

Student Transportation Overview



The Worcester Public Schools provides home-to-school student transportation to 12,300 pupils for students attending the Worcester Public Schools and Head Start Programs, Central Massachusetts Collaborative, Seven Hills Charter School, Worcester private and parochial schools, homeless students attending other school districts, students attending out-of-district special education placements, and students attending out-of-town vocational programs. Overall, the

district accomplishes this using 95 large school buses (71-passenger), 66 mid-size school buses, 20 wheelchair buses, and approximately 42 vans. The district also utilizes the Worcester Regional Transit Authority (WRTA) for both home-to-school transportation as well as for afterschool activities. Previously, a separate contract provided athletic and field trip services.

Student Ridership (2016-17) data includes:

Big Bus Ridership (WPS Students):	9,530 students
In-District Special Education:	1,165 students
Pre-school, Special Education:	547 students
Out-of-District Special Education:	447 students
Non-Public School Ridership:	441 students
Homeless Student Ridership:	<u>161 students</u>
Total Student Ridership:	12,291 students

The district provides student transportation services through a combination of contracted services and district-operated school buses and vans. The following is a summary of the current vehicle fleet (excluding the WRTA.)

Vehicle Type	Worcester Public Schools	Durham School Services	Other Contracted Vendors	Total
71 Passenger	11	84	0	95
Mid-Size	35	31	0	66
Wheelchair	0	20	0	20
7D Vans	2	0	40	42
Total	48	134	40	223

The district operated student transportation vehicles and operations are located at 60 Fremont Street while Durham School Services vehicle and operations are located at 42A Harlow Street. The contracted van providers are primarily located throughout Central Massachusetts.

The contract for transportation services ends on the last day of school, June 2020. The lease of space for WPS owned & operated vehicles at Fremont Street ends on June 30, 2020.

Currently, all bus routing and scheduling is done by the Worcester Public Schools to ensure efficiency and oversight of the transportation system. Durham School Services is contracted to operate routes as instructed by the district within the contractual specifications between the parties.

Self-Operation Analysis Executive Summary

The Administration of the Worcester Public Schools has been studying the full district-operated student transportation based on cost, customer service, and improved service to students.

The Superintendent recommends **a phased approach to district operated transportation over the next three to four years**. The Superintendent is committed to improved student transportation services but intends to focus district administration's human resources and efforts to the sustained instructional improvements that have begun at the "underperforming" schools.

This phased approach will include initial lease-purchase of 7D vans that would support in-district transitions programs and allow expanded student transportation opportunities for programs such as Early College, Innovation Pathways, transitions programs, and other enrichment opportunities, the district recommends to self-operate up to 42 vans (7D) currently contracted to outside vendors over the next several years.

The purpose would be to provide cost savings to the district and reallocate the savings into other student transportation opportunities new to the district. For example, as the number of Early College programs with Quinsigamond Community College and Worcester State University expands next year, the options to schools and students may change next year as well. Classes may be offered on campus or at high school locations during the morning or before the end of the traditional day. Having 7D vans, which would provide current level of services to students, and then be available for in-city transportation shuttles, would allow full access for students to these programs throughout the city as early as next year.

The Superintendent recommends an additional period of contracted student transportation for the 2020-2021 and 2021-2022 school years (with a district option for the 2022-2023 school year) and then evaluate full district-operated student transportation in the 2022-2023 or 2023-2024 school year.

Results of the District-Operated Student Transportation Analysis

1. **Budget Savings!** The district estimates that it would save \$36 million over 10 years through district-operated transportation. These savings are determined through the a detailed analysis of current contracted rates compared to the estimated cost for directly providing the service, factoring all salary, vehicle, maintenance, fuel, insurance and lease costs over a ten year period. These savings, once realized, can be used to provide additional transportation models for schools, such as later school start times, lower walking distances, and increased ridership opportunities for students at no new cost to the district.

2. **Improved customer service!** The district would be fully accountable for all bus routes within the district. However, using new and existing technologies, when managed all under the district, there is an ability to greatly expand communication, timeliness, and responsiveness to all transportation issues, questions, and concerns.
3. **Athletic Trips:** The district began providing athletic transportation in 2018-19 school year after receiving no bids for this service. Full operation of transportation services would allow a full availability of athletic transportation options operated at minimal cost by the district.
4. **Field Trips:** When buses are available, the district will be able to provide field trip transportation to schools at approximately 75% less than the recent costs paid by schools.

Transportation Study

In 2013-2014, the City of Worcester and the Worcester Public Schools engaged School Bus Consultants, LLC (SBC) to conduct an assessment of pupil transportation services for the Worcester Public Schools. SBC's work included a review and assessment of existing operations to determine whether current services are delivered in an efficient and effective manner. It also included a review of the current transportation contract and a review of recent bid specifications to determine additional cost saving opportunities.

Some of the highlights and recommendations of that study included:

- SBC recommends WPS hire a full-time route planner as all the routing is currently performed by the Transportation Director and Transportation Liaison. The Council of Great City Schools median performance indicator in 2012 for buses per planner is 88. The measurement for WPS is 93. Current routing tasks include planning for approximately 1,200 daily routes and providing for approximately 4,000 annual route changes for special education.

Action: Within the adopted FY19 budget, the district reorganized existing staff and reallocated transportation funds for the creation of two fulltime router positions. These positions are dedicated solely for the efficient allocation of nearly 200 buses on a daily basis, implementing special education transportation orders, and implementing new bus stop requests. These two positions have been filled and are in place for the 2019-2020 school year.

- WPS Fleet Maintenance – SBC recommends that WPS maintains repair records internally by using appropriate software. This would assist in assessing repair costs over time as well as in making replacement decisions. Current maintenance records were not accessible and needed to be acquired from the repair vendor.

Action: The district is implementing fleet maintenance tracking software to replace the current manual process.

- Customer satisfaction – Recommendations from the survey include improve communication from bus operators when buses are running late and the development of an on-time arrival tracking mechanism.

Action: Under a district-operated model as recommended, the primary focus will be on customer service to students, parents, and schools. The district will have total control and accountability over school bus status, will have the ability to fully implement My Stop bus application and other technology to have immediate on-time arrival information and have customer support staff with the ability to answer questions from parents and schools about transportation issues in a timely and responsive manner.

Applying the District's Zero-Based Budget Approach to Student Transportation

As part of the district's continuous, on-going zero-based budget process, the Administration looks closely at escalating costs; especially costs not directly related to classroom instruction. To date, the School Committee and Administration have taken actions to provide significant savings, cost reductions, or cost avoidance in the following areas:

- Employee Health Insurance
- Out-of-District Special Education Placements – developed in-district or collaborative programs
- ABA/BCBA and Autism Services (converted third party contracted service to district employees)
- Energy Management Services (converted third party contracted service to district employees)
- Certified Nursing Services (converted third party contracted service to district employees)
- Translations Services
- School Nutrition Services (converted 5,000 daily pre-plate meals to district produced meals)

The district's current practice has been to bring services into the district in areas that we have demonstrated:

- Services converted to district-provided have been highly successful and sustainable
- The ability to use existing resources to compensate new district employees at a fair market rate
- The ability to obtain a better level of control of service delivery to students,
- The conversion of funds from the amount that would have otherwise been profit margin for the contracted vendor into investments into that program or savings back to the district budget for reallocation to other instructional services.

The goal and outcome in these recent experiences has been to provide some level of financial savings and improved customer service by moving services into the district.

In many of these cases, the district adopted best management practices in terms of structure and service delivery but opted to provide these services directly through district employees. These

changes have saved millions of dollars annually to the school district's budget; with the savings being reallocated directly to support student instruction.

The district also had a long-standing experience with the purchase of computers for instructional technology using limited capital equipment budget allocation. This procurement method led to district having 7,500 purchased used computers and a replacement cycle of more than 7 years. The district recently ended a five-year lease of computers that allowed for the deployment of approximately 7,500 computers throughout the district. This year, the district is undertaking a change to a Chromebook lease. This lease experience allows for the maximum deployment of current technology within our schools. This same methodology can be applied to school bus lease and procurement.

Similarly, the district uses capital equipment allocation for the replacement of district owned mid-size buses. The district has operated up to 40 buses, but the capital equipment budget only provides sufficient funds for the replacement of about 2-3 buses per year. This creates a 13-year replacement cycle of our buses. Using this replacement cycle, all district owned buses eventually exceed both the age and mileage requirements that we specify in our contracted buses. In recent years, the district has been required to transfer four routes to Durham School services due to the loss of vehicles to the State's school bus safety inspection review.

The School Committee has authorized the District Administration to lease school buses. This new leasing model, once fully implemented, would allow for a more frequent replacement cycle and low maintenance costs. The district has already been able to re-take the routes that were given to Durham to the district at an overall cost savings in FY19.

Through the district budget and planning process, the Administration has identified each year since 2015, that the district should carefully examine the possibility of providing district operated student transportation services beginning in the 2022-2023 or 2023-2024 school year. During the past eighteen months, the district administration has been closely analyzing the cost and benefits of providing all big bus and mid-size student transportation services solely through district operations.

The district has demonstrated in the previously listed examples that self-operated functions have led to significantly improved service and sustained lower cost. There are three basic reasons that this model for this success easily transfers to district-operated transportation services:

First, recent experience in student transportation, particularly in Worcester, show an oligopolistic environment, where the market is controlled by a small number of providers, each of whom is able to influence prices and thus directly affect the position of competitors. While the public sector functions in an "governmental monopolistic environment", this system when implemented correctly is designed to keep the price of a service affordable. The district can focus resources solely on improved service delivery at reasonable costs. The district doesn't need to answer to shareholders and corporate leaders about profit margins. In a speech given at a Massachusetts Association of School Business Officials in Marlborough, MA on March 20, 2018, State Auditor Suzanne Bump said, "there is no such thing as competition in student transportation in Massachusetts." Recent bid experience has shown that there are perhaps only two or three bus

companies that have the capacity and ability to meet the number of buses that are required in Worcester. In other words, while many districts, like Worcester, have no real demonstrated competition for student transportation, we continue to see annual costs exceed the rate of budget growth in any given year; whereas a school district is entirely motivated to control both costs without sacrificing the level of service provided. District leaders are constantly faced with the challenge of providing quality service at a reasonable cost – whether for teachers, tuitions, technology, and transportation.

Also, the key cost components of any student transportation system are: salaries, vehicles, property, maintenance, and fuel. The district can be highly comparable to existing salaries for bus drivers following several existing collective bargaining agreements. The district is currently developing a vehicle procurement cycle that will provide the city and taxpayers with a cost-effective strategy to obtain and replace school buses for the district. Vehicles will be obtained through a lease-purchase arrangement, requiring low upfront costs and will be replaced on the most optimal cycle that results in the low overall cost of ownership of the buses. The district has consulted with a range of real estate professionals in the city to determine optimal locations within the city that could provide parking, maintenance, and operations for a districted-operated bus operation and is ready to issue Request for Proposals for space. The district has worked with a national expert on school bus maintenance facilities set-up and operation and had the opportunity to visit several locations to learn about best practices in the maintenance area. The City of Worcester receives highly competitive prices for fuel prices; these advantageous prices would be available to district-operated vehicles.

In summary, the district has experience with operating and managing student transportation and the transportation and district staff already work every day to ensure the safest, most cost-effective operating transportation program. The district has been highly successful in converting other services from third-party vendors to district-employed staff resulting in better services to students and reduced cost. It is all of these reasons combined that will result in a highly-efficient, low-cost operation that can improve safety, quality, and service to our school district.

Current Regional Experience

Worcester hasn't been the only school district that has faced no real competition in vendors for student transportation. School districts across the region are finding it extremely difficult to attract multiple competitive bids from vendors for student transportation contracts.

A December 2017 Sunday *Telegram and Gazette* article described this lack of competition for surrounding districts.

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IN A CLASS BY ITSELF

No competition for school bus contracts poses problem for local districts



School buses line into Doherty Memorial High School in Worcester at dismissal time Dec. 4. (TODD STREYCK/STOCK PHOTO)

By Susan Spencer | Telegram & Gazette Staff

School transportation costs hit municipal budgets hard across the state, and several communities in Central Massachusetts have been grumbling about an underlying factor as their multiyear contracts for school buses are about to go out for bid. The problem: There's no competition in the market. Despite having a number of school bus companies operating nearby, district after district contacted by the Telegram & Gazette reported usually having just one vendor submit a bid.

Industry representatives say the problem stems from consolidation, with large bus companies buying out the mom-and-pops that used to provide local service. And with regulatory requirements for 40 hours of training, paid earned sick time and health insurance assessments for what is a part-time job, "it's a business that over the years has gotten more difficult to be in," said David Strong, president of the School Transportation Association of Massachusetts and owner of a family-run bus company in Easthampton. School bus drivers, who typically make around \$20 an hour in suburban districts and \$25 to \$30 an hour in cities, according to Mr. Strong, are hard to find as the economy improves. Some school districts have explored partnerships with others or are considering operating their own school bus service. On Thursday, representatives from five area districts agreed to pursue joint procurement through the Central Massachusetts Regional Planning Commission, as a way of pooling their buying power and negotiating better rates.

School bus budgets
Select Central Mass. towns

Town	Percent of total school budget
Milbury	5.43%
Sturtevant	7.4%
Worcester	1.84%
Sutton	6.38%
Uxbridge	2.77%
Quabbin Regional	1.09%
After state aid reimbursement	0.29%

Percent of total town budget

Town	Percent of total town budget
Milbury	2.51%
Sturtevant	1.88%
Worcester	2.47%
Sutton	1.38%
Uxbridge	1.48%
Quabbin Regional	1.18%
After state aid reimbursement	0.38%

Sources: Various school districts or planning commissions. DON LANDAUER-BUTTS/STREET

Richard G. Robert Jr.,
business manager
for Milbury Public
Schools, tries to
sell buses. (TODD STREYCK/STOCK PHOTO)

See BUSES, A8

A few highlights from this newspaper article:

- "Industry representatives say the problem stems from consolidation, with large bus companies buying out the mom-and-pops that used to provide local service."
- "Some school districts have explored partnerships with others or are considering operating their own school bus service."

This lack of competition leads to higher bid prices. Here is a recent Massachusetts Association of School Business Officials survey of price increases experienced by area school districts:

- Leicester & Oxford combined bid: **28%** and **21%** increase, respectively, over current rates (one bidder - **Durham School Services**)
- Leicester & Oxford combined re-bid: **26%** and **18.5%** increase, respectively, over current rates (one bidder - **Durham School Services**)
- Leicester (third bid): One bidder, **0-10%-10%**
- Littleton: One bidder, **25%** increase
- Westport: **24%** increase in FY18
- Wayland: One bidder, **19%** increase start of new three-year contract
- Southern Berkshire Regional: **16%** increase start of new 5-year contract
- Ashland: One bidder, FY18 increase of **14%**
- Milford: **12.7%** increase for FY20
- Uxbridge: One bidder, FY17 increase **12.63%**
- Westport: **12%** increase
- Whitman Hanson Regional: One bidder, Year 1 increase **9.5%**, second and third year **4%** increase each year.
- Nashoba Valley: **9.3%** increase for FY19, **8.5%** increase for FY20, and **9.4%** increase FY21
- Manchester-Essex: Year 1 increase of **8.5%** and year 2 increase of **7.2%**
- Brockton: FY19 increase **8.5%**, one bidder
- Lincoln: FY19 increase of **7.7%**
- West Bridgewater: One bidder with FY18 increase of **7.14%**
- Easton: **6.6%** increase for FY19
- Northampton: **6%** per year annual increase in last two years of 5-year contract
- North Andover: **5.28%** increase in FY18, one bidder with **4.39%** increase in FY19
- Mendon-Upton: **5%** annual increase FY19-FY22
- One bidder with Brookline: Average annual increase of **3.8%**
- Adams-Cheshire Regional, One bidder, **4%** first year increase
- Somerset & Somerset-Berkley Regional: Average **3.6%** increase over past three years
- Newburyport: One bidder, **3.5%** increase annually

Price and Contract Award History

Again, this lack of competition has also been an issue in Worcester as well. Over the past three contract periods, the following is a summary of the price and contract award history:

Contract Term	Durham School Services	First Student, Inc.	Comment
2015-2020	\$61,984,628	\$83,411,780	Initial Bid Price from Durham School Services was \$65,197,368 (18.2% increase). District Administration negotiated a 40% reduction in first year rate to an 11% increase.
2010-2015	\$59,246,708	\$64,260,631	Special education transportation required a re-bid; Durham School Services lowered their bid by \$2.6 million (8.8%) and was awarded the contract. The special education transportation low bid was still a 15.6% increase over the prior year.
2005-2010	\$52,725,251	\$52,897,849	Big bus transportation was provided by Durham School Services (6.1% increase), Special Education transportation provided by First Student, Inc (5% increase, after transfer of bus monitors to vendor). Laidlaw Educational Services and AA Transportation also submitted bids

In the 2015-2020 contract bid, the original low bid reflected a first year **18.2% increase**. The School Administration negotiated a 40% reduction in this increase and the final contract reflected an 11% increase over the 2014 rates, with 3% annual increases thereafter.

In the 2010-2015 contract bid, the Administration changed the terms of the specification to improve the price. The most significant change was increasing the vehicle age and mileage from 6 years and 75,000 miles to 10 years and 150,000 (with an average fleet age of six years). This change was believed to lower capital equipment investment over a five-year period, reducing the daily rate for vehicles. Special Education transportation bid reflected a **15.6% first year increase**.

In the 2005-2010 contract bid, there were four bus companies submitting bids: Durham School Services, First Student, Inc., Laidlaw Education Services (existing contractor at the time), and AA Transportation. The district awarded separate big bus and special education contracts (and also transferred bus monitors on contractor vehicles from district employees to contractor employees). Even with the level of competition, big bus transportation increased **6.1%** over the prior year rate and special education increased 5%.

In the past three bid cycles, the district has awarded contracts with first year increases of 5%, 6.1%, 11%, and 15.6%. As a result, the Administration and School Committee have discussed the possibility of the district providing all transportation services. Over the past several years, the district has conducted in-depth analysis, made several site visits, interacted with other districts across the country, evaluated available space in the city, researched vehicle costs, fuel types, and maintenance costs, and studied the salaries of bus drivers and bus monitors.

District-Operated Analysis Time Frame

The Administration began exploring full district-operated student transportation following the 2010 contract award.

April 2010, in a Report to the School Committee:

The Administration conducted a feasibility analysis for providing all mid-size vehicles on an in-house basis. Currently, the Worcester Public Schools operates 37 (or 57%) of the 64 mid-size special education vehicles. The financial analysis included a review of all staffing, facility and fuel needs. However, after a review of the cost of providing the services in-house in comparison with the final bid results, the Administration recommends that the current structure of both contracted service and in-house service remain for the next five years. However, this structure should be reevaluated in 2015 for consideration.

FY16 Budget Book (page 14)

⊕ **Student Transportation:** The Administration will explore the feasibility of directly providing all in-district student transportation services beginning in 2020. The analysis and recommendation will be forwarded to the School Committee in advance of the next student transportation contract period.

Further, the current capital equipment budget funding level is insufficient to provide a reliable replacement cycle for special education buses. With 35 buses and 1-3 vehicle replacement funding per year, the Administration will need to explore the lease of vehicles through the operating budget in the near future.

FY17 Budget Book (page 15)

⊕ **Student Transportation:** The Administration will explore the feasibility of directly providing all in-district student transportation services beginning in 2020. The analysis and recommendation will be forwarded to the School Committee in advance of the next student transportation contract period.

Further, the current capital equipment budget funding level is insufficient to provide a reliable replacement cycle for special education buses. With 35 buses and 1-3 vehicle replacement funding per year, the Administration will need to explore the lease of vehicles through the operating budget in the near future.

FY18 Budget Book (page 16)

Executive Summary

- ⊕ **Student Transportation:** The Administration continues to explore the feasibility of directly providing all or expanded in-district student transportation services beginning in 2018. The analysis and recommendation will be forwarded to the School Committee in advance of any recommendation for change in the level of service provided by contracted services.

FY19 Budget Book (page 17)

Executive Summary

The Administration is working on the following areas for future opportunities for budget stabilization or budget savings:

Executive Summary Areas of Budget Study for Savings



- ⊕ **Student Transportation:** The Administration will pilot in-district student home-to-school and athletic transportation services beginning in the 2018-2019 school year. On-going analysis exploring the feasibility of directly providing all or further expanded services will occur through the end of 2018 with a recommendation provided to the School Committee well in advance of the end of current contract for transportation services at the end of FY20.

Service Performance

Leading to this Administrative review of district-operated transportation, in addition to the high cost of student transportation, there have been detailed numerous other contractual compliance issues during this current contract period. Non-working cameras, shortage of drivers, inability to provide both home-to-school and athletic transportation (without route consolidation), non-functioning block heaters, and late buses have been issues that the district has dealt with during the past four years. The district Transportation leadership holds weekly meetings with local Durham management staff and the Superintendent holds quarterly meetings with senior management to collaboratively address these issues. However, in some instances, the district has reduced payment to Durham as service credits for failure to fully comply with the contract.

District-Operated Transportation Analysis and Due Diligence

District staff from Finance and Operations, including Budget Office, Transportation Department, Payroll and Procurement, and Facilities have met weekly since summer 2017 to develop a management plan to analyze a district-operated transportation system. On occasion and as needed, Human Resources and legal counsel have also provided information and guidance relative to staffing, collective bargaining, and benefit eligibility.

As part of the study to convert to full district-operated transportation service, Administrative staff visited Savannah-Chatham (GA) County Public School System, Minneapolis (MN) Public Schools, Edina (MN) Public Schools, Eden Prairie (MN) Schools, and the Metropolitan Transportation Network, Inc (Fridley, MN). The district has also collaborated and shared information with the Francis Howell R-III School District in St. Charles, MO, a district converting from contracted student transportation to district-operated student transportation.

As a result of this due diligence, the Administration learned and developed student transportation best practices around:

- Conversion to district-operated transportation (Savannah-Chatham, Francis Howell R-III School District)
- Organizational structure
- Maintenance facilities
- Vehicle replacement cycle
- Building and parking lot needs
- Office layout
- Alternative fuel sources
- Customer service staffing

This district-operated plan is influenced and adapted by experiences learned from these other district colleagues. The district is very appreciative of the time and information that was shared by the staff from these districts / vendors.

Notable Districts Recently Moved / Moving to District-Operated Student Transportation

The following school districts have recently moved or plan to move from contracted transportation services to district-operated transportation services, for a variety of reasons. This list is intended to show that many districts are considering the transition to bring services within district operations. There are many lessons to be learned about these transitions - most notably the sufficient time to allow for proper planning for vehicles, employees, and space requirements.

- **Savannah-Chatham School District (GA) (2016).** Moved in-house after contracted vendor went out of business. The district already owned the bus yard and vehicles
- **Ritenour School District (MO) (2017)**
Most recently contracted with First Student. The district is lease-purchasing 28 new school buses to run 23 regular routes, as well as to transport students for athletic competitions and activity trips. The district began considering other options for student transportation as a result of increasing concerns about safety and reliability from parents and district administrators, as well as projected higher costs for contracting services next year. The district is cited with the following, “when a district owns and operates its own buses, it can serve families better and create jobs within the community.”

“For the last two years, we have considered several different transportation options to serve our students best and be good stewards of taxpayer funds,” said Superintendent Kilbride.

“As we looked into the costs of continuing to contract out for bus service while also weighing the benefits of having greater supervision over the employees who bring our students to and from school every day, it became clear that the best choice is to run our own buses. Our priority is our students, and we will work hard to provide safe, efficient school bus service so they get to school on time.”¹

- **Richardson Independent School District (TX) (2018)**

After consideration of securing a different third-party vendor to provide transportation the district determined that student transportation would be fully operated by the district beginning with the 2018-19 school year.

According to the district’s website, “Bringing student transportation operations inside the district is projected to be the most cost-effective option available to RISD and would also provide the district the most flexibility and control over bus operations. It will require RISD to hire approximately 150 bus drivers, 50 bus monitors and 20 support employees to manage logistics and maintain the bus fleet.”²

- **Dallas (TX) (2018)**

The district decided to self-operate student transportation after voters decided to dissolve the previous student transportation provider, Dallas County Schools.

- **Erie School District (PA) (partial 2018, full by 2020)**

The fixed route regional transportation authority is ending student transportation; the district has decided to self-operate transportation services

- **Pflugerville Independent School District (TX) (2019)**

Purchasing a fleet of buses is a way for the district to maintain control over the quality of the fleet and its drivers according to the district.

- **Shelton Public Schools (CT) (2019)**

Purchased own fleet of 60 school buses and will take over operations in 2019-2020 with an estimated savings of \$1 million.

- **Francis Howell R-III School District (MO) (in consideration for 2019)**

The district has been with First Student for more than 20 years but due to cited cost and performance concerns, the district is considering whether to self-operate student transportation in the 2019-2020.

¹ <https://www.ritenour.k12.mo.us>

² http://www.risd.org/group/districtnews/Student_Transportation.html

Benefits of District-Operated Transportation

Cost Savings

The district has developed a ten-year budget comparison for contracted services and district-operated services. This analysis shows that a district-operated model will provide **\$36 million savings** to the district that could be used to further improve transportation options for the district and reallocate funds to support instructional programs in schools.

Over the first five-years of a district-operated model, the district expects approximately \$11 million in total savings and over the second five-year period, an additional \$26 million in savings. These amounts are based on the way in which the district will lease-purchase school buses with upfront costs (years 1-5) and then with significant savings in years 6-10.

The district began leasing vehicles during the 2018-2019 school year (13 big buses and 10 mid-size buses), and based on this experience and ongoing additional research, the district would lease-purchase over a five-year period. The district is developing a long-term proposed fleet replacement cycle to smooth the purchase and replacement of vehicles over time rather than large scale replacements in any given year. This fleet replacement cycle is being done in collaboration with SBC Consultants (the same consulting firm that was used to analyze transportation operations in 2014).

The ten-year budget analysis is being used as a representative of the replacement cycle for buses. The Durham School Services website³ states that they “spread the cost of the buses over the entire useful life of the vehicle. The school district pays only a proportional share of these costs on an annual basis, rather than the total cost for replacement.”

For equal comparison, the correct analysis is to look at the cost of student transportation over the useful life of the vehicles, a significant cost factor in the budget. A ten-year replacement cycle maintains a very operational, cost-effective fleet. Industry data shows 8.5 to 9.5 years as a median fleet age and in some areas replacement after 17 years.

Otherwise, student transportation operational costs are essentially drivers (and monitor) salaries, fuel and maintenance, land and storage costs, and insurance and other costs. All other costs associated with a third party vendor that is “overhead and profit” is not needed in a district-operated model. All of these costs can be invested into improving transportation services and/or provide savings back to the district for reallocation to support instructional areas.

In the budget analysis, the district is using competitive salaries for bus drivers drawing from existing collective bargaining agreements and prevailing wage rates. The cost of driver and monitor salaries and benefits equal more than 52% of the proposed budget for district-operated transportation.

³<http://www.durhamschoolservices.com/outsourcing/Pages/outsourcing.aspx>

Real-Time School Bus Arrival App

A recent *School Transportation News* online survey⁴ shows that only 19% of responding districts use a real-time school bus arrival time apps for parents, while another 22% of districts want to have this feature available to parents.

The Worcester Public Schools have the ability to use existing routing software so that parents can know exactly where their student's school bus is and what time it will show up at their stop. This program graphically displays the school bus's location on a map, as well as the estimated time of arrival (ETA) to a specific student's bus stop. The school bus's location is automatically updated every five seconds and the ETA is recalculated to accommodate any delays due to traffic while in route. This application is available as either a web application or as a native app for iPhone® and Android™ smartphones. When using the app, parents can choose to receive push notifications alerting them to changes in their bus schedule, district-wide announcements and other important news. The web application allows users of other devices including PCs to access the information via a Web browser.

The district is prepared to implement My Stop application on currently district-owned buses and continue to work on technical integration with implementing MyStop with the current vendor.

The district could also expand use of Connect-Ed and social media in relation to the status of school buses as necessary.

Customer Service

With a district-operated student transportation system, the **student** becomes the heart of everything we do; not profit margins. With transportation fully under district control we become solely accountable for performance: Every decision matters, we do the right thing to achieve our goals. We can now achieve the high standards that we set for ourselves. As district employees, we want to be provide the best service, continually seeking a better way to do things. Customer service is all about meeting and exceeding the expectations of the student, parent, guardian, school staff, and school principal.

Customer Service Software

The district has piloted a customer service call center software for tracking, prioritizing, and solving customer support issues. The district anticipates having a solution in place as early as the 2019-2020 school year.

Dedicated positions to customer service

The FY19 budget reflects two added positions dedicated to answer phone calls and provide answers to parents and schools about transportation issues. Under a district-operated transportation system, the district will have the ability to know (and share) the status of every bus in the district, obtain immediate answers as to any issues that might be occurring due to traffic or other delays, help parents and schools with any transportation orders and changes. The district can integrate transportation and student database systems seamlessly to provide exceptional customer service support because all of the information and accountability is together in one location.

⁴ Source: www.stnonline.com/news/stn-polls as of November 2, 2018.

Supplemental Transportation: Athletics, field trips, New Educational Programs.

This phased approach will include initial lease-purchase of 7D vans that would support in-district transitions programs and allow expanded student transportation opportunities for programs such as Early College, Innovation Pathways, transitions programs, and other enrichment opportunities, the district recommends to self-operate up to 30 vans (7D) currently contracted to outside vendors over the next several years.

The purpose would be to provide cost savings to the district and reallocate the savings into other student transportation opportunities new to the district. For example, as the number of Early College programs with Quinsigamond Community College and Worcester State University expands next year, the options to schools and students may change next year as well. Classes may be offered on campus or at high school locations during the morning or before the end of the traditional day. Having 7D vans, which would provide current level of services to students, and then be available for in-city transportation shuttles, would allow full access for students to these programs throughout the city as early as next year.

The district currently is operating 11 big bus routes in order to accomplish athletic transportation for the district. Expanded district-operated transportation would allow for more athletic transportation (when needed) at a lower cost to the district.

In addition, field trip transportation has been cost prohibitive for many schools. With a district-operated student transportation system, only driver and fuel costs would need to be covered in order to provide field trip services. The Administration estimates that the district can provide field trip services on average of 75% less expensive than recently paid by schools. Recent sample of field trip costs, schools have paid \$379 for a bus and the WPS would be able to provide the same transportation for \$110. Some other recent examples:

From	To	Hours	Actual Charge	WPS Rate	Savings
North High	Cottage Hill	6	\$1,312.50	\$132.00	\$1,180.00
Elm Park	Tougas Farm	4	\$564.00	\$82.50	\$481.50
Harlow St./South High	Connecticut	6	\$682.50	\$121.00	\$561.50
Various Schools (AP)	North High	5	\$379.45	\$110.00	\$269.45

Current and Proposed Transportation Organizational Structure

The district began implementing changes to the Transportation staff within the FY19 budget. First, the Administration identified essential positions needed for successful student transportation. In this case, a successful student transportation includes:

1. The ability to properly manage a large department of drivers, monitors, mechanics, support staff, and contracted vendors.
2. The ability to provide proper safety and operational training to staff.
3. The ability to provide training for new drivers.
4. The ability to develop bus routes in a timely and efficient manner.
5. The ability to answer questions about bus routes, bus locations, and operational questions to parents, schools, and other stakeholders in a timely manner.

6. The ability to communicate with bus drivers while driving about student issues, stop changes, traffic issues, and/or safety concerns.

The Administration then looked at peer departments, including the Georgia and Minnesota districts that were visited as part of this analysis. This analysis looked at what the “standard” staffing ratio should look like in a fully districted operated transportation system. After research, while there are no industry standards for this, a review of hundreds of other districts suggest a range of one full time equivalent positions for every 700-1,000 student riders would be an efficient staffing level.⁵

Based on this staffing ratio, the Worcester Public Schools would need to have 12-17 full time support staff.

- **Transportation Director (existing) (1)**
- **Assistant Transportation Director (added in FY18) (1)**
- **Operations Supervisor (3)**
One position currently is established in the FY19 budget to oversee both big bus and Special Education buses. Under a full district-operated model, there should be one position each for big bus, special education, and specialized transportation (7D van service).
- **Safety & Training Coordinator (added in FY19) (1)**
The district currently has 6 certified bus trainers. One full-time dedicated position was added during FY19 and the others perform other duties within the Transportation Department (routers, liaisons, and drivers). Under any expanded district-operated model, additional supplemental trainers can be used for training people to become licensed as a school bus driver.
- **Transportation Liaisons (added in FY19) (3)**
Provides customer service for parents, schools, and other stakeholders and communicate with bus drivers.
- **School Bus Router (added in FY19) (2)**
Routers are responsible for the efficient scheduling of all buses in the district. Routers plan all corner-to-corner big bus routes as well and all curb-to-curb special education routes during the summer for the school year based on student enrollment and walking distances to school in accordance with School Committee student transportation policies, as well as any address changes or new transportation orders for special education transportation. They are also responsible for developing routes for changes in school bell times (starting and ending times) as well as accommodating all charter school, private school, and parochial school transportation applications.

⁵ Source: Roberts, Dan (2013) “Best Practices in Student Transportation”, Transfinder Corporation (page 2).

During most school years, there are more than 4,000 special education and 750 big bus route changes made each year and increasing each year. While this equates to an average of 26 changes per day, the bulk of these route changes occur during the first two months of the school year.

- **School Bus Service Manager (added in FY19) (1)**

The work to date has yielded significant savings in outsourced school bus maintenance.

- **Bus Mechanics (6)**

Industry-standard staffing ratios for bus mechanics is one mechanic for every 22 school buses. Based on this ratio, the district should have 10 bus mechanics. However, since the majority of the bus fleet will be new or recent vehicles, the Administration believes the current compliment of staff is sufficient for the next several years. The overall objectives of the bus mechanics is to keep buses running at all times needed during the school day and to extend the useful life (reduce the purchase cost and frequency) of new school buses. With proper maintenance and care, it is expected that district buses should be in the fleet for approximately 12 years.

In several cases, some of these positions have been converted from other positions. One Operations Supervisor was converted from a Transportation Coordinator position. The Safety and Training Coordinator was converted from an Assistant Coordinator position. One of the Router positions was converted from an Assistant Coordinator position.

The additional positions were added through the savings realized by running eleven big bus routes through district-operated buses and returning four special education mid-size buses to district-operated routes. The move was also intended to provide direct support of an additional eleven big bus routes that the district began directly providing this year resulting from not receiving any bids for the athletic transportation contract for this year. This is the first time in known history that the WPS is directly operating big bus transportation. In order to be cost effective in providing athletic transportation, the district also operates eleven morning and afternoon routes for home-to-school transportation. Overall, the transition of eleven district-operated big buses saved the district \$402,000, with \$208,000 invested in new support positions for transportation operations (see pages 62 and 176-177 of the FY19 budget book) resulting in FY19 savings of \$194,000. The current eleven district-operated big bus routes are attached. Ten of the afternoon routes are designed and assumed to be available for athletic transportation daily at 2:15pm.

The district is exploring a phased-in student transportation system over the next several years resulting in a cost savings, improved customer service to students, parents and schools, and expanded transportation options for the district at no additional cost than the current budget. The district looks forward to a cooperative and responsive working relationship with any existing and future contracted vendors during the transition.