

MASBO-MAPT Contracted School Bus Fuel Payment
Survey results compiled by David Peterson, ISD625
On August 30, 2006

1) Districts that do not pay for contractor bus company fuel were not asked to participate in the survey.

2) Districts that pay for all their private bus company contractor's fuel:

Burnsville - pays for all contractor fuel but it's a pass-through; we reimburse the actual cost.

Moorhead Area School District

3) Districts that pay less than all their private bus company contractor's fuel - escalation amount:

Annandale - Bus contractor is reimbursement the fuel expense exceeding \$1.44 per gallon.

Anoka-Hennepin School District #11 - old contract (4th year) so fuel is pegged at \$1.00. Last school year diesel fuel avg. price (minus fed. excise tax) was \$2.79 so I paid \$1.79/gallon.

Barnesville – 146 - Amount exceeding \$1.20 per gallon

Braham Area Schools - Over \$1.40 per gallon

Cass Lake-Bena Schools #115 - 80% of fuel costs over \$1.50 per gallon

Cedar Mountain School - ISD #2754 - Contracted Bus Services Escalator Fuel Clause - \$1.15 plus the federal fuel tax - \$1.394

School District 112 – Chaska - We have a fuel clause of \$1.40 per gallon with a 50/50 share of anything above.

Chisago Lakes ISD #2144- \$1.50 (does not include federal refundable fuel tax)

DEER RIVER #317- The cost for diesel/gas (pump price) above \$1.45 per gallon is split 50/50 between contractor & district.

Detroit lakes- 2.50/gal diesel excl. tax.

Dilworth-Glyndon-Felton Schools - currently pays contractors 75% of the cost for diesel above \$1.50. However, we are in the middle of contract negotiations ...

Eagle Valley Public Schools #2759- Our gas rate is paying for anything over .92 cents. OUCH!!

Eden Valley-Watkins ISD 463- We pay for fuel excess cost over \$1.96

Eveleth Gilbert - Contractor receives an additional 1 cent per mile for every 5 cents per gallon increase in fuel costs, above a set benchmark price.

Faribault - The company pays \$.46 per gallon.

ISD 544 Fergus Falls - \$2.00 per gallon escalator

Fillmore Central ISD 2198 - The district placed \$6,000 in a fuel pool and it is to be used if fuel prices exceed \$2.75 per gallon (\$3.00 with federal tax rebate). The bus company provides the school district with invoices upon submitting for reimbursement. The bus company is responsible for any additional costs that exceed the \$6,000 fuel pool for the 06-07 school year.

Goodhue - We do have an escalator clause with a specified per gallon cost minus the federal tax. We are negotiating our new two year contract this month. The problem is the per gallon amount was so low for so many contracts and even though it was raised in the last contract, our overage was significant.

Hutchinson Public Schools - We are in the last year of an extended contract. There was no fuel adjustment in the contract and we only pay the amount per route. Our contractor is asking us to re-open the contract to give him an escalator cost adjustment...

Jordan - We pay all fuel costs above 86 cents. We are presently in negotiations.

Mahtomedi - pay 100% of all fuel costs over \$2.00/gallon. We only pay for live miles as determined by our routing software. We pay based on 6 MPG.

Marshall Public Schools - We pay any escalation in fuel cost based on a fuel price for \$1.58. This clause is factored in regarding the total cost of the contract.

Milaca Public Schools - Our escalation clause reads: Gas price clause provides for a \$0.01 increase in mileage rate for each \$0.05 increase in gas price over \$1.40 at the pump or for a \$0.01 decrease for every \$0.05 decrease below \$1.00 at the pump. We pay \$0.85 per mile with the price at \$1.40, so with the price at \$3.00 per gallon, we are at \$1.17 per mile.

Minnetonka Public Schools - Fuel Escalator clause kicks in at \$2.06/gallon inclusive of any refundable taxes at a rate of thirteen cents (\$.13) per day per bus for each one-cent (\$.01) increase above the escalator price.

Montevideo ISD #129 - Contractor reimbursed for diesel cost above \$1.20 per gallon.

Northfield Schools contract with Benjamin Bus - School district agrees to reimburse contractor for wholesale fuel costs above \$1.24 per gallon, exclusive of federal excise taxes, upon receipt of copies of actual invoices for fuel purchases.

Paynesville Area Schools - Our bus contractor pays the first \$1.50 and the district pays everything over \$1.50 (example: Fuel is \$2.85 - Contractor pays \$1.50 and the district pays \$1.35)

Princeton Schools - We split the cost. The base cost is \$1.40 per gallon, not including federal refundable fuel tax of 24.4 cents per gallon.

Rochester

C. FUEL CLAUSE: In order to protect both parties against the possibility of fuel prices rising or falling beyond a reasonable estimate, the following clauses will be a part of the contract.

1. GASOLINE: The District will pay a fuel subsidy for the duration of this contract if the price paid per gallon of gasoline exceeds the base price of *one dollar and 20/100 cents (\$1.20)*, not including federal tax; or the District will receive a credit allowance for the duration of this contract if the price paid per gallon is under the base price of *one dollar and 10/100 cents (\$1.10)*, not including federal tax.
2. DIESEL FUEL: The District will pay a fuel subsidy for the duration of this contract if the price paid per gallon of diesel fuel exceeds the base price of *1 dollar (\$1.00)*, not including federal tax; or the District will receive a credit allowance for the duration of this contract if the price paid per gallon is under the base price of *90/100 cents (\$.90)*, not including federal tax.
3. BASIS FOR CALCULATION OF SUBSIDY: Calculation of the number of gallons will be based first on actual gallons used or second on route mileage times the rated miles per gallon using the following average miles per gallon: gasoline buses 4.5 miles per gallon, diesel buses 6.5 miles per gallon and gasoline vans 15 miles per gallon. Payment or credit must be supported by copies of invoices from the fuel supplier attached to a statement identifying the time period covered and computing the cost for the fuel compared to the base price for that period.

St. Cloud Area School District 742 - District reimburses fuel costs at a rate of 80% of the cost of fuel over \$1.50 per gallon, not including the federal tax.

Saint Paul Schools - Contractor is reimbursed for diesel cost above \$3.05 per gallon, not including federal refundable fuel tax of \$24.4 per gallon, for route costs only based upon 7 miles per gallon.

Sleepy Eye Public School – ISD #84 - \$2.25/gallon

Truman Public Schools - School picks up cost over 1.20/gallon.

ISD #110 Waconia - The district pays diesel cost above \$1.40 not including the federal fuel tax.

Waseca Public Schools - For 06-07, we pay excess above 2.70 per gallon and it goes up for 07-08 to 2.85 and for 08-09 to 3.00

Wayzata - Our current fuel escalator clause requires us to pay 13 cents per bus per day for each penny that the contractor's fuel price paid for diesel exceeds \$1.40 per gallon. Conversely our cost is reduced by 13 cents per bus per day if the price drops below \$.80 per gallon. This price includes tax.

I realize that the range is unrealistic, and we will probably be outside it for the duration of the contract. We just finished negotiating a renewal for 2 years, and our contractor was willing to move the trigger price upwards, but would also have raised the contract cost per bus per day. We realized that gave the district all the risk of price increases anyway, and very little of the potential savings if prices were stable or reduced. So we left it where it was.

White Bear Lake - pay 100% of all fuel costs over \$2.00/gallon. We only pay for live miles as determined by our routing software. We pay based on 6 MPG.

Willmar - Ours is \$1.10.

Worthington ISD 518 - Base Fuel Cost is \$1.45. (Please note. We negotiated back to back two year contracts in 2003) The District pays 50% of the cost for fuel prices more that \$.05 above Based Fuel Cost based on the average price of fuel for the year.

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