors in their awarded areas. Vendors will be required to provide a scope and pricing based on their contracted services, which will be evaluated and scored by the user. Upon completion of this mini-solicitation process, schools will be able to secure services via a Purchase Order (PO). This process is to ensure competition among the large number of vendors eligible to provide service as a result of this procurement. The PQS process allows ongoing proposal submission by vendors. Future RAs for these services will be submitted in batches as new providers are presented for an award.

	Awarded Vendors	Certified Blueprint Trainers	Component(s)	Estimated Annual Amount
	Component #1: Blueprint Trainers			
1.	Michael Mao 104 West 70th Street, New York, New York 10023	**Michael Mao**	1	**$50,000**
2.	Together in Dance 66 Genesee Avenue, Teaneck, New Jersey 07666	**Roslyn Biskin, Margot Faught, and Karen Curlee**	1	**$50,000**
3.	Mark DeGarmo & Dancers/Dynamic Forms, Inc. 107 Suffolk Street, Suite 310, New York, New York 10002	**Mark DeGarmo**	1	**$50,000**
4.	Ballet Theatre Foundation LTD. 890 Broadway, 3rd Floor, New York, New York 10003	**Richard Toda**	1	**$50,000**
5.	Tina Curran 465 E. 16th Street, Brooklyn, New York 11226	**Tina Curran**	1	**$50,000**
6.	TheatreMoves, Inc. 275 East 7th Street, Suite #4, New York, New York 10009	**Paul Rajeckas**	1	**$50,000**
7.	Symphony Space, Inc. 2537 Broadway, New York, New York 10025	**Madeline Cohen**	1	**$50,000**
8.	The Arts Connection, Inc. 520 Eighth Avenue, Suite 321, New York, New York 10018	**Jessica Nicoll (Dance), Joanna Hefferen (Theater)**	1	**$50,000**
9.	Stages of Learning 138 South Oxford Street, Room Number 1B, Brooklyn, New York 11217	**Floyd Rumohr (Theater), Andrea Seigel (Theater)**	1	**$50,000**
10.	American Place Theatre, Inc. 266 West 37th Street, Floor 22, New York, New York 10018	**David Kener**	1	**$50,000**

11.	Philharmonic Symphony Society of New York 132 West 65th Street, New York, New York 10023	**Theodore Wiprud**	1	**$50,000**
12.	The Studio in a School Association 410 West 59th Street, New York, New York 10019	**The Studio in a School Association (approved for Visual Arts Only)**	1	**$50,000**
13.	Theater for a New Audience 154 Christopher Street, Suite 3D, New York, New York 10014	**Joseph Giardina**	1	**$50,000**
	Component #2: Standards-Based Professional Development **Component #3: Instructional Planning and Support Services**			
1.	The Metropolitan Opera Guild, Inc. 70 Lincoln Center Plaza, 6th Floor, New York, New York 10023	**N/A**[1]	2	**$200,000**
2.	Together in Dance 66 Genesee Avenue, Teaneck, New Jersey 07666	**N/A**	2	**$90,000**
3.	Mark DeGarmo & Dancers/Dynamic Forms, Inc. 107 Suffolk Street, Suite 310, New York, New York 10002 **(Dance only)**	**N/A**	2	**$140,000**
4.	Magic Box Productions, Inc. 274 Bedford Road, Pleasantville, New York 10570	**N/A**	2	**$50,000**
5.	CUNY Creative Arts Team 101 West 31st Street, 6th Floor, New York, New York 10001	**N/A**	2	**$100,000**
6.	National Chorale/National Choral Council 1650 Broadway, Suite 301, New York, New York 10019	**N/A**	2	**$60,000**
7.	Arts Horizons, Inc. 1 Grand Avenue, Suite #7, Englewood, New Jersey 07631	**N/A**	2	**$160,000**

[1] N/A--Not applicable

8.	The Arts Connection, Inc. 520 Eighth Avenue, Suite 321, New York, New York 10018	N/A	2	$150,000
9.	Stages of Learning 138 South Oxford Street, Room Number 1B, Brooklyn, New York 11217	N/A	2,3	$250,000
10.	American Place Theatre, Inc. 266 West 37th Street, Floor 22, New York, New York 10018	N/A	2	$50,000
11.	Learning Through An Expanded Arts Program, Inc. (LEAP) 441 West End Avenue, Room Number 2G, New York, New York 10025	N/A	2	$150,000
12.	J. Brodsky & Associates Educational Consultants, Inc. 522 Shore Road, Room Number 5G, Long Beach, New York 11561	N/A	3	$50,000
13.	Lincoln Center for the Performing Arts 70 Lincoln Center Plaza, New York, New York 10023	N/A	2	$380,000
14.	The Studio in a School Association 410 West 59th Street, New York, New York 10019	N/A	2	$250,000
15.	Brooklyn Academy of Music 30 Lafayette Avenue, Brooklyn, New York 11217	N/A	2 (Dance, Theater, and Film only)	$150,000
16.	Young Playwrights, Inc. 431 Fifth Avenue, 6th Floor, New York, New York 10016	N/A	2	$200,000
17.	Philharmonic Symphony Society of New York 132 West 65th Street, New York, New York 10023	N/A	2	$65,000
18.	Theater for a New Audience 154 Christopher Street, Suite 3D, New York, New York 10014	N/A	2	$50,000

The rationale for the 16 vendor's down-select decisions is provided in the chart below.

	Vendor's Name	Justification for Down-Select
1.	Manhattan New Music Project	Proposal fails to address the needs set forth in the PQS.
2.	Notes in Motion	Proposal fails to address the needs set forth in the PQS.
3.	Planet Arts	Proposal fails to address the needs set forth in the PQS.
4.	New Museum of Contemporary Art	Vendor proposed to the wrong solicitation-transferred proposals to PQS #R0164 Arts Education Services.
5.	City of Lights Youth Theater	Proposal fails to address the needs set forth in the PQS.
6.	Together in Dance	Proposal was not approved for Component #3.
7.	The Center for Arts and Education	Proposal fails to address the needs set forth in the PQS.
8.	Mark DeGarmo & Dancers	Proposal was not approved for Component #3.
9.	Judith Shakespeare Company	Proposal fails to address the needs set forth in the PQS.
10.	SPECTRUM	Proposal fails to address the needs set forth in the PQS.
11.	Manhattan Class Theater	Proposal fails to address the needs set forth in the PQS. Programs proposed are covered by another contract.
12.	Symphony Space	Proposal was not approved for Component #2.
13.	Rush Philanthropic Arts Foundation	Proposal fails to address the needs set forth in the PQS.
14.	Cohen Arts & Education	Proposal fails to address the needs set forth in the PQS.
15.	Brooklyn Arts Council	Proposal fails to address the needs set forth in the PQS.
16.	CUNY Creative Arts Team	Proposal was not approved for Component #3.

Item: 8

Description:

Professional development for school leaders and teachers in instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement.

AUTHORIZATION TO ENTER INTO A REQUIREMENTS AGREEMENT WITH ELIGIBLE VENDORS FOR THE PROVISION OF PROFESSIONAL DEVELOPMENT FOR SCHOOL LEADERS AND TEACHERS (PQS R0328) RA# 2

Estimated Annual/Total Contract Cost Total	Funding Source	Contract Term	Procurement Method	Is Contract Retroactive?	Contract Type
$61,000/ $305,000	Various Funding	5 years	Multiple Task Award Contract	No	Requirements Contract

Service Requestor/Contract Manager	Division of Contracts and Purchasing
Sharon Rachelson, Director	Xavier Cerda, Procurement Contract Analyst
Director of Operations, Integrated Curriculum and Instruction (ICI)-Learning Support Organization (LSO)	Division of Contracts and Purchasing (DCP)
Tel: 718-391-8519	Tel: 718-935-2046

	Awarded Vendors	Estimated Annual Amount	Total Contract Cost
1.	Educational Alternatives Associates, Inc. 236 84th Street Brooklyn, NY 11209	$61,000	$305,000

Statement of Purpose

Approval is sought to contract with Educational Alternative Associates, Inc. for professional development for schools leaders and teachers in instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement in NYC schools. A previous RA including 41 vendors was approved pursuant to the same PQS.

Discussion

Proposals were read and evaluated by evaluation committee members selected by the director of the Integrated Curriculum and Instruction (ICI)-Learning Support Organization (LSO). The Committee evaluating this proposal was comprised of a current teacher, a former teacher who is now a network support specialist, and a high level program administrator. All members have experience working in schools, evaluating learning materials and implementing programs aimed to achieve increases in student and teacher performance. The evaluation criteria were: Program Plan (30 points), Organizational Capacity (30 points), Pricing (25 points) and Demonstrated Effectiveness (15 points). Successful vendors must achieve a minimum score of 70.

Fifty three (53) proposals were received in response to this PQS and forty one (41) awards were previously made on RA#1. The committee evaluated twelve (12) additional proposals and three (3) were recommended for contract award. Only one (1) vendor is named here. The other 2 are currently undergoing full background checks as their estimated contract value exceeds $1 million. Nine (9) vendors were not recommended for award (see Table 1).

The background check for Educational Alternatives included VENDEX, the Uniform Commercial Code (UCC), the Federal Tax Lien, and the Federal Excluded Parties List System (EPLS). No adverse findings were uncovered. Based on the committee's recommendation and the lack of adverse findings, Educational Alternatives has been determined responsible.

Educational Alternatives Associates, Inc. is a new vendor. As such the estimated annual amount for award is based on the benchmark previously set in RA#1 of $61,000.

Pricing for programs offered such as onsite seminars for teachers and school administrators are priced at $156 per hour, a low price compared to the $180 average for contracted vendors under this solicitation thus pricing is found to be fair and reasonable.

The PQS process is the preferred procurement method as this process ensures competition among a large number of specialized eligible vendors to provide professional development services. RFBs/CSBs would not be practical because the services required cannot be effectively evaluated and compared based solely on price.

As a part of the PQS process, all service requests over $25,000 must go through the Multiple Task Award (MTAC) process for procurement of services. Users will be required to create a scope of services and conduct a mini-solicitation process among the awarded vendors in their required component areas. Vendors will be required to provide a scope and pricing based on their contracted services, which will be evaluated and scored by the user. Upon completion of this mini-solicitation process, schools will be able to secure services via a Purchase Order. This process is to ensure competition among the large number of vendors eligible to provide service as a result of this procurement. Future RAs for these services will be submitted in batches as new providers are presented for an award.

Item: 9

Description:

Professional development services for educators in instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement in schools.

AUTHORIZATION TO ENTER INTO REQUIREMENT CONTRACTS WITH PROVIDERS OF

PROFESSIONAL DEVELOPMENT SERVICES FOR SCHOOL LEADERS AND TEACHERS (PQS R0328)

Contract Cost	Funding Source	Contract Term	Procurement Method
$2,500,000	Tax Levy and Reimbursable Funds	September 1, 2008 to August 31, 2013 (5-Years)	Pre-Qualified Solicitation (PQS)
See Appendix A for the list of vendors.			

Contract Manager:
Winifred M. Radigan, Executive Officer for Instruction – ICI LSO
Tel. 718-557-2624

Division of Contracts & Purchasing Contact:
Shenise Elliott
Tel. 718-935-2254

Statement of Purpose:
The Chancellor's approval is sought to enter into requirements contracts with 41 vendors of professional development services for school teachers and leaders. These vendors provide professional development services for educators in brain-based instructional strategies, student-centered academic counseling services, sustainable leadership, quality teaching and student achievement in NYC schools. Contracts will be utilized on an as needed basis by all DOE schools.

Discussion:
A solicitation for Professional Development for School Teachers and Leaders was released as a PQS in March 2008 seeking vendors with proven expertise in brain-based instructional strategies. Brain-based Instructional strategies are based on research on the effects of different teaching strategies on scientifically measured neurological indicators. Vendors will offer instruction to principals, coaches and teachers on the use of these strategies to improve student retention, knowledge transfer, motivation and degree of progress.

The evaluation committee, scoring in the categories of Program Plan (30 points), Organizational Capacity (30 points), Pricing (25 points) and Demonstrated Effectiveness (15 points), recommended 41 out of 46 vendors for contract award. Successful vendors had to achieve a minimum score of 70.

Pricing was compared with other contracted professional development vendors providing similar services and was found to be consistent. DCP checked the VENDEX database, the Uniform Commercial Code (UCC) and Federal Tax Lien database, and the federal Excluded Parties List System (EPLS). No adverse information was revealed.

At DCP's request, the Integrated Curriculum and Instruction (ICI) Learning Support Organization (LSO) agreed to represent all LSOs for this procurement. ICI-LSO estimates a spend of $600,000 for the 370 schools within it. DCP estimates a total spend of $2.5M for approximately 1500 schools (the entire NYCDOE school-system) on the basis of ICI-LSO's estimation for 370 schools. Since these are all new contracts, we have no basis for estimating them at different levels of spend, and use the average figure of $61,000 for each one.

As a part of the PQS process, all service requests over $25,000 must go through the Multiple Task Award Contract (MTAC) process for procurement of services. Users will be required to create a scope of services and conduct a mini-solicitation process among the awarded vendors in their awarded areas. Vendors will be required to provide proposals and pricing based on their contracted services which will be evaluated and scored. Upon completion of this mini-

solicitation process, schools will secure services via a Purchase Order (PO). This process ensures competition among the largest number of vendors eligible to provide service as a result of this procurement.

The PQS process allows ongoing proposal submission by vendors. Additional RAs will be submitted as new proposals are recommended for contract award by the evaluation committee.

Approved:

_____ Date:_____

David N. Ross
Executive Director
Division of Contracts and Purchasing

Appendix A

	Awarded Vendor	Estimated Annual Amount		Awarded Vendor	Estimated Annual Amount
1	Ann Shannon, Ph.D 4344 Fruitvale Avenue, Oakland, CA 94602	$61,000	14	The Interactive Class, Inc. (b) 27 Siebrecht Place, New Rochelle, NY 10804	$61,000
2	The Riesling Group Inc., dba CE Credits Online 15914 232nd Ave. NE, Woodinville, WA 98077	$61,000	15	American Reading Company / 100 Book Challenge 201 South Gulph Road, King of Prussia, PA 19406	$61,000
3	Center Source Systems 7975 Cameron Drive, Ste. 500, Windor, CA 95492	$61,000	16	ASCD 1703 N. Beauregard St., Alexandria, VA 22311	$61,000
4	Institute for Student Achievement One Hollow Lane, Ste. 100, Lake Success, NY 11042	$61,000	17	Successful Learning Group, Inc. 7 Bill Place, Rm.2, Brooklyn, NY 11218	$61,000
5	American Institutes for Research 1000 Thomas Jefferson Street NW, Washington, DC 20007	$61,000	18	Catapult Learning, LLC. 470 N. 2nd St., 2nd fl., Philadelphia, PA 19123	$61,000
6	Success for All Foundation, Inc. 200 West Towsonton Boulevard, Baltimore, MD 21204	$61,000	19	Educational Video Center 120 West 30th St.,7th fl., New York, NY 10001	$61,000
7	NCS Pearson, Inc. 3075 W. Ray Road, Ste. 200, Chandler, AZ 85226	$61,000	20	NYC Writing Project 250 Bedford Park Boulevard West, Rm.116, Bronx, NY 10468	$61,000
8	Heart of Change Associates 8632 Brair Patch, Baldwinsville, NY 13027	$61,000	21	NYC Mathematics Project 250 Bedford Park Boulevard West, Rm.116, Bronx, NY 10468	$61,000
9	Mondo Publishing 980 Avenue of the Americas, 2nd, New York, NY 10018	$61,000	22	Center for Integrated Teacher Education 255 Executive Drive, Ste.400, Plainview, NY 11803	$61,000
10	Ventures Education Systems 15 Maiden Lane, Ste. 200, New York, NY10038	$61,000	23	Kaplan 1 Liberty Plaza, 22nd fl., New York, NY 10006	$61,000
11	HMH Supplemental / Rigby Professional Development 181 Ballardvale St., Wilmington, MA 01887	$61,000	24	Teaching Matters, Inc. 475 Riverside Drive, Ste.1270, New York, NY 10115	$61,000
12	ETA/Cuisenaire 500 Greenview Court, Vernon Hills, IL 60061	$61,000	25	Bank Street College 610 112th Street, New York, NY 10025	$61,000
13	Cambridge Education, LLC. 22 Bleeker Street, Millburn, NJ 07041	$61,000	26	Teachers College Reading and Writing Project P.O. Box 77 Teachers College 525 West 120th Street – Thorndike, 8th fl. New York, NY 10027	$61,000

	Awarded Vendor	Estimated Annual Amount		Awarded Vendor	Estimated Annual Amount
27	Creative Learning Press (dba Creative Workshops Associates) P.O. Box 320, Mansfield Center, CT 06520	$61,000	35	CUNY/Creative Arts Team 101 West 31st Street, 6th fl., New York, NY 10001	$61,000
28	Australian and United States Services in Education 352 Seventh Ave, Ste. 12A, New York, NY 10001	$61,000	36	America's Choice, Inc. 555 13th, NW, Rm. 500 West, Washington, DC 20004	$61,000
29	Wide World-Harvard Graduate School of Education 50 Church St., 4th fl., Cambridge, MA 02138	$61,000	37	Performance Learning Systems, Inc. 1150 Glenlivet Drive, Ste. B-24, Allentown, PA 18106	$61,000
30	Brienza Academic Advantage 1762 Benson Avenue, Brooklyn, NY 11214	$61,000	38	New York University 665 Broadway, Ste. 801, New York, NY 10012	$61,000
31	Ken Browne Prod. 27 W. 20th Street Ste. 304A, New York, NY 10011	$61,000	39	Voyager Expanded Learning 1800 Valley View Lane, Ste. 400, Dallas, Texas 75234	$61,000
32	Doris Dillon Center d/b/a TC Innovations 2090 Adam Clayton Powell. Jr. Blvd., 8th Fl., New York, NY 10027	$61,000	40	Schoolwide, Inc.. 65 Orville Drive, Bohemia, NY 11716	$61,000
33	The Research Foundation of CUNY 230 W.41st St., New York, NY 10036	$61,000	41	Manhattan Edit Workshop 80 Fifth Avenue, Ste.1501, New York, NY 10011	$61,000
34	David A. Levine 34 Bone Hollow Road, Accord, NY 12404	$61,000			

Item: 10

Description:

Instructional textbooks and ancillary materials for use in classrooms.

REQUEST FOR AUTHORIZATION

Oxford University Press: to provide textbooks and ancillary materials.

Estimated Annual/Total Contract Cost	Funding Source	Contract Term	Procurement Method	Is Contract Retroactive?	Contract Type
$90,000/ $270,000	Reimbursable, Tax Levy	3/01/10-2/28/13	Listing Application	No	Requirements
Vendor Name & Address	Oxford University Press 198 Madison Ave New York, NY 10016				

Service Requestor/Contract Manager:	**Division of Contracts and Purchasing Contact**
Steven Cruz, Procurement Analyst	Susan Dick-McKeon, CPM, Chief Administrator
Division of Contracts & Purchasing	Division of Contracts & Purchasing
718-935-4861	718-935-2027

STATEMENT OF PURPOSE

Approval is sought to contract with Oxford University Press to provide textbook and ancillary materials. The estimated amount over the 3-year term of this contract is $270,000 based on their previous contract.

DISCUSSION

Oxford University Press publishes textbooks and other support curriculum that align with national and state standards and has been providing these materials to the DOE for over 15 years.

These are copyrighted by Oxford University Press and can only be purchased from the publisher. Accordingly, they fall under the criteria for a Listing Application. The proposed contract requires that the prices the Department of Education pays will be the lowest offered to any client. As such, pricing for these materials are considered fair and reasonable.

There is no adverse information in Vendex and a review of their prior performance and financial findings suggest Oxford University Press is a responsible vendor.

Item: 11

Description:

Parent/caregiver volunteer training sessions, family literacy workshops, and other informational workshops for public school parents in over 900 schools city-wide.

REQUEST FOR AUTHORIZATION FOR PARENT TRAINING WORKSHOPS

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$80,000/ $160,000	City Council	7/1/08-6/30/2010	None	Vendor Named by City Council funding, per Section 1-03 (c) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	Learning Leaders 80 Maiden Lane, 11th Floor New York, NY 10038					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Program Manager: Cherelle Lloyd	Maxine Needle, Director of Grants
Office: Office for Family Engagement & Advocacy ("OFEA")	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor to provide parent/caregiver workshops for volunteer parents in 10 middle schools.

DISCUSSION

Workshops will be provided for family members of children entering sixth grade. Participants will be recruited from the Learning Leader's elementary school parent volunteer base .The family members will participate in workshops that that will help them understand the child's developmental concerns, their curriculum and how to best support it, and how to prepare their child for college admissions. In addition they will offer an "It's Your Turn" workshop which provides continuing education and workforce preparedness for the volunteer family members.

A competitive bid was not used because to have the services provided by another party would be contrary to the City Council's allocation.

The City Council allocation specifically named this vendor for the amount stated above. A contract for personal services is necessary because the contract is funded by a line-item budget allocation which specifically named this vendor. To have the services provided by another party would be contrary to the allocation.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Services started in FY2009. The contract is retroactive because of delays in receiving necessary documents from the vendor, which were recently received.

Item: 12

Description:

Professional development services for teachers that link policy and research with classroom practices.

REQUEST FOR AUTHORIZATION FOR UFT TEACHER CENTER SERVICES

Annual/Total Contract Amount	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$6,500,000	NYSED/ ARRA Funds	7/1/09-6/30/10	None	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	UFT Educational Foundation, Inc. 52 Broadway 18th Floor NEW York, N.Y. 10004					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eduardo Contreras	Maxine Needle, Director of Grants
Office of Curriculum Standards and Academic Engagement (212) 374-0520	Division of Contracts and Purchasing (718) 935-4355

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor for UFT Teacher Center Services. The UFT Teacher Center operates throughout the 5 boroughs of New York City in 183 school-based sites and numerous outreach locations.

DISCUSSION

UFT Teacher Center is a collaboration of the United Federation of Teachers, the New York State Education Department, New York City Department of Education, participating schools, districts, school support organizations and metropolitan area universities and cultural institutions. The goal of the UFT Teacher Center is to provide professional development for teachers that will increase academic achievement for all students. The professional development will deepen teachers' content knowledge and improve teachers' skills. Activities provided will include in-classroom support, after-school study groups, citywide networks, conferences, seminars and college and in-service courses.

The grantor's program is the State Education Department (SED). Grant # 07540 ARRA TEACHER CENTERS CONSORTIUM. DOE Grant Track # 12222. The grant award specifically named this vendor for the amount stated above. To have the services provided by another vendor would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 13

Description:

Community learning center to provide after school academic enrichment to a high poverty and low performing school, MS302 (X302) in District 8.

REQUEST FOR AUTHORIZATION FOR AFTER SCHOOL PROGRAMS IN ACADEMIC ENRICHMENT, YOUTH DEVELOPMENT AND PARENT OUTREACH

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$103,482 / 310,446	Grant Awarded by USDOE 21st Century Round 4 Awarded through SED	7/1/09-6/30/10	Three(3) one (1) year options to renew	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	No	Full Value
Vendor Name & Address	Episcopal Social Services					
	305 Seventh Avenue					
	New York, NY 10001					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Vincent Chin, Program Manager	Maxine Needle, Director of Grants
Office of School and Youth Development	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor for after-school programs for students at MS 302 (X302) grades 6, 7 & 8.

DISCUSSION

Episcopal Social Services will provide services after school five days a week for 30 weeks during the school year. All participants will receive one hour of homework help each day with an activity specialist, tutor, instructor or program aide, at a maximum student-to-staff ratio of 15 to 1. Additional after-school programs include Gym, Game Room, Arts & Crafts, Music Theater, Dance and Youth Development.

The grantor's program is the 21st Century Community Learning Centers – NCLB, Title IV-B, Round 4 (NYSED Project #0187-10-4038). A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

Episcopal was the subject of an Advice of Caution in VENDEX for non-compliance with the DOE's fingerprinting and security clearance policies. In January 2008, after the arrest of an employee at Automotive High School in Brooklyn, the DOE determined that Episcopal allowed the employee to start work prior to the issuance of security clearance by the DOE in violation of the contract's fingerprinting and security clearance requirements. Episcopal submitted a corrective action plan outlining how it intended to assure compliance with the DOE's fingerprinting and security policies and therefore, although the DOE terminated Episcopal's contract for service at Automotive High School, the vendor was allowed to continue providing services under other contracts with the Department.

The Contract Manager's office has experience working with Episcopal and confirms they have performed satisfactorily. Accordingly, Episcopal is considered responsive.

Item: 14

Description:

Evaluation services of the Teaching American History program for Students in Need of Improvement (SINI) middle schools and high schools (24 schools) in Districts 8, 11 and 12.

REQUEST FOR AUTHORIZATION FOR PROFESSIONAL DEVELOPMENT IN AMERICAN HISTORY

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$30,000/ $90,000	USDOE	7/15/09-7/14/12	No Option to Renew	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	Houck Educational					
	305 West 86th Street (9b)					
	New York, New York 10024					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Brian Carlin, Project Director	Maxine Needle, Director of Grants
Teaching American History / Office of Teaching and Learning	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor for evaluation services of the professional development program "Teaching American History (TAH): Telling America's Story Through Media and Literacy," in middle and high schools in districts 8,11 and 12.

DISCUSSION

A requirement of the TAH grant is to have an independent evaluator of the program who will help align program objectives. The vendor will compile and collect data, and provide analysis of program activities. They will hold focus groups, design and implement instruments for evaluation, provide statistical analysis of student achievement data and be an active part of the management team.

The grantor's program is the Teaching American History: Telling America's Story Through Media and Literacy AWARD # U2I5XO9OI52. A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 15

Description:

ELA related professional development, support for web-based tools and tuition for graduate courses for teachers in 13 public schools, intermediate schools and high schools in District 27.

REQUEST FOR AUTHORIZATION FOR PROFESSIONAL DEVELOPMENT IN TECHNOLOGY

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$69,364/$138,728	NYSED Title II D	1/1/09-12/31/09	Six (6) month extension	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	New York Institute of Technology (NYIT)					
	300 Carlton Avenue					
	Building 66 Room 217					
	Central Islip, New York 11722					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Winnie Bracco	Maxine Needle, Director of Grants
Office of Educational Technology	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor for ELA related professional development, support for web-based tools and tuition for graduate courses for teachers in thirteen (13) public, intermediate and high schools in District 27.

DISCUSSION

The services to be provided are valuable to the DOE because these schools are not meeting the annual yearly progress requirements for ELA and have a high number of teachers with less than 5 years of experience. NYIT will provide teachers with high quality professional development through graduate courses, "push in" support and support for web based tools. Technology will be incorporated into everyday literacy instruction to improve academic achievement with emphasis on teaching students with disabilities who are in the general education population.

The grantor's program is the Achievement Beyond Intensive Learning to Infuse Technology Including Every Student (ABILITIES), Title IID Enhancing Education Through Technology Award Project # 0291-090021. A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award

Item: 16

Description:

Professional development in academics and fitness for SINI in Districts 19 and 23.

REQUEST FOR AUTHORIZATION TO PROVIDE PROFESSIONAL DEVELOPMENT IN TECHNOLOGY

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$56, 250/ $168,750	USDOE Tittle II D EETT	7/1/09-6/30/10	Two (2) One Year Options to Renew	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	New York Institute of Technology (NYIT)					
	300 Carlton Avenue, Bldg. 6, Room 217					
	Central Islip, NY 11722					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Barbara Feaster, Program Manager	Maxine Needle, Director of Grants
Office – DAAR- Office of Educational Technology	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor to provide professional development in academics and fitness for SINI in Districts 19 and 23.

DISCUSSION

The absence of school-based programs that support physical fitness, good nutrition, positive youth activities, as well as academic achievement, is a contributing factor to obesity and violent behavior in a large percentage of students from Community Districts 19 & 23.. Through the program Fitting it All Together, NYIT will provide PD and on-site assistance in developing health and nutrition plans, using gaming platforms to teach statistics and probability, using sports to teach numeracy and math, and creating lesson plans using free open source materials.

The grantor's program is the Fitting it All Together Title IID Grant # 0291101024 A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 17

Description:

Evaluation services of work performed under an Educational Technology grant in District 5.

REQUEST FOR AUTHORIZATION FOR EVALUATION SERVICES

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$40,000/ $60,000	NYSED Title II D	1/1/09-12/30/09	One (1) one (1) year option to renew	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	Research Works, Inc. 292 Washington Avenue Suite 103 Albany, NY 12203					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Program Manager: Lisa Nielson, Program Manager	Maxine Needle, Director of Grants
Office: DAAR- Office of Educational Technology	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor to provide external evaluation of the Educational Technology grant funded by Title IID in District 5.

DISCUSSION

The vendor will evaluate work performed under an Educational Technology grant funded by Title IID which supports the integration of technology into schools and classrooms through professional development for educators. An external program evaluation is a grant requirement. Evaluation services include school site visits, interviews with and surveys of grant participants (teachers and principals), attendance at professional development provided through the grant and a review of all of this data and observation against the stated project goals of the grant. The evaluators produce reports evaluating the grant work and submit those evaluations to the state.

The grantor's program is the Title IID Enhancing Education Through Technology, Award # 0291.09.0021. A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 18

Description:

Evaluation services of work performed under an Educational Technology grant in District 1.

REQUEST FOR AUTHORIZATION FOR EVALUATION SERVICES

Annual/ Total Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$40,000/$60,000	NYSED Title II D	1/1/09-12/30/09	One (1) one (1) year option to renew	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	Research Works, Inc. 292 Washington Avenue Suite 103 Albany, NY 12203					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Program Manager: Lisa Nielson, Program Manager	Maxine Needle, Director of Grants
Office: DAAR- Office of Educational Technology	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor to provide external evaluation of the Educational Technology grant funded by Title IID in District 1.

DISCUSSION

Research Works will evaluate work performed under an Educational Technology grant funded by Title IID which supports the integration of technology into schools and classrooms through professional development for educators. An external program evaluation is a grant requirement. Evaluation services include school site visits, interviews with and surveys of grant participants (teachers and principals), attendance at professional development provided through the grant and a review of all of this data and observation against the stated project goals of the grant. The evaluators produce reports evaluating the grant work and submit those evaluations to the state.

The grantor's program is the Title IID Enhancing Education Through Technology, Award # 0291.09.0021. A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 19

Description:

Online training to students and teachers through Digital Literacy for the Digital Age: ICT Skills for the 21st Century in seven schools in Districts 23 and 32.

REQUEST FOR AUTHORIZATION FOR PROFESSIONAL DEVELOPMENT IN ONLINE LEARNING

Annual Contract Amount	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive?	Contract Type
$110, 500	USDOE TITLE II D	1/1/10-6/30/10	None	Vendor Named in Grant, per Section 1-03 (b) of DOE Procurement Policy & Procedures	Yes	Full Value
Vendor Name & Address	Virtual High School 3 Clock Tower Place, Suite 200 Maynard, MA 01754-2549					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Barbara Feaster, Program Manager	Maxine Needle, Director of Grants
Office – DAAR- Office of Educational Technology	Division of Contracts and Purchasing

STATEMENT OF PURPOSE

Authorization is requested to contract with the above-named vendor to provide professional development in Web 2.0 skills and online facilitator training for high school teachers in Districts 23 and 32 SINI. Students will participate in an online course to develop Web 2.0 skills such as collaboration, communication and publishing.

DISCUSSION

Demographically, students in Districts 23 and 32 are among the neediest in NYC coming from low-income families. In addition, these students are most at risk academically due to the lack of integrated technology instruction in content areas. VHS will provide professional development that will enable teachers to deliver academic content to students in an online format. Use of the Web 2.0 tools learned from VHS to create technology projects will give students in seven New York City Opportunities for Online Learning Project (NYCOOL) schools an opportunity to improve oral, written, collaboration and communication skills that are important to today's global economy.

The grantor's program is the (New York City Opportunities for Online Learning – (NYCOOL), AWARD # 0291090021. A contract for personal services is necessary because the contract is funded by a grant, and the grant award specifically named this vendor for the amount stated above. To have the services provided by another party would be contrary to the grant.

The Contract Manager's office has experience with the vendor providing these services and confirms they performed satisfactorily. DCP reviewed information regarding the vendor's background and found no information that should preclude an award.

Pricing for the contract services was established by the grantor in the grant award.

Item: 20

Description:

Web based attendance tracking system and support services for the 21st Century Community Learning Center.

REQUEST FOR AUTHORIZATION

To enter into contract with Cityspan Technologies, Inc. to provide a web based attendance tracking system and services in support of NYCDOE's 21st Century Community Learning Center grants.

Not to Exceed Contract Amount	Funding Source	Contract Term	Procurement Method	Is Contract Retroactive?	Contract Type
$156,250	**New York Stated Education Department**	**7/1/09 to 6/30/10**	**Section 1-03(b) of DOE Procurement Policy and Procedures**	**Yes**	**Full Value**
Vendor Name & Address:	**Cityspan Technologies, Inc**				
	2437 Durant Avenue, Suite 206				
	Berkeley, CA 94704				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Danielle DiMare, Director, School and CBO Partnerships Officer	Maxine Needle, Director
Office of School and Youth Development	Division of Contracts & Purchasing (DCP)
212-374-5544	718-935-4355

STATEMENT OF PURPOSE

Approval is sought to enter into a contract with Cityspan Technologies, Inc. (Cityspan), as specified in a contract between New York State Education Department (SED) and the New York City Department of Education (DOE) to provide a "Regional Student Support Services Center" through the 21st Century Community Learning Centers (CCLC)-Technical Assistance Center (TAC) program, as modified.

DISCUSSION

Cityspan is named as a sub-contractor to the DOE in the SED/DOE contract (contract number C00817) to provide Regional Student Support Services Centers (Service Centers) so a source selection method is not required. The contract term of September 1, 2008 to June 30, 2009 was modified in December 2009 for an additional period covering July 1, 2009 to June 30, 2010.

Cityspan is a software development firm providing web-based client tracking and grants management solutions to public agencies, nonprofit organizations and foundations. Cityspan will provide software site licenses, user support services and system customizations to support the Department's 320 CCLC sites. Users will access the system from any location that has an internet connection, and training services will be provided by Cityspan staff in New York City.

The aforementioned SED/DOE contract specifies the use of this vendor for these services at fixed prices of $96,000 ($300 per license for 320 Service Center sites) and $60,250 to customize and provide support services. License fee and support prices remain the same as in the original contract, therefore pricing is determined to be fair and reasonable.

DIIT has been consulted on the award to Cityspan and will require security language in the contract regarding changes in ownership, security breaches, DIIT's right to inspect, and right to terminate if security lapses are not mitigated.

A request for bid process was not utilized because use of a vendor other than the one specified in the contract with SED would be in violation of that contract.

A review of VENDEX and DOE's internal systems did not reveal any adverse information for the vendor. They are, therefore, deemed responsible.

Item: 21

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into four-year contract extension with Anchor Bus Co. to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$1,600,080 estimated annual cost $6,400,318 estimated total cost	Tax Levy	July 1, 2010-June 30, 2014	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Anchor Bus Company				
	251 Douglass Street				
	Brooklyn, New York 11217				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Anchor Bus to provide special education services. The extension will run four (4) years from July 1, 2010 through June 30, 2014. The estimated cost to the Department of Education over 4 years is $6,400,318.

Contract	Name	Service Type
0000070	Anchor Bus	Special Education
0008108	Anchor Bus	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 companies. At present, Anchor Bus operates 15 buses during the regular school year, representing about .55% of the total number of winter routes.) and their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Anchor has agreed to waive the 5% fee for escort administration and will not charge the pass through cost; anticipated savings are $32,319 annually and $129,277 over the contract period. In turn, the DOE has offered to extend their contract for four years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that in the competitive norm with other companies allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which

			must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimbursement	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and	Requires Contractors to undertake any new or revised State and/or Local procedures

	Local Laws, Rules, Regulations or Safety Features	affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

In light of the generally favorable contract terms and with prices that are generally in the competitive norm with other companies pricing, the DOE has agreed to a four year contract extension. Anchor will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 22

Description:

Extension of K-12 special education school year and special education summer transportation services (2 contracts).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with Safe Coach Inc. to provide special education and summer transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$3,596,761 estimated annual cost $17,983,805 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Safe Coach Inc 1040 Rockaway Avenue Brooklyn, New York 11236				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Safe Coach to provide special education and summer transportation services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $17,983,805.

Contract	Name	Service Type
0000070	Safe Coach	Special Education
0004894	Safe Coach	Summer Transportation

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 companies. At present, Safe Coach operates 95 buses during the regular school year and 63 buses during the summer, representing about 2.07% of the total number of winter routes and 6.22% of the total number of summer routes and their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Safe Coach has agreed to reduce the fee for escort administration from 5% of the pass through cost to 2 1/2%; anticipated savings are $36,589 annually and $182,946 over the contract period. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than other companies allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air	Ninety percent of small vehicles	By June 30, 2010, all small vehicles are required

	Conditioning	are required to be air conditioned.	to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.

Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

In light of the generally favorable contract terms and with prices that are generally than other companies pricing, the DOE has agreed to a five year contract extension. Safe Coach will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 23

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with Third Avenue Transit to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$4,928,802 estimated annual cost $24,664,008 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Third Avenue Transit 1 Coffey Street Brooklyn, New York 11231				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Third Avenue Transit to provide special education services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $24,664,008.

Contract	Name	Service Type
0000070	Third Avenue Transit	Special Education
0008108	Third Avenue Transit	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Third Ave operates 40 buses during the regular school year and 8 buses during the summer, representing about .63% of the total number of winter routes and 1.88% of the total number of summer routes and their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Third Avenue does not charge the DOE any pass through or escort fees. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than average to begin with allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which

			must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and	Requires Contractors to undertake any new or revised State and/or Local procedures

	Local Laws, Rules, Regulations or Safety Features	affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

An investigation conducted by the United States Attorney's Office for the Southern District of New York resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Where several bus companies were under investigation by the Attorney's Office for participation in the above criminal activity, Third Avenue was not a company named under investigation.

In light of the foregoing and in light of the generally favorable contract terms and pricing offered by Third Avenue, the DOE has agreed to a five year contract extension. Third Avenue will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 24

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into three-year contract extension with Boyton Bus Inc. to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$2,227,771 estimated annual cost $6,683,313 estimated total cost	Tax Levy	July 1, 2010-June 30,2013	Section 1-03(b) Exception.	No	Requirements
Vendor Name & Address	Boyton Bus Inc.				
	303-315 Stagg Street				
	Brooklyn, New York 11206				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Boyton to provide special education transportation services. The extension will run three (3) years from July 1, 2010 through June 30, 2013. The estimated cost to the Department of Education is $6,683,313.

Contract	Name	Service Type
0000070	Boyton Bus Inc.	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. Boyton currently operates 10 buses during the regular school year, representing about .22% of the total number of winter routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for

competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils…"

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Boyton has agreed to waive the 5% fee for escort administration and will not charge the pass through cost; anticipated savings are $14,607 annually and $43,822 over the three year contract period. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. Boynton's prices are generally higher than other companies, however, their number of routes is small in comparison. The effort to maintain continuity of service and the combination of generally better contract terms with modest price reductions (escort fees) allow us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.

Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although the Company was identified as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principal(s) (is)(are) willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Company.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, both companies will sign a Monitoring Agreement. This will include providing, at the sole expense of each company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor their commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. Each company will be required to submit updated VENDEX forms and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the companies prior satisfactory services, the monitoring agreement and additional assurance provided by their commitment to operate under the scrutiny of an IPSIG allow us to find Boyton responsible.

Item: 25

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into four-year contract extensions with Gotham Transportation to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$6,278,495 estimated annual cost $25,113,979 estimated total cost	Tax Levy	July 1, 2010-June 30,2014	Section 1-03(b) Exception.	No	Requirements
Vendor Name & Address	Gotham Transportation Corp.				
	2847 West 21 Street				
	Brooklyn, New York 11224				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Gotham to provide special education transportation services. The extension will run four (4) years from July 1, 2010 through June 30, 2014. The estimated cost to the Department of Education over 4 years is $25,113,979.

Contract	Name	Service Type
0008108	Gotham Transportation	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Gotham operates 58 buses during the regular school year, representing about 1.27% of the total number of winter routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Gotham has agreed to reduce the fee for escort administration from 5% of the pass through costs to 2%; anticipated savings are $68,592 annually and $274,368 over the four year period. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with modest price reductions (escort fees) and generally lower than average prices to begin with allow us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school

		compliance with any such State and/or local legal and/or regulatory changes	buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although the Company was identified in testimony as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principal is willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Company.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, the Company will sign a Monitoring Agreement. This will include providing, at the sole expense of the Company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor its commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. The Company will be required to submit updated VENDEX forms, and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the Company's prior satisfactory service, the monitoring agreement and additional assurance provided by its commitment to operate under the scrutiny of an IPSIG allow us to find Gotham responsible.

Item: 26

Description:

Extension of K-12 special education school year, general education school year and special education summer transportation services (4 contracts).

REQUEST FOR AUTHORIZATION

To enter into three-year contract extensions with Jofaz Transportation and Boro Wide Transportation to provide special and general education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
Jofaz $20,840,364 estimated annual $62,521,091.63 estimated total	Tax Levy	July 1, 2010-June 30,2013	Section 1-03(b) Exception	No	Requirements
BoroWide $6,615,616 Estimated annual $19,846,846.63					
Vendor Name & Address	Jofaz Transportation Inc./Boro Wide Transportation Inc. 1 Coffey Street Brooklyn, New York 11231				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with the affiliates Jofaz Transportation Inc and Boro Wide Transportation Inc. to provide special and general education transportation services. The extensions will run three (3) years from July 1, 2010 through June 30, 2013. The estimated cost to the Department of Education over 3 years is $82,367,940.

Contract	Name	Service Type
0000065	Jofaz Transportation Inc.	General Education
0000075	Jofaz Transportation Inc.	Special Education
0004952	Jofaz Transportation Inc	Summer Transportation
0007164	Jofaz Transportation Inc	Summer Transportation
0008107	Jofaz Transportation Inc	General Education
0008108	Jofaz Transportation Inc	Special Education
0000070	Boro Wide Transportation Inc.	Special Education
0008108	Boro Wide Transportation Inc.	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. Jofaz and Boro Wide currently operate 287 buses during the regular school year and 103 during the summer, representing about 6% of winter routes and 10 % of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Jofaz and Boro Wide have agreed to reduce the fee for escort administration from 5% of the pass through costs to 1%, saving $201,144 annually and $603,431 over the three year contract period. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with modest price reductions (Escort fees) and generally lower than average prices to begin with allow us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.

		again.	
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although one or more of the Companies were identified in testimony as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principals are willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Companies.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, both companies will sign a Monitoring Agreement. This will include providing, at the sole expense of each company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor their commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. Each company will be required to submit updated VENDEX forms and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the companies prior satisfactory services, the monitoring agreement and additional assurance provided by their commitment to operate under the scrutiny of an IPSIG allow us to find Jofaz and Boro Wide responsible.

Item: 27

Description:

Extension of K-12 special education school year and special education summer transportation services (2 contracts).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extensions with Careful Bus and Addies provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
Careful Bus $6,985,628 estimated annual cost $34,928,138 estimated total cost Addies $212,671 estimated annual cost $1,063,356 Estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Careful Bus Service Inc./Addies 5015 Bay Parkway Brooklyn, New York 11230				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with affiliates Careful Bus Service Inc. and Addies to provide special education services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $35,991,494.

Contract	Name	Service Type
0000070	Careful Bus Service	Special Education
0008108	Careful Bus Service	Special Education
0004516	Addies	Summer Transportation

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. Careful Bus currently operates 70 buses during the regular school year and Addies provides 12 buses during the summer, representing about 1.53% of the total number of winter routes and 1.18% of the summer routes. Their services have been consistently satisfactory. .

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Careful and Addies do not charge the DOE any pass through or escort fees. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than average to begin with allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.

		period and subsequently needed again.	
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburse-ment	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

In light of the generally favorable contract terms and pricing offered by Careful, the DOE has agreed to a five year contract extension. Careful and Addies will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 28

Description:

Extension of K-12 special education school year transportation services (2 contracts).

REQUEST FOR AUTHORIZATION

To enter into three-year contract extensions with Hoyt Transportation and Dak Transportation to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
Hoyt Transportation $39,634,736 estimated annual $118,904,207 estimated total	Tax Levy	July 1, 2010-June 30,2013	Section 1-03(b) Exception.	No	Requirements
Dak Transportation $2,499,917 Estimated annual $7,499,751					
Vendor Name & Address	Hoyt Transportation/Dak Transportation				
	2516 Neptune Ave				
	Brooklyn, New York 11224				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with the affiliates Hoyt and Dak Transportation to provide special education transportation services. The extensions will run three (3) years from July 1, 2010 through June 30, 2013. The estimated cost to the Department of Education over 3 years is $126,403,958.

Contract	Name	Service Type
0008108	Hoyt Transportation	Special Education
0007165	Dak Transportation	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Hoyt and Dak operate 330 buses during the regular school year and 64 during the summer, representing about 4.91% of the total number of winter routes and 3.08% of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Hoyt and Dak have agreed to reduce the fee for escort administration from 5% of the pass through costs to 3%; anticipated savings are $277,566 annually and $832,699 over the three year contract period. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with modest price reductions (escort fees) allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel

		and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although one or more of the Companies were identified in testimony as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principals are willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Companies.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, both companies will sign a Monitoring Agreement. This will include providing, at the sole expense of each company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor their commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. Each company will be required to submit updated VENDEX forms and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the companies prior satisfactory services, the monitoring agreement and additional assurance provided by their commitment to operate under the scrutiny of an IPSIG allow us to find Hoyt and Dak responsible.

Item: 29

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into three-year contract extensions with Mar-Can to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$9,338,451 estimated annual cost $28,015,353 estimated total cost	Tax Levy	July 1, 2010-June 30,2013	Section 1-03(b) Exception.	No	Requirements
Vendor Name & Address	Mar-Can Transportation				
	318 East Third Ave				
	Mt Vernon, NY 10553				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Mar-Can to provide special education transportation services. The extension will run three (3) years from July 1, 2010 through June 30, 2013. The estimated cost to the Department of Education over 3 years is $28,015,353.

Contract	Name	Service Type
0070	Mar-Can Transportation	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Mar-Can operates 106 buses during the regular school year, representing about 1.58% of the total number of winter routes and 22 buses during the summer representing about 1.06 of the total number of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Mar-Can does not charge the DOE any pass through or escort fees. In turn, the DOE has offered to extend their contract for three years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with and generally lower than average prices to begin with allow us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.

		regulatory changes	
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although Mar-Can was identified in testimony as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principal is willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Company.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, Mar-Can will sign a Monitoring Agreement. This will include providing, at the sole expense of the Company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor its commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. The Company will be required to submit updated VENDEX forms and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the Company's prior satisfactory services, the monitoring agreement and additional assurance provided by its commitment to operate under the scrutiny of an IPSIG allow us to find Mar-Can responsible.

Item: 30

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with Mountainside Transportation to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$3,547,158 estimated annual cost $17,735,789 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1 - 03 (b) Exception	No	Requirements
Vendor Name & Address	Mountainside Transportation Co				
	841 Essex Street				
	Brooklyn, New York 11208				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Mountainside to provide special education transportation services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $17,735,789.

Contract	Name	Service Type
0008108	Mountainside Transportation	Special Education
0009325	Mountainside Transportation	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 companies. At present, Mountainside operates 29 buses during the regular school year, representing about .43% of the total number of winter routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Mountainside has agreed to reduce the fee for escort administration from 5% of the pass through cost to 2 1/2%; anticipated savings are $32,538 annually and $162,689 over the contract period. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are only slightly higher than the normal competitive range allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air	Ninety percent of small vehicles	By June 30, 2010, all small vehicles are required

	Conditioning	are required to be air conditioned.	to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.

Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.,* school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.,* increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

In light of the generally favorable contract terms and with prices that are slightly above the normal competitive range compared to other companies, the DOE has agreed to a five year contract extension. Mountainside will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 31

Description:

Extension of K-12 special education school year transportation services (1 contract).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with R&C Transit to provide special education transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$495,093 estimated annual cost $2,475,466 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	R&C Transit				
	96-01 Springfield Blvd.				
	Queens Village, New York 11429				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with R&C Transit to provide special education services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $2,475,466.

Contract	Name	Service Type
0004516	R&C Transit	Special Education
0000070	R&C Transit	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, R&C operates 5 buses during the regular school year, representing about .07% of the total number of winter routes 4 buses during the summer representing about .19% of the total number of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for

competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils…"

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, R&C has agreed to waive the 5% fee for escort administration and will not charge the pass through fee; anticipated savings are $10,847 annually and $54,235 over the contract period. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than other companies to begin with allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to	Terms were updated so that no vehicle can be

		be as old as 19 years	more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and

		Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

In light of the generally favorable contract terms and with prices that are generally lower than other companies pricing, the DOE has agreed to a five year contract extension. R&C will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 32

Description:

Temporary personnel services to be utilized on an as-needed basis by all schools and offices.

AUTHORIZATION TO ENTER INTO A REQUIREMENTS CONTRACT WITH NEW YORK STATE INDUSTRIES FOR THE DISABLE (NYSID)

Contract Cost	Funding Source	Contract Term	Options	Procurement Method	Is Contract Retroactive	Contract Type
$5,000,000/ $60,000,000	Tax Levy	Six (6) years from date of Execution	Three (3) Two (2) year renewals @ $10,000,000 per renewal	Section 1-03 (b). NYS OGS/Preferred Source	No	Requirement
Vendor Name & Address	New York State Industries for the Disabled					
	11 Columbia Circle Drive					
	Albany, NY 12203-5156					

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Susan Dick-Mckeon, Chief Administrator	Steve Ladolcetta/Clare Gallagher
DCP	DCP
718-935-2027	718-935-2087

STATEMENT OF PURPOSE

Approval is sought to enter into a requirements contracts with New York State Industries for the Disable (NYSID) for temporary office personnel. The contract will be utilized on an as-needed basis by all schools and offices.

DISCUSSION

Temporary office personnel services are provided for by NYSID as a preferred source under Section 162 of New York State Finance Law. Pursuant to the law, DCP notified NYSID of its intention to release a bid for these service, and invited NYSID to review the bid to determine if they could meet the DOE's requirements. NYSID submitted a Letter of Intent to DCP stating that they will be pursuing this service as a preferred source.

DCP negotiated with NYSID to establish an agreement that assures the DOE's requirements are met. The DOE used the Bureau of Labor Statistics and current NYS Office of General Services contract pricing to determine that the pricing offered was consistent with prevailing market prices. A contract for personnel services is necessary to obtain personnel not available in the DOE on a short term basis.

A Cost/Price Analysis was performed by VRPA which revealed that the percentage assessed by NYSID for employee statutory benefits can be deemed fair and reasonable after comparison with the Bureau of Labor Statistics data for total employee benefits. Moreover, the percentages NYSID assessed for overhead and profit also can be deemed fair and reasonable as they fall well below the maximums considered acceptable by the DOE. The prices and terms and conditions negotiated are deemed fair and reasonable.

The background check for NYSID included VENDEX, Lexis/Nexis and Westlaw. No adverse finding were uncovered on NYSID however Goodwill Industries, the subcontractor on this contract, had a self reported caution in VENDEX stating that a contract was terminated by the Department of Youth & Community Development (DYCD) in December 2005. An investigation of the caution revealed that the caution was due to Goodwill moving that resulted in Goodwill being unable to fulfill DYCD's request. This was a one time incident; DYCD continues to contract with Goodwill regularly. Based on the lack of any additional adverse findings and the fact that these vendors have performed in accordance with their contract with the DOE for over 10 years, NYSID and their sub contractor Goodwill Industries has been deemed responsible.

Item: 33

Description:

Add-on item. Extension of K-12 special education school year and special education summer transportation services (4 contracts).

REQUEST FOR AUTHORIZATION

To enter into three-year contract extensions with Rainbow Transit, All American School Bus and Citywide Transit to provide special education and summer transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
Rainbow Transit $18,743,515 estimated annual $56,230,546 estimated total	Tax Levy	July 1, 2010-June 30,2013	Section 1-03(b) Exception.	No	Requirements
All American School Bus $2,416,839 Estimated annual $7,250,518 Estimated total					
Citywide Transit $11,404,804 Estimated annual $34,214,413 Estimated total					
Vendor Name & Address	Rainbow Transit/All American School Bus/Citywide Transit				
	11-08 30th Avenue				
	Long Island City, New York 11102				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with affiliates Rainbow, All American and Citywide Transit to provide special education and summer transportation services. The extensions will run three (3) years from July 1, 2010 through June 30, 2013. The estimated cost to the Department of Education over 3 years is $97,695,477.

Contract	Name	Service Type
0004515	Rainbow Transit	Summer Transportation
0007165	Rainbow Transit	Special Education
0000070	All American	Special Education
0008108	All American	Special Education
0000070	Citywide Transit	Special Education
0008108	Citywide Transit	Special Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 students through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Rainbow, All American and Citywide operate 297 buses during the regular school year and 94 during the summer, representing about 4.37% of the total number of winter routes and 4.52% of summer routes. . Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Rainbow, All American and Citywide have agreed to reduce the fee for escort administration from 5% to 2%; anticipated savings are $578,356 annually and $1,735,069 over the three year period. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with modest price reductions (escort fees) and generally average prices to begin with allow us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows:

Category	Item	Current Extension Specification	Proposed New Extension Specification
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted.

		period and subsequently needed again.	
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated to August 24, 2010. Pick order for summer contracts updated to June 30, 2010.
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	The Contractor will promptly and at no cost to DOE comply with all Federal, State or local laws, rules and/or regulations that are enacted, updated, revised or amended on or after July 1, 2010, except for: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	On an annual basis the DOE reserves the right to re-evaluate and adjust bus contractors base premiums based on contractors actual loss experience.
Terms and Conditions	Termination for Convenience	No cancellation for convenience	Allows for cancellation by the NYCDOE for convenience upon 365 days advance notice.
Payment	Calculation for Escort Cost Reimburseme nt	NYCDOE currently pays for actual escort costs. (I.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	NYCDOE will not pay for escorts who do not work on Chancellor's Day and will only pay the straight daily escort rate for escorts who work on Chancellor's Day.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor electing traditional escort pay method shall not be paid for escort services for a no service day. (Contractors electing full escort cost reimbursement option are paid if an escort reports to work and school is cancelled, e.g., snow day.)

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the Director full and accurate copies of its annualized balance sheets, cash flow statements, statements of income and expenses and such other documents and records as the Director may reasonably request. All of the documents must be prepared by a Certified Public Accountant.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	IPSIG	As explained below, contractor must fully cooperate with the SCI designated Independent Private Sector Inspector General ("IPSIG") in order to be eligible to be awarded this Contract extension. Contractor must agree to an investigation and monitorship conducted by the IPSIG and must enter into a written investigation and monitorship agreement at its own and sole cost and expense with the IPSIG.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).
Terms and Conditions	Most Favored Nation Clause	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.
Vehicles	New State and Local Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)

Investigations conducted by the United States Attorney's Office for the Southern District of New York, inter alia, resulted in the conviction of several former Department of Education Bus Inspectors on bribery, extortion and conspiracy charges based on the inspectors' having taken cash payments from a number of bus companies. Although one or more of the Companies were identified in testimony as having participated in the above criminal activity, the US Attorney's Office has advised the Department that full assistance was provided in various ongoing investigations by a Company principal. In addition, the principals are willing to enter into a Monitoring Agreement (described below) in order to ensure the requisite business integrity of the Companies.

In light of the foregoing and in order to move forward with a three year contract extension that will ensure the continuity of good service, successful management of operations and limit allowable cost increases, both companies will sign a Monitoring Agreement. This will include providing, at the sole expense of each company, an Independent Private Sector Inspector General (IPSIG) selected by the Special Commissioner of Investigation for the NYC School District (SCI) to monitor their commitment to the business integrity described in the Agreement. The IPSIG will, inter alia, oversee compliance with City contracts, monitoring of employees' conduct, operations and training and conduct audits and investigations of payroll, expenditures and other financial records. The findings and conclusions of these audits and investigations will be reported in writing to the DOE and SCI. Each company will be required to submit updated VENDEX forms and any other matters that should be of concern will be brought to the Panel's attention prior to execution of this contract. The advice provided by the US Attorney's office, the companies prior satisfactory services, the monitoring agreement and additional assurance provided by their commitment to operate under the scrutiny of an IPSIG allow us to find Rainbow, All American, and Citywide responsible.

Item: 34

Description:

Add-on item. Community learning centers to provide academic enrichment to high poverty and low performing schools. Correction to a contract approved by the Panel at the December meeting. The approved contract term was one year with no options and an annual amount of $156,000. The correct term is one year with 2 one year options and the correct annual amount is $52,000.

Item: 35

Description:

Add-on item. Extension of K-12 special education school year, special education summer and general education transportation services (4 contracts).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with Pioneer Transportation to provide special, general education and summer transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$76,290,092 estimated annual cost $381,450,459 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Pioneer Transportation Corp.				
	2890 Arthur Kill Road				
	Staten Island, New York 10309				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Pioneer Transportation to provide special education services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $381,450,457.

Contract	Name	Service Type
0070	Pioneer Transportation	Special Education
8108	Pioneer Transportation	Special Education
7164	Pioneer Transportation	Summer Transportation
0065	Pioneer Transportation	General Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Pioneer operates 350 buses during the regular school year, representing about 5.2% of the total number of winter routes 25 buses during the summer representing about 1.14% of the total number of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Pioneer has agreed to waive the 5% fee for escort administration and will charge 3% of the escort administration fee in the first year and 3.5% for the remaining 4 years; anticipated savings are $86,933 for the first year, $65,200 savings in years two through five and $347,735 over the contract period. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than other companies to begin with allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Term of Extension	Term		5 year term
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted. DOE will apply this restoration date deadline uniformly to all contracts under this extension.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated on an annual basis as of August 24th of each year for 10 month contracts and as of June 1st of each year for summer contracts. DOE will apply the pick order dates uniformly to all contracts under the respective extensions (i.e., 10 month and summer contracts).
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no

			vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air conditioned.	By June 30, 2010, all small vehicles are required to be air-conditioned except spare vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned small bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	No change from current extension language.
Terms and Conditions	Termination		DOE may terminate for reasonable cause subject to an agreed upon opportunity to cure by Contractor
Payment	Calculation for Escort Cost Reimbursement	NYCDOE currently pays for actual escort costs. (i.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	Contractor shall make best efforts to eliminate payments for escorts who do not work on Chancellor's Day during current negotiations and any subsequent negotiations that take place during the term of this Agreement.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor shall make best efforts to eliminate payments for escorts on no-service days (e.g., school cancellation days) during current negotiations and any subsequent negotiations that take place during the term of this Agreement.
Payment	Escort Administration Fee	Contractors making the election hereunder shall be paid an administrative fee for providing such escorts, which fee shall equal five percent (5%) of the Contractor's Escort Costs.	Contractor will reduce administration fee by 2% in the first year and 1.5% in years two thru five.
Terms and Conditions	Most Favored Nation Clause (MFN)	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.	MFN limited to the following areas: • Insurance • Fuel • GPS • Caps on route reduction • Liquidated Damages • Compliance with new laws, rules, regs or safety features referenced above
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or	No change from current extension language.

		for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local legal and/or regulatory changes	
Vehicles	New Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)	No change from current extension language.

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	Within one hundred eighty (180) days after the end of the Contractor's fiscal year, the Contractor shall provide annually to the OPT Director, prepared by a Certified Public Accountant, that the current ratio for the Contractor and its subsidiaries is not less than 2:1. In the event DOE receives an attachment from 1181 A.T.U. claiming non-payment by Contractor for any monies due and the DOE makes a payment(s) in the amount exceeding two hundred fifty thousand dollars, DOE shall have the right to conduct, and/or authorize a designee to conduct, a full and

		complete audit of Contractor, and Contractor will fully and faithfully cooperate with any such audit which shall include providing access to all financial records.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).

In light of the generally favorable contract terms and with prices that are generally lower than other companies pricing, the DOE has agreed to a five year contract extension. Pioneer will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.

Item: 36

Description:

Add-on item. Extension of K-12 special education school year and general education transportation services (3 contracts).

REQUEST FOR AUTHORIZATION

To enter into five-year contract extension with Varsity Bus Inc. to provide special, general education, and summer transportation services

Contract Cost	Funding Source	Contract term	Procurement Method	Is Contract Retroactive	Contract Type
$49,558,559 estimated annual cost $247,792,797 estimated total cost	Tax Levy	July 1, 2010-June 30, 2015	Section 1-03(b) Exception	No	Requirements
Vendor Name & Address	Varsity Bus, Inc				
	626 Wortman Ave				
	Brooklyn, New York 11208				

Service Requestor/Contract Manager	Division of Contracts & Purchasing Contact
Eric Goldstein, Chief Executive Officer	David Ross, Executive Director
Nutrition and Transportation	Division of Contracts & Purchasing

STATEMENT OF PURPOSE

Approval is sought to extend the below referenced contracts with Varsity Bus to provide special education services. The extension will run five (5) years from July 1, 2010 through June 30, 2015. The estimated cost to the Department of Education over 5 years is $247,792,797.

Contract	Name	Service Type
0070	Varsity Bus	Special Education
8108	Varsity Bus	Special Education
7165	Varsity Bus	Special Education
4010	Varsity Bus	General Education
6014	Varsity Bus	General Education

DISCUSSION

The Office of Pupil Transportation ("OPT") is responsible for providing and coordinating transportation services to and from school for eligible students in both public and non-public schools. Transportation services include stop-to-stop (general education) and door-to-door (special education) busing. Alternatively, the Department provides Metro Cards for use on public transportation.

Daily school bus transportation services are provided to approximately 160,000 through almost 8,700 distinct daily bus routes. These include nearly 2,100 general education and over 4,600 special education routes for the regular school year, and 2,000 special education routes during the summer. The fleet used to provide these services is composed of approximately 7,800 buses (including spares) operated by 48 bus companies. At present, Varsity operates 525 buses during the regular school year, representing about 7.81% of the total number of winter routes 35 buses during the summer representing about 1.6% of the total number of summer routes. Their services have been consistently satisfactory.

Most of the current regular school contracts were originally bid in 1979 and a subsequent group of school year general education contracts were bid in 1986. Smaller groups of summer special education contracts, a specialized contract for non-ambulatory handicapped pupils, and school year special education and general education contracts were bid in 1988, 1989, 1994 and 1995.

New York State Education Law § 305 permits extensions of contracts originally subject to competitive bidding requirements in Subdivision 14. Specifically, this Subdivision states: "...The requirement for competitive bidding shall not apply to annual, biennial, or triennial extensions of a contract nor shall the requirement for competitive bidding apply to quadrennial or quinquennial year extensions of a contract involving transportation of pupils..."

OPT and the Division of Contracts and Purchasing (DCP) believe that it is in the Department's best interests to extend a portion of the existing contracts for differing lengths of time while incrementally introducing competitive requests for bids. Accordingly, OPT and DCP engaged in discussions with representatives of current service providers. In these discussions, the Department sought partners to both hold the line on costs and agree to what we believed were significant but reasonable concessions.

In addition to the more favorable contract terms articulated in the table below, Varsity has agreed to waive the 5% fee for escort administration and will charge 3% of the escort administration fee in the first year and 3.5% for the remaining 4 years; anticipated savings are $135,719 for the first year and $101,789 for years two through five and $542,879 over the contract period. In turn, the DOE has offered to extend their contract for five years. Price escalations will stay within the state prescribed Consumer Price Index (CPI) limits. The combination of generally better contract terms with prices that are generally lower than other companies to begin with allows us to conclude that pricing is fair and reasonable. The changes in contract provisions are as follows.

Category	Item	Current Extension Specification	Proposed New Extension Specification
Term of Extension	Term		5 year term
Vehicles	GPS	All vehicles and dispatch operations will be equipped with GPS and back-up cellular at no cost to the contractor.	At Director's sole discretion, all or a portion of the vehicles and dispatch operations may be equipped with a telematics system, including but not limited to global positioning system (GPS), automatic vehicle location (AVL) functionality, and/or back up cellular emergency equipment. To the extent that the Director requires that telematics system units be added to any vehicles and dispatch stations, DOE will bear all costs.
Vehicles	Vacillation in the Number of Vehicles	During the life of the extension agreements the contractor would be entitled to restoration of any vehicles deleted during this period and subsequently needed again.	At no time after October 30th of each Extension Year will the Contractor be entitled to restoration of any additional vehicle(s) previously deleted. DOE will apply this restoration date deadline uniformly to all contracts under this extension.
Vehicles	Vacillation in the Number of Vehicles	Director shall offer any 'additional' vehicle(s) to contractors in the relevant contractual item as determined by the order of contractors established as of August 24, 2004 (the "Pick Order"),	"Pick Order" for school year contracts updated on an annual basis as of August 24th of each year for 10 month contracts and as of June 1st of each year for summer contracts. DOE will apply the pick order dates uniformly to all contracts under the respective extensions (i.e., 10 month and summer contracts).
Vehicles	Vintage	Current term allows vehicles to be as old as 19 years	Terms were updated so that no vehicle can be more than 16 years old at the start of the Extension year (e.g., June 30, 2010, no vehicle can be of a model year before 1994).
Vehicles	Air Conditioning	Ninety percent of small vehicles are required to be air	By June 30, 2010, all small vehicles are required to be air-conditioned except spare

		conditioned.	vehicles which must all be air-conditioned by May 1, 2011. (Any child with IEP requiring air-conditioning must have air-conditioned small bus.)
Vehicles	Insurance	Contractor's base premiums in place from prior policy year March 1, 2003 are not re-evaluated for adjustment by the DOE's insurance brokerage firm.	No change from current extension language.
Terms and Conditions	Termination		DOE may terminate for reasonable cause subject to an agreed upon opportunity to cure by Contractor
Payment	Calculation for Escort Cost Reimbursement	NYCDOE currently pays for actual escort costs. (i.e. if an escort is required to work on any DOE holiday contractor is required to pay premium pay such as time and a half or double time).	Contractor shall make best efforts to eliminate payments for escorts who do not work on Chancellor's Day during current negotiations and any subsequent negotiations that take place during the term of this Agreement.
Payment	No Payment for Escort on Days Not Operated	Contractors are compensated for escort service on days when contractor was required to provide service and service was cancelled. (e.g. snow day)	Contractor shall make best efforts to eliminate payments for escorts on no-service days (e.g., school cancellation days) during current negotiations and any subsequent negotiations that take place during the term of this Agreement.
Payment	Escort Administration Fee	Contractors making the election hereunder shall be paid an administrative fee for providing such escorts, which fee shall equal five percent (5%) of the Contractor's Escort Costs.	Contractor will reduce administration fee by 2% in the first year and 1.5% in years two thru five.
Terms and Conditions	Most Favored Nation Clause (MFN)	The contractor's entitlement to any provisions offered in any extensions, amendments and/or Request for bids that provide favorable and/or more favorable terms, conditions and/or specifications to the Contractor.	MFN limited to the following areas: • Insurance • Fuel • GPS • Caps on route reduction • Liquidated Damages • Compliance with new laws, rules, regs or safety features referenced above
Vehicles	New Laws, Rules, Regulations or Safety Features	Contractor must comply promptly with Federal, State and local changes, *provided*, the BOE shall pay one-half (½) of the cost of compliance with any new or revised State and/or local driver and/or operational procedures and/or for the purchase and installation of new safety features and/or other equipment in compliance with any such State and/or local	No change from current extension language.

		legal and/or regulatory changes	
Vehicles	New Laws, Rules, Regulations or Safety Features	Requires Contractors to undertake any new or revised State and/or Local procedures affecting school bus personnel or operations (*e.g.*, school bus personnel drug or alcohol testing, driver licensing or training procedures, *etc.*) or the introduction onto vehicles of new safety features or any other equipment (*e.g.*, increased seat-back padding, back-up beepers, stop arms, safety sensors, seat belts, *etc.)* with the DOE paying for one-half (½) of all compliance costs. (As noted above, the three exceptions to this are the following: (1) Local Law 61 of 2009 regarding retrofitting of, and age limitations upon, diesel powered school buses; (2) Local Law 42 of 2005 regarding emissions control systems and ultra-low sulfur diesel fuel; and, (3) any possible requirement to install video cameras on school buses. The NYCDOE will bear the cost of the foregoing exceptions.)	No change from current extension language.

New Provisions		
Category	**Item**	**New Extension Specifications**
Payment	Claims for Payment Deadline	Invoices received any more than sixty (60) calendar days after the end of the month in which the service was rendered will be returned unpaid (except for court order, court judgment, DOE audit report, DOE error, or retroactive unemployment insurance rate changes).
Financials	Financial Statements	On an annual basis, upon reasonable request by the OPT Director, the Contractor shall provide full and accurate copies of financial records maintained by Contractor in its ordinary course of business. DOE agrees to treat these documents as trade secrets.
Terms and Conditions	Yearly audit and payment responsibility to pension and welfare funds	On at least an annual basis, the Contractor must submit to the OPT Director written confirmation that its pension fund and health/welfare fund liabilities have been audited and that there are no outstanding balances. If the Contractor is not subject to any requirements for pension fund and/or health/welfare fund contributions, the Contractor must submit to the OPT Director a written certification to that effect not later than September 30th of each Extension Year.
Terms and Conditions	Investigations	Section added to require the Contractor's cooperation with any governmental agency with appropriate jurisdiction in its investigations. It specifies terms under which cooperation and testimony must be given and penalties for any failure to comply.
Terms and Conditions	Conflicts of Interest	Section added to spell out what business and/or ownership interests any current or former Board or City employees may have with a contractor. It also prohibits

		gifts to Board officials/employees and details potential penalties.

Provisions removed from original contract and/or any extensions		
Terms and Conditions	Demographics	The NYCDOE shall not reduce the number of 'additional' vehicles held by the Contractor as of June 30th each extension year during the period of this Extension and Thirteenth Amendment Agreement, ***except*** in instances of decreases of student population affecting the Contractor's geographical service area(s) and/or type(s) of vehicle(s).

In light of the generally favorable contract terms and with prices that are generally lower than other companies pricing, the DOE has agreed to a five year contract extension. Varsity will be required to submit updated VENDEX forms and a background check will be conducted by DCP's Vendor Research and Price Analysis Unit. Any matters of concern will be brought to the Panel's attention prior to execution of this contract.