TAS

SOUTHEAST ROCKLAND REGIONAL TRANSPORTATION STUDY

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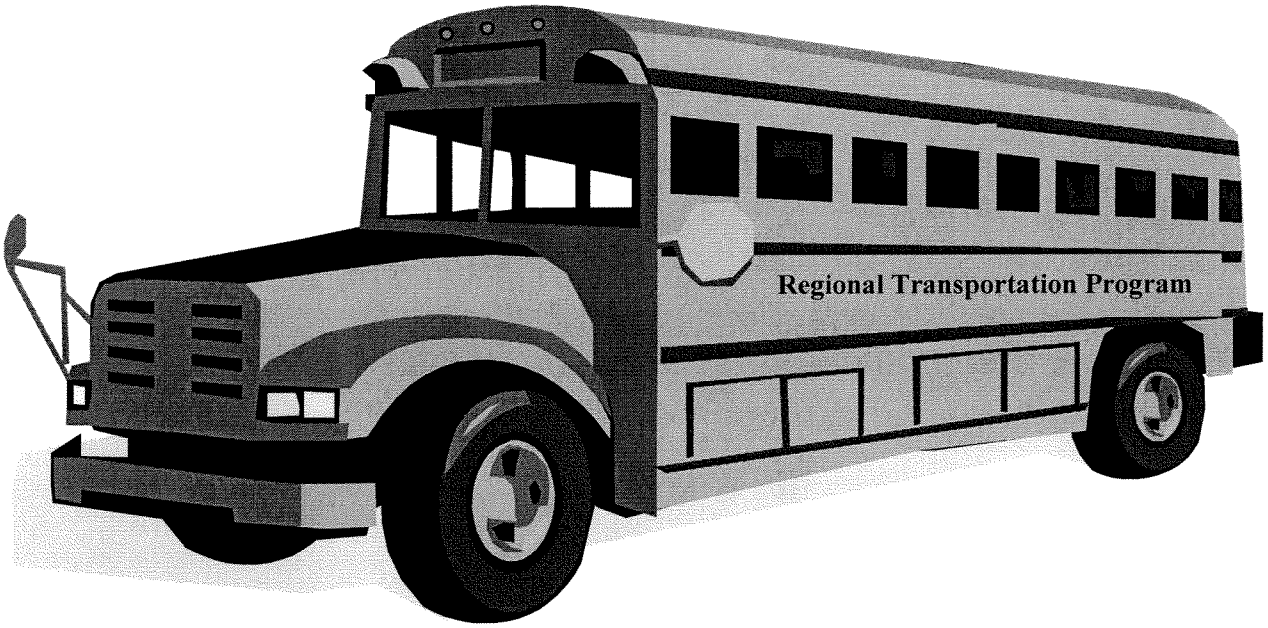

FINAL REPORT

September, 2010

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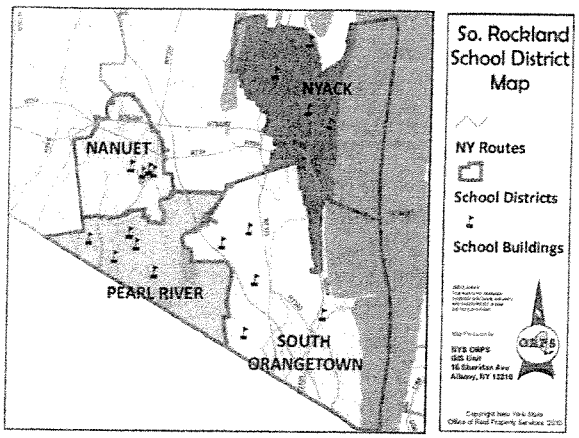
INTRODUCTION



Transportation Advisory Services (**TAS**) was engaged to perform a feasibility study for the coordination and sharing of transportation resources among four districts located in Southeast Rockland County. The participating districts were: Nanuet Union Free School District, Nyack Union Free School District, Pearl River Union Free School District, and South Orangetown Central School District. In this report, the above districts are frequently referred to as the Southeast Rockland School Districts, or "S/E RSD".

The Study's liaison was Ms. Carleen Millsaps, Assistant Superintendent for Business at the Nyack Union Free School District. Christopher J. Andrews was the primary consultant for TAS.

The study was conducted during the 2009-2010 school year.

STUDY BACKGROUND

The four districts applied for and received a Local Government Efficiency Grant to undertake a study to determine the feasibility of consolidating student transportation. As stated in the Request for Proposal:

"The study will take a comprehensive look at each district's pupil transportation services program and individual transportation policies, including time schedules, to understand how each district's transportation services currently operate. From this information, the study will form conclusions and recommendations regarding the potential cost savings, service improvement, and any perceived barriers to consolidating transportation programs through a cooperative venture. The study must include developing operational and staffing plans and suggesting models and alternatives for sharing and consolidating transportation services, including which district would directly provide the transportation services and which districts would contract for the service. Estimates of cost savings through the elimination of duplicated services and how services can be improved must be detailed in the findings presented in the study. Finally, the

study will provide an implementation plan for the governing school boards to review."

REPORT STRUCTURE

Transportation Advisory Services (TAS) has been providing consulting services to New York State districts for the past 23 years. This knowledge and experience provides us with insights on what works and what does not work. We have coupled these unique perspectives with our knowledge and experience having worked in 17 other states (with districts of all sizes and structures). We have worked with regional programs in other states; we have worked with regional and national contractors; we have worked within regulatory environments; and we have experienced operating programs that function in a safe and responsible manner without the onerous regulations that exist in New York State.

We have structured this report to provide the districts with recommendations for what we define as the "near-term" and the "long-term". The near-term includes recommendations or actions that we believe can be achieved within two years. In many cases, these are changes that can be accomplished within the current regulatory environment in New York State. That does not imply that they will be "easy", just technically achieveable. For example, reducing the number of vehicles required for out-of-district transportation would result in immediate cost savings.

The long-term is considered to be that period after the two year near-term window. Some of these recommendations will take time due to contracts currently in place, regulatory changes, or market demands. As we look at the long-term, we have attempted to minimize any tunnel vision that is based on the present realities. In some cases, we have attempted to step back and take a fresh look at how services are provided, why they are provided, and how else the needs can be met.

Thank you for providing the opportunity to address this critical issue. In this report we review State requirements for providing student transportation services; the way that districts are reimbursed for the services that are provided; the use of contracted services; the scheduling of programs; and the process that has created independent transportation entities when each entity is providing the same basic service.

We fully realize the enormity of what we are recommending in this report. Our years of experience have provided us with insights on methods to assist districts in enhancing their educational goals by generating efficiencies in the key support service area of transportation. Based on the perspectives that we have gained through our past engagements, we believe that without systemic changes, the economic realities facing districts will limit the educational opportunities for students... place students in smaller districts at a serious disadvantage... and result in forced mergers and consolidations of districts... thereby limiting options available to local communities.

We have provided ideas and recommendations that may be implemented to improve services, save money, and/or create additional resources. It is important to keep in mind that sharing does not require all districts to participate at the same levels. In some cases, sharing may be just two districts, or contiguous districts, or all the districts – not just the participating districts, but others within the region. In some cases our specific recommendations may not prove to be workable, but they may spur discussions and analyses that result in even better changes.

The one factor that will be paramount in any success is the commitment from the Boards of Education, and the Administrations, to enact change and to provide the resources and incentives to achieve the desired results.

METHODOLOGY

Transportation Advisory Services (**TAS**) was engaged to perform a feasibility study for the consolidation of student transportation services among four districts of the Rockland County – Nanuet UFSD, Nyack UFSD, Pearl River UFSD, and South Orangetown CSD.

The study process was straightforward and analytical. We surveyed the participating districts to obtain an understanding of the individual programs. We tested the feasibility of options available to participants, based upon the facts and comparisons made with other districts, and made recommendations accordingly. We conducted interviews with each of the participants in order to gain perspectives about their current operations, as well as gauging their interest in sharing resources.

The four districts applied for and received a Local Government Efficiency Grant to evaluate the benefits of a consolidated student transportation model. Upon receipt of the grant, the districts issued a Request for Proposal from qualified student transportation consulting firms. TAS was awarded the project, and subsequent to a group presentation, the following efforts have been undertaken:

1) A data collection instrument was developed and distributed to the districts. This instrument was designed to facilitate responses from the Administrative, Financial and Transportation areas. The document requested information on a variety of transportation related items, including practices and policies, historical financial information, operating procedures, labor information, current shared services, and possible program changes. The forms were completed by the districts and returned to TAS prior to the on-site visits.

2) Upon return of the data collection instruments to TAS, the information was analyzed to establish an initial profile of the various operations. Areas requiring further clarification were highlighted as the basis for questions during the on-site visits to each participating district.

3) Subsequent to this analysis, a TAS representative visited each of the participating districts. On-site meetings were conducted

with the Business Administrators and Transportation Supervisors. A meeting was also held with the Transportation Supervisor at Rockland BOCES to gain his perspectives about sharing opportunities. These interviews were extremely productive as we gathered information relative to each district's interest in improving the efficiency and effectiveness of their transportation programs.

4) Upon receipt and analysis of the data requested, TAS extracted pertinent data for entry into a data base created for this study, which will be utilized to evaluate the various programs and identify potential sharing opportunities.

5) Given the participating districts interest in jointly coordinating both in-district and out-of-district runs, TAS reviewed the software status of the three Transfinder client districts, and contacted the vendor, to gather information and cost estimates for centralizing this effort.

6) This study was conducted by members of the TAS consulting staff. In certain areas, outside advisors were consulted where specific expertise was necessary.

The information used in this study was obtained by TAS from a number of sources. While every effort was made to assure that such information was the most current and complete information available for the purposes of this study, TAS does not certify the accuracy of such information.

PARTICIPANT PROFILE

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The four districts included in the study operate their transportation programs in varying fashions under contracts with several contractors. The primary contracts (with expiration dates), are noted below:

District	Primary Contractor
Nanuet	Brega (6/30/2010)
Nyack	Brega/Vel (6/30/2010)
Pearl River	Chestnut/Vel (6/30/2010)
S. Orangetown	Student Bus/Brega/Chestnut (6/30/2010)

In order to develop an understanding of the transportation programs operated by each district, a data collection instrument was developed and submitted to each participant (copy included in Appendix). The information gained through an analysis of the data submitted by the participants was combined with information contained in the Transportation Aid Output Reports (TRA) covering the 2008-2009 operating year, 2009-2010 State Aid year (most recent reports available).

It is important to develop an understanding of the current costs and operating elements of the various programs as a basis for evaluating the potential effectiveness of recommendations and changes. It is very important for the reader to keep in mind that transportation is an area that is highly influenced by the variables that exist for a district, including: demographics; population density; special education population and services; proximity to out-of-district private/parochial schools; land/facility availablilty; and geographic limitations. In most cases these factors are very difficult for an individual district to control given the need to provide mandated services to the students.

Other elements of a program also affect cost but are within the control of the district: bid/RFP specifications, bell times, field and sports trips, and policy mandates (walker distances, riding time mandates). For example, some contracts require monitors, while some do not. Length of day varies by contract from 4 hours to 6 hours. Some contracts require GPS units, digital cameras, and have fleet age limitations. These variables have resulted in a wide variety of costs, with a full size bus ranging in cost from $63,841/year to $75,712/year, averaging

$68,565 per bus. Similarly, 20 passenger vans range in cost from $43,253/year to $58,906/year, averaging $48,147 per van. This information was developed from our review of the contract information provided by the participants. It reflects only those costs associated with full day buses and vans. Each district also has a wide variety of part-day, late day, and per student contracts for buses, vans, and cars. All of the information collected as part of this study can be found in the Appendix to the Master Copy of the report.

Similarly, the cost per student transported is impacted by the same factors. As the table below indicates, the cost per student transported varies from $1,079 to $1,250, for an average cost of $1,187 per student transported:

Description	Nanuet	Nyack	P. River	S.Orange	Total
Expense *	$2,627,075	$2,797,956	$2,741,923	$4,335,982	$12,502,936
Students * Transported	2,435	2,437	2,194	3,470	10,536
Cost per Student	$1,079	$1,148	$1,249	$1,250	$1,187

**Expense from Line 177 on TRA Output Report; # students transported provided by each participant. Different bid specifications and varying special needs requirements affects the cost per student.*

TRANSPORTATION AID

At the present time New York State is providing transportation aid to districts predicated on a baseline calculation determined by a resident wealth factor. In some districts, incremental aid is provided if the density of population is very low (on a relative basis) given the theory that these "rural" districts experience a disproportionate cost to transport students.

The minimum aid in New York State is 6.5% and the maximum aid rate is 90%. In Rockland County, the majority of districts have seen significant erosion in transportation aid. Additionally, certain elements of a program are not "aidable" as defined by services which are considered voluntary (not mandated by the State). These services are typically sports trips (known as other purpose miles), and providing transportation to students who live less than 1.5 miles from school (known as non-allowable miles). The impact of these non-aidable services has resulted in an *effective* aid rate that is 14%-23% less than the stated aid rate as shown in Table 4-1, which references data from the TRA Reports:

Line #	Description	NANUET	NYACK	PEARL RIVER	S. ORANGETOWN	TOTAL	AVERAGE
159	Total # Approved for Aid	$2,020,820	$2,394,818	$2,117,979	$3,746,877	$10,280,494	$2,570,124
32	Transporatation Aid Rate	27.4%	27.0%	39.0%	27.7%		30.3%
	State Aid	$553,705	$646,601	$826,012	$1,037,885	$3,064,203	$766,051
177	Grand Total Expense	$2,627,075	$2,797,956	$2,741,923	$4,335,982	$12,502,936	$3,125,734
	Effective Aid Rate	21.1%	23.1%	30.1%	23.9%		24.6%

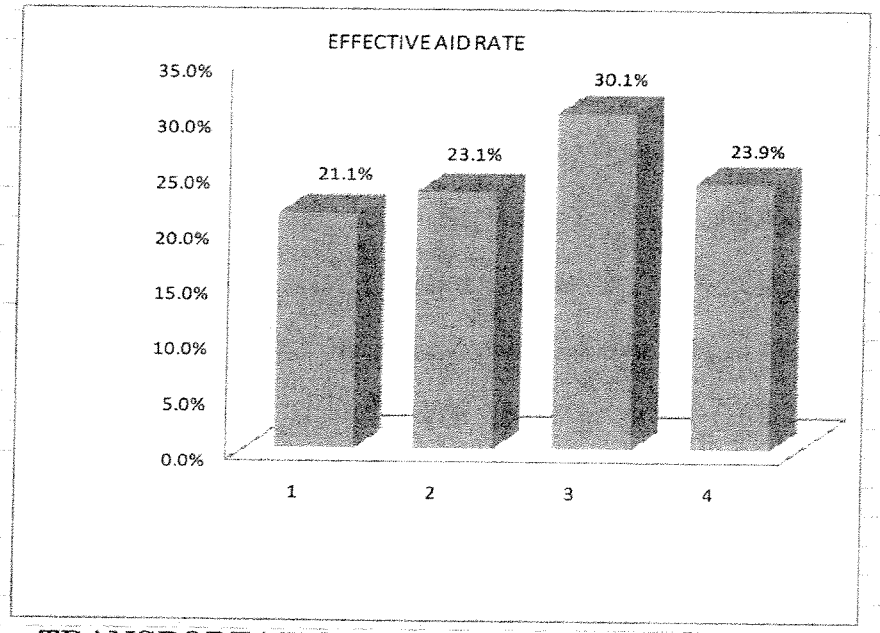

Table 4-1 TRANSPORTATION AID RATE COMPARISONS

We believe the above analysis of aid is critical as a district reviews its transportation policies and practices.

FINANCIAL OVERVIEW

As we review various options for coordination between the four participants, there are industry standards, ratios and calculations that will be utilized in our cost analyses. The figures represented on Table 4-2 are based on the Transportation Aid Output Report for the most recently completed school year – 2008-2009 (based upon 2009-2010 aid report).

Table 4-2: TRA COMPARISONS 2009-2010 REPORT YEAR

Line #	Description	NANUET	NYACK	PEARL RIVER	S. ORANGETOWN	TOTAL	AVERAGE
12	Non-Allowable Pupil	0.1707	0.0466	0.1468	0.0663	0.4304	0.17216
27	Enrollment	2,356	3028	2672	3485	11,541	4,616
28	Square Miles	5.137	12.524	7.486	19.221	44.368	11.092
29	Enrollment per sq mile	458.6	241.775	356.92	181.312	1238.607	309.65175

32	Transportation Aid	27.4%	27.0%	38.0%	27.7%		30.0%
148	Total Expense	$2,541,032	$2,717,047	$2,656,923	$4,335,982	$12,250,984	$3,062,746
159	Total # Approved for Aid	$2,020,820	$2,394,818	$2,117,979	$3,746,877	$10,280,494	$2,570,124
177	Grand Total Expense	$2,627,075	$2,797,956	$2,741,923	$4,335,982	$12,502,936	$3,125,734

As evidenced above, the four districts combined spend in excess of $12,000,000 annually to transport their students.

NEAR-TERM RECOMMENDATIONS

As stated earlier, sharing can be between two or more districts. Not all districts may be willing or able to share in all aspects of a regional transportation approach.

We have divided our recommendations into two main categories – near-term and long-term. We define near-term as recommendations that we believe can be implemented within two years. Long term recommendations will take longer than two years, or may need to be phased in over an extended period of time.

OUT-OF-DISTRICT RUNS

In the Appendix we have included a table which identifies the out-of-district locations as provided by the participants. This is reflective of these programs at a point in time, and the data changes almost daily. As shown in the table, there are 92 different destinations for 1,016 private/parochial and Special Education students. Each of these destinations represents a run to an out-of-district location for one or more districts.

Sharing out-of-district runs is not always easy. Considerations such as riding times, special education student needs, and bell times create demands on programs. However, we have found that aggressive coordination of runs, modifications to bell times, and changes to historical thoughts about riding times, can allow a bus from one district to pick up students from one or more other districts on the way to the destination(s).

Due to the fact that many schools combine in-district and out-of district runs whenever feasible, identifying costs can prove difficult. However, in Section 3 we noted that the combined costs of the four districts was approximately $12,000,000 annually. If we assume for this discussion that the large contracted buses could meet the needs of most in-district transportation, then we can arrive at a cost for this by multiplying the cost per bus by the number of buses, as seen below:

Nanuet	25 buses
Nyack	19.5 buses
Pearl River	14 buses
S. Orangetown	26 buses
Total	84.5 buses @$68,565avg = $5,793,743

Based upon this estimate, roughly $6,000,000 (50%) of the money spent on transportation within the four districts is for the transportation of approximately 1,000 students to out-of-district locations. As noted in the contract cost discussion in Section 3, if just one dedicated out-of-district van or bus can be saved in the region, it would represent average savings of $48,147 - $68,565. Until detailed analyses can be performed by consolidating maps, it is impossible to accurately project the total number of buses that could be reduced; however, our experience has shown us that for these reasons the savings would be substantial. In two previous studies, a district on Long Island reported a reduction in an out-of-district contract from a projected $80,000 to $38,600 due to sharing, and a group of rural schools outside of Rochester reported savings of over $300,000 during the initial year of shared runs (copies of letters are provided in the Appendix). It would therefore not be unreasonable to expect a cost reduction in the 10-20% range.

In order to realize these cost savings by implementing a formal out-of-district coordination program for the 2011-2012 school year, we recommend the following actions:

- A thorough analysis of current runs and placements needs to be conducted. Once the detailed data is accumulated, new runs that consider students as "regional students" as opposed to "XYZ school district students" need to be developed.

To that end, the region should move toward the computerization of out-of-district runs. For efficiency purposes, the process should be coordinated by one of the participating districts. Given that TransFinder is the most frequently utilized program in the region (3 of 4, with the 4th in the process of acquiring it), one of the Transportation Supervisors proficient in its use could coordinate this effort. It may be adviseable to engage this individual under a two-three month contract to pull this information together and assess possible savings. Once the data base was populated with the required data from each district, and current maps of the region were available, options for coordinated runs could be determined, and the need for a permanent shared coordinator could be clarified.

The counties to which students are being transported are Rockland, Westchester, and Bergen County, NJ. Current versions of these county maps must be purchased.

Initial suggestions include the following:

1. One of the four school districts, would act as the "lead district". An individual in the transportation department of the lead district is to be well versed in the use of Transfinder Pro, and the routing software is to have a current as well as an updated copy of the three county maps. For the two New York counties it is recommended that the cyber maps be used. These are available at no cost from the New York State Office of Cyber Security & Critical Infrastructure Coordination. Transfinder estimates for uploading/conversion of the latest maps is $1,500 per map.

2. The person in the lead school district will work with the Transportation Supervisors from the other three school districts using his/her Transfinder's *Routefinder pro* software.

3. All students attending out-of-school district locations in each of the four school districts are to be entered into a separate database of the lead school district's routing software for the cooperative transportation service.

   The schools and special education locations are to be entered into the same separate database. For future purposes it is recommended that every private/parochial school and special education location in each of the three counties be entered.

   The best way to do this would be to make a copy of the existing database of each of the four school districts. Then delete all the in-school district students and in-school district routes from each of the four school districts. What will remain will be the out-of-school district students and routes.

   It would be wise to enter a school district code for each student in order to track which students came from which school district.

4. The students, the schools, and the special education locations would have to be geo-coded.

5. New routes would have to be created which are based upon a criterion of combining on a single route as many students as possible from two or more of the four school districts who attend

the same school or special education location. "What-if" routes would be created utilizing the buses from the four school districts.

In route development, the four districts would have to establish the maximum reasonable amount of time for the first student or first group of students to be on the bus. A suggestion is 60-90 minutes.

6. The cooperative use of contracted buses through one or more of the four school districts must follow State guidelines. The State prohibits "piggy backing" of contracts, but does allow one district to share out-of-district costs with another if properly spelled out in the specifications. The districts currently engage in this practice.

7. Invite other schools within Rockland County to participate in this effort, as all will benefit from the coordination.

The operational scenario is that one of the school districts has the responsibility for maintaining the regional routing for all of the out-of-school district students, receiving information from the other three school districts, but doing all the work. This district would be the "power users" for the consortium. The other three school districts could use Transfinder's *Infofinder le* to access the data.

1. All participating school districts would have to be Transfinder users and be willing to share student and transportation service operational information.

2. All districts must have Transfinder *Infofinder le* as well as Transfinder *Routefinder pro.*

Initially, one school district would do the out-of-school district routing for all four school districts. Beyond that, one school district may do all the out-of-school district routing with the other three school districts having access to the routing via *Infofinder le*, or all school districts use *Routefinder pro* and *Infofinder le* on a shared environment.

Infofinder le is the internet connection necessary to tie the systems together. Transfinder estimated cost for each system is $4,500, and $900 annually. A second Transfinder license for each system (allowing multiple users), is $1,750, and $250 annually.

• Bell times should be reviewed. For private/parochial sites, once the data base was evaluated and options were identified, private/parochial locations should be approached about making modifications that

would allow more efficient services, bearing in mind provisions contained in the current regulations:

- 22:109 – "Once children are transported to the nonpublic school, responsibility for their supervision belongs to the nonpublic school even if the children arrive before the start of the school day"
- 22:116 – "Public schools are not required to transport to nonpublic schools on days when public schools are not in session"
- 22:117 – "...the adoption of an unreasonable schedule by a nonpublic school will not result in an obligation on the part of the public school district to provide special transportation services at additional expense in order to meet that schedule."

For BOCES locations, a similar process should be undertaken to see if adjustments could be made to reduce transportation costs while still meeting the educational needs of the students.

COOPERATIVE BIDDING

Based on current regulations, one district cannot issue bid specifications (RFP) and then have other districts participate – or "piggyback" – on the bid. However, districts can bid cooperatively, issueing one set of specifications and awarding separate contracts, similar to what we're told was a cooperatve energy bid within this region.

• We suggest that the districts consider a cooperative bid approach for the entire transportation program, but as a long-term project. Further discussion can be found in the following Section.

• We recommend that the districts develop specifications for out-of-district transportation, using current district specifications as a basis. Prices should be sought for all types of services envisioned, including vehicles by the hour (1-hour van, 2-hour van, etc.) and additional needs (w/c, monitor, a/c, GPS, cameras, etc.). The resulting award could be combined with the results of the coordinated routing effort discussed above to generate further savings.

ALTERNATIVE FUELS

Some of the participants mentioned an interest in alternative fuel, and its impact upon school transportation. We have conducted some preliminary research on this topic, and have found that aside from

diesel fuel (and related biodiesel and clean diesel), there are three options currently available within the school bus industry, listed below in no particular order:

1) Diesel/Electric Hybrid
2) Liquefied Petroleum Gas (LPG) – Propane
3) Compressed Natural Gas (CNG)

We gathered information from a variety of websites, both informational and industry specific. *School Transportation News* published a helpful article about these vendors in their August, 2008 issue "The Big Three on the Present and Future of Alternative Fuels". We also spoke with representatives of New York distributors of each of the manufacturers. No action need be taken immediately, but for future reference the results of this research can be found in the Appendix.

SHARED COORDINATOR

This can be seen as part of the coordinated out-of-district effort discussed at the beginning of this Section. As envisioned, the out-of-district coordination office would require a FT coordinator with a PT assistant, whereas establishing a Regional Transportation Office (see Long-term Section) would require additional staffing. A regional coordination office may necessitate:

1) the establishment of a centralized office;
2) the districts requesting the sharing may need to compensate the other district for services provided;
3) the coordinator may need 6-8 weeks to consolidate maps.

Assuming that these issues can be addressed, districts should be able to maintain quality supervision at reduced cost. It is not necessary for the districts to have similar operating policies, only for a centralized office to know what they are and be able to coordinate effectively with that knowledge. For those districts considering this possibility, we have included in the Appendix a prototype "Agreement for Shared Services of a Transportation Supervisor", that outlines the duties, terms, and compensation criteria of the shared position, with a similar format used for the shared coordinator. Over the long-term, the entire region should move toward centralized program management as we detail in the Long Term section of this report.

LONG-TERM RECOMMENDATIONS

If the four districts had the unique opportunity to "start over", it is unlikely that they would establish four separate transportation programs of various sizes, develop independent bell time structures, write unique bid specifications, etc. They would be more likely to develop one or two centralized operations based on vehicle numbers that maximize facility and staffing resources, and provide services to all students based upon standardized policies and procedures.

LONG TERM STRUCTURE

The present transportation profile in the region is as follows:

DISTRICT	BELL TIMES	#BUSES/VANS	CONTRACTOR
Nanuet	HS 7:30-2:10 MS 7:36-2:36 ES 8:30-3:05	25/18.5	Brega
Nyack	HS 7:30-2:15 MS 8:05-2:50 ES 8:50-3:20	19.5/2	Brega/Vel
Pearl River	HS 7:34-2:43 MS 7:55-2:45 ES 9:00-3:15	15/6	Chestnut/Vel
S. Orangetown	HS 7:35-2:20 MS 7:35-2:20 K-1 8:30-2:50 ES 9:10-2:50	26/35	StuBus/Brega/Chestnut
Totals		85.5/61.5 147	

The ideal transportation program in the region would look like this:

- Regional Transportation Supervisor (a district or a contracted employee) overseeing the entire program
- Two-three maintenance/operations facilities of up to 100 contracted buses each
- Centralized dispatch located in one facility with GPS access to all vehicles
- Regional routing software with centralized routing responsibilities
- Some buses may be parked at district site to reduce deadhead mileage

- Common language specifications
- Standardized transportation policies
- Regional automated fuel site(s) with large vehicle wash facility available to municipal entities
- Contracted buses identified as "Rockland Regional Transportation Program"

In this section of the report we will explain each of the areas mentioned above.

Transitioning into a centralized program will be challenging. Due to multiple contractors in the region, and limited land availablity, some "ideal" situations may not be feasible, but are worth investigating. It would be best to bring in other districts in the region.

REGIONAL TRANSPORTATION SUPERVISOR

In the long run, we recommend that the districts move toward a single transportation program that we have entitled "Rockland Regional Transportation Program". In the single program model, there would be a Transportation Supervisor overseeing the entire four district operation. This person would be a professional manager with financial management and budget responsibility, personnel management experience, excellent written and verbal communication skills, and an organizational management background. In other states where we have worked with large regional programs, a person in this capacity may hold a business manager's certification or similar administrative training. This person would not necessarily need technical student transportation experience as that expertise can be provided by support staff members, and learned over time.

The Regional Transportation Supervisor would be responsible for a multimillion dollar budget, and oversee a contracted fleet of over 100 vehicles. This person would be managing the equivalent of a very large transportation firm.

SUPPORT STAFF

Supporting the Regional Transportation Supervisor would be 2-3 trained routers/dispatchers utilizing an industry-standard routing software program. This program would be integrated with the student management software operating in each district. By centralizing the routing function, the districts will gain an experienced routing operation that can coordinate and allocate contracted bus and labor resources among the participating districts.

In the long term, the centralized routing and dispatch function would be operated utilizing GPS technology in each bus. By harnessing this new technology, all buses would be available in live time on the routing software screen so the dispatcher can respond to questions while tracking performance and efficiency. The use of this type of technology has shown to reduce run times and control labor costs. For example, if treated as one large district for transportation purposes, bell times would be modified to allow for the most efficient movement of students among the buildings. The centralization of this function eliminates the need for dispatching personnel in the various districts.

Depending upon the method chosen, it would be in the best interests of the participating districts to use language/terms in the specifications that are common to all of the contracts. Having reviewed each of the districts current specifications, it appears that there is much similarity, with different formats used. A Regional Supervisor should be tasked with pulling them all together into one cohesive document. The most helpful language, that would enable apples-to-apples comparisons, would be requesting bids on similar categories. For example, every specification should request a daily price for the same size of vehicle and hours of service, as follows:

20p van	One (1) hour-AM only	$_____
	One (1) hour-PM only	$_____
	Two (2) hour-AM only	$_____
	Two (2) hour-PM only	$_____
	Three (3) hr-AM only	$_____
	Three (3) hr-PM only	$_____
	Four (4) hour	$_____
	Five (5) hour	$_____
	Six (6) hour	$_____
	Seven (7) hour	$_____
	Eight (8) hour	$_____
	Nine (9) hour	$_____

The same request would be made for each type of vehicle – van with or without wheel chair, a/c, monitor, GPS, digital camera, and every combination of these needs. Then proceed with bus prices, using the same criteria. The specifications could state that the district presently utilizes "x" number of each type of vehicle, but for award

purposes only "y" number of vehicles in each category with be utilized for calculation of the bid, to give you some flexibility in analyzing the bids with an eye towards future changes in operation.

FACILITIES

There are three primary contractors located in the region that currently provide supervision and maintenance for the fleets that serve the four districts. Another contractor operates from its New Jersey facility. The four school districts are therefore supporting the management, staff, ownership, and facilities of four independent companies. If sufficient land was available, the consolidation of some of these operations should result in less overhead, translating to lower costs. We believe that it would be in the best interests of the participants to engage the services of a commercial Realtor to search for a suitable site. In the meantime, the districts should request a local politician to look into the feasibility of making some of the State owned land in Pearl River available to the schools and municipalities in the region for a centralized transportation and fuel/wash facility. A shared facility could be built by one district, or a consortium, or BOCES – to house multiple operations. For reference, we have provided in the Appendix a prototype transportation facility designed for us by a NYS architect familiar with the school bus industry. The districts would of course hire an architect for this project, but the enclosure provides a basis for discussion.

Other contractor owned locations could be utilized within the region, and each could be equipped with a maintenance van to allow mechanics to travel to breakdowns or to support any start-up issues for buses parked at district sites. Once the program is operational, the Regional Supervisor can evaluate the cost effectiveness of a regional towing contract, or the purchase of a tow truck for the region.

The buses utilized in the Region could all be labeled as "Rockland Regional Transportation Program" to allow for ease of movement among the districts. Although most vehicles would operate out of the maintenance centers, it may be advisable to locate some vehicles at current district sites in order to reduce deadhead time. This decision would be made by the Regional Supervisor after reviewing routing options and in consideration of contractual issues.

REGIONAL PROGRAMS

It is important to put this regional consolidation program into perspective. As shown on the TRA table included in Section 3, the

sum of the actual square miles of each of the four districts as reported by the State shows a total square mile area of 44.368.

For a size comparison, the Saranac Lake Central School District in Upstate New York shows 684 square miles. Although it certainly does not have the population density of the four districts, the large area is serviced by 20 route buses operated out of one terminal location. Another example would be the Gouverneur Central School District. This district of 226 square miles utilizes 35 buses from one terminal.

Changing to a regional approach operating out of transportation "hubs" will be a considerable change for the districts. However, the reduced number of facilities; streamlined and professional management; integrated routing; bell time changes to maximize the combined fleet; and common language specifications could provide the participants with enhanced services at reduced costs.

CAN THIS BE DONE?

From a purely operational standpoint, the regional transportation program can certainly be done. However, the transitioning from the current independent model will take significant planning, legislative assistance, and modifications to state regulations. Additionally, there are other changes that could be considered to realize operating and financial benefits.

Some of the potential changes are controversial, and may not be politically viable. However, as districts and the state address funding limitations, tough choices will need to be made between dollars funding education versus dollars funding historical practices and procedures.

As an example, we were involved with a similar project in Philadelphia, NY – the local district (Indian River) built it and dispatches the contracted fleet of 100+ buses from that location, and the maintenance area/fueling station is shared with the contractor, the Town, the Village, and the State (see documentation of this and similar results in the Appendix).

AUTHORITY

The Regional Transportation Program would need to be structured to operate as an independent "agency" to support the districts. Although moving this operation into the BOCES model is an alternative, another option would be the development of a transportation

authority. We are not aware of any authorities actually operating at the present time, and it is our impression that creating such an agency is time consuming, at best. However, the concept of an authority has been offered by the State Education Department as a method of addressing operating issues in other areas where the integration of services between districts was the desired result. Therefore, if the participants would like to move forward on implementing the Regional Transportation Program model under a separate authority, we recommend that this direction be explored with the State.

TRANSPORTATION AID

The issue of State Aid for transportation will need to be addressed. As the Regional approach takes shape, the allocation of costs between the participants will become challenging. Additionally, issues such as deadhead miles, merging students from districts onto home-to-school runs, aid levels based on typical wealth calculations, capital cost allocations, facility costs, and more will not fall into the typical aid calculation model. It will be important to address the aid issues with the State to develop a prototype aid model for the regional approach.

As shown in this report, the regionalization of the transportation program should result in lower absolute costs for transportation. Additionally, it will facilitate changes to the instruction models by allowing flexibility between school assignments and programs. Although both of these outcomes will be beneficial to the education system and the State, the current aid structures are not designed to address these issues. The current aid model does not encourage efficiency given the varying reimbursement rates coupled with the lack of incentive (revenue generated from sharing is deducted in aid calculation) for a district to generate transportation income through the sharing of services.

LEGISLATIVE CHANGES

An important aspect of the regional approach will be the integration of transportation services between districts, in many cases disregarding district boundaries. Therefore, depending on the extent of the regionalization and the organizational structure, there may need to be permissive legislation to allow one district to transport another district's home-to-school students. The participants will need to seek experienced advice on process and procedures, and they may need to seek legislative assistance to facilitate the conversion to a cost effective transportation model.

In our recent discussions with the State Education Department, if proposed legislation is approved, they expressed interest having the four districts participate in a Pilot program for shared contracted services. They would like to look at an option where a contractor actually coordinates and runs multiple programs as a comparison to a similarly structured public sector model.

Although current regulations do not prohibit the sharing of transportation services, they also do not state that it can be done, and legislation is needed to clarify the subject. Several years ago we engaged the services of a school attorney to research this topic, and a copy of that "white paper" can be found in the Appendix. Essentially it states that Education Law section 1709[25][g] authorizes boards of education to provide regional transportation services jointly with other districts or BOCES. However, to contract with another district for the transportation of pupils residing in the district requires voter approval under section 1709[27] and 2021[19]. It goes on to state that section 119-o and 239-n of the General Municipal Law also permits municipal corporations to enter into sharing agreements. We caution that we are are not attorneys, and as such cannot provide legal advice, but we do encourage the districts to consult their respective school attorneys regarding these matters.

OPTIONS TO CHANGE TRANSPORTATION

Over the past 23 years of providing consulting services to districts in several states, we have had the opportunity to see how other states and districts operate their transportation systems. To say that New York State is more demanding and restrictive, and more costly, is an understatement. Many of the demands and requirements that greatly increase the cost of providing services are legislated and historical and place a costly mandate on each district.

Whether the districts ultimately achieve a full regionalization, or simply address structural issues that can generate cost reductions, there are mandates that we believe should be evaluated by the participants.

A real world cost challenge for districts is the mandated transportation to private/parochial sites within 15 miles of a district. This mandate far exceeds some states. Florida, for example, provides no private/parochial transportation. If a review of this mandate

determines that there cannot be a reduction in these services, an alternative approach would be a "cap" on the mandated expense.

New Jersey follows the "cap" model. In this process, a "cap" on the per student cost would be established based on either a regional cost or a cost calculation for district students. Transportation would be mandated to the out-of-district site unless the cost per student exceeded this "cap". If it did, the district would have the option of providing either the school or the family with this "cap" amount and it would be the student's or out-of-district school's responsibility to arrange for transportation.

The end result of this approach is the elimination of the need to send a bus for one or two students for up to 15 miles to an out-of-district location. The districts would find that out-of-district enrollments would decrease and this expensive transportation would be somewhat controlled.

IMPLEMENTATION

Transportation Advisory Services has had the opportunity over the years to participate in a number of regionalization studies. Candidly, some have been more successful than others.

There are a number of variables we have found that appear to impact the effectiveness of the shared services studies. These are not intended to be listed in any priority order.

LEADERSHIP

The studies that work are the ones where there is one or more respected leaders who are willing to organize, encourage, cajole, track, and support the participants.

Although much work has been done to date, the implementation of a regional program will require resolve and planning. On-going leadership will be critical to keep participants focused on the end benefits while withstanding the challenges that will come from parties that would like to maintain the status quo.

As we state in this report, there are many areas that may require changes from the State Education Department or the legislature. The regional leadership will need to identify the structural limitations and address the necessary changes.

TOP DOWN COMMITMENT

The type of program integration that we recommended both on a near and long term basis requires a strong commitment from district leadership. The only successful shared programs were based on a top-down process and direction. It is critically important that the school boards, superintendents, and business officials be strong in their resolve to institute change.

Transportation is an area that typically opposes significant changes. Routing changes can be problematic. Once service levels are established they can be difficult to change. The type of redirection envisioned in this report challenges the historical practice.

It is encumbent on the administrations to make the decisions about moving toward a shared model, and then directing staff members to implement the changes. Significant changes that really address the financial realities will not be made without direction.

Although we have attempted in this report to evaluate options for the region, each district will need to assess their own needs and potential benefits. Once the districts identify and prioritize the changes that meet their individual goals, it is reasonable to consider demonstration projects to evaluate the effectiveness of the planned changes. Success gained from inititating the more formal coordination of out-of-district transportation may foster a desire to proceed with the other more difficult recommendations.

LABOR

Labor has historically been the greatest hurdle in implementing sharing. Labor agreements have restricted the ability to modify job assignments, outsource services, or reduce staff. Labor provisions between entities contain such different provisions that any attempt to merge labor forces has resulted in a demand to "negotiate up", effectively eliminating any potential savings. Civil service mandates create structural barriers to creative job assignments and positions.

This is an area that should not impede progress in this region, due to the contracted nature of the transportation programs. There may be some resistance from some vendors, as they will be concerned about which companies will benefit more/less from the changes.

TURF ISSUES

Although we appreciate how people identify with their home districts, the issue of "turf" frequently derails sharing efforts. The centralization of the transportation functions into one regional program that operates more cost effectively while enhancing services will help to provide the financial resources to districts to maintain their educational independence.

Each district operates their transportation program in a different fashion. Some effectively provide transportation to all students while others enforce eligibility parameters. Some combine grade levels while some do not. None of these historical practices is right or wrong - they are just different. The predisposition to operate in one fashion based on past practice will need to be addressed.

The basic premise throughout this report has been the sharing of services to improve service levels and/or reduce costs. In the past, many districts expressed a lack of interest in making significant changes in transportation because any incremental costs were only

"10 cent dollars", back in the days of 90% aid. However, as we demonstrated in Participant Profile section, net transportation aid in the region is only 21-30%.

In addition to the finanical incentives, the opportunity for service enhancements to support any regional educational goals should be a motivating factor for change. However, if districts want to maintain the status quo, the efforts to effectuate change will not be put forth.

REGULATIONS AND LAWS

We have addressed throughout this report the limits placed on districts through regulations and law. Sharing has failed when districts attempt to change only to find out that there are prohibitions that stand in their way. One district can provide services to a neighboring district to generate income, but the result is the income simply gets reduced by their aid rate. It may make sense to allow one district to "piggy-back" on the contracted prices received by a neighboring district, but it currently is prohibited.

There are a multitude of areas where barriers are placed that restrict efficiencies. The districts will need to identify the barriers and then prioritize the ones to address with the proper authorities.

IMPLEMENTATION STEPS

Following are suggested steps for the implementation of recommendations, presented as a five-year timeline, with year one being the 2010-2011 school year. Prior to starting full implementation, we recommend that one of the Transportation Supervisors familiar with Transfinder be tasked (perhaps under a separate contract) with pulling together all of the out-of-district runs to assess possible savings from a formal coordination of routing (refer to Section 4). Implementation then continues:

- ❒ Each District evaluates the recommendations to determine the areas where it wishes to participate, and the timeline that will work for each District. Decisions will be made regarding which individual at each district will assume responsibility for each recommendation agreed to, and his/her timeline for action. If the decision is made to move forward with the Formal Coordination of Out-of-district runs, followed by Regional Supervision, the following steps should occur, with annual costs estimated:

Year One

1) Decide upon organizational structure - one of the districts, or creation of a transportation authority.
2) Select location of the offices, and purchase computers, printers, plotter, fax/phones, and office furniture. One time cost estimate $30,000-$40,000. Rent estimate $24,000, if applicable.
3) Hire coordinator (someone from within the districts, or interview others). Cost estimate for salary and benefits $90,000.
4) Hire part-time routing assistant. Cost estimate $25,000-$35,000.
5) Purchase software at one time cost estimate $40,000-$50,000, including upgrades to each district.
6) Costs for the central support can be shared equally amoung the participants, with actual contract costs paid for by the districts that utilize a particular service.

Year Two

1) With coordination in full operation, the staffing should be maintained at costs estimated at $125,000.
2) Software should be maintained at cost estimated at $5,000.

- During Year Two the Superintendents and Business Officials meet to discuss the success/shortcomings of the initial coordination effort. If pleased with the level of success, and full regionalization is desired, the following implementation schedule should proceed:

Year Three

1) Hire a regional supervisor. This could be the coordinator in place, or someone new, with the coordinator stepping down to a full time routing assistant. Estimated cost of salary/benefits package $115,000.
2) Hire two routing assistants, at a combined estimated cost of $120,000.

3) Purchase computer, phones, and office furniture. One time cost estimate $5-$10,000.
4) Software support $5,000.

- The new regional supervisor will review the contracts and begin the process of creating common language specifications. Business Officials meet with this individual to discuss possible bell time changes and their impact upon each of the districts. If research has indicated that a centralized facility may be built, this will be factored into future bid specifications.

Year Four

1) With regionalization in full operation, the staffing should be maintained at costs estimated at $240,000.
2) Software should be maintained at cost estimated at $7,500.

Year Five

1) With continued operation, the staffing should be maintained at costs estimated at $250,000.
2) Software should be maintained at cost estimated at $10,000.

- At this point the consortium of districts should be well organized as a single regional transportation entity. If the shared facility works out, costs have been reduced and services have been maintained or even improved.
- Follow-up meetings should be throughout this process to track progress of the implementation.

Obviously there are additional key steps along the way. Many of the items mentioned will need the strong support of the Board of Education. Other items may need legislative assistance or changes by the State Education Department. The timing for each action will vary depending on the recommendation(s) that are supported by the participants.

Cost reductions will be realized more quickly, and easier to identify, in the coordination of the out-of-district runs. As stated previously, it is

estimated that $6,000,000 is being spent annually on the transportation of an estimated 1,000 students, so this has the greatest opportunity for savings. We used 10-20% as a target, which would be substantial.

For the in-district runs, cost reductions will be harder to realize and identify, due to the need to coordinate bell times, create common language specifications, centralize facilities, modify State regulations, etc. If the region is able to build a facility, contract costs would decrease, but facility related costs would increase accordingly, making savings harder to quantify. For these reasons, we estimate that a reasonable savings target would be in the 5-10% range.

SUMMARY

Sharing does and can work. The road is not easy, but a concerted, planned effort by the districts can result in operating efficiencies and improvements to allow limited financial resources to be directed toward educating our students.

APPENDIX

A DATA COLLECTION INSTRUMENT

B ALTERNATIVE FUELS

C TRANSPORTATION AID OUTPUT REPORTS (TRA)

D TRANSPORTATION FACILITY – PROTOTYPE

E SHARED SUPERVISOR AGREEMENT – PROTOTYPE

F SHARING SUCCESS REFERENCES

G SHARED SERVICES WHITE PAPER

H DATA PROVIDED BY PARTICIPANTS:

- H1 SURVEY RESPONSE
- H2 CONTRACTS
- H3 OUT-OF-DISTRICT DATA SUMMARY

The complete Appendix is on file in the Business Office of the Study Liaison at Nyack UFSD.

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