

***Arkport Central School District Bus Garage Project:
Intergovernmental Fueling, Vehicle Storage and Maintenance Needs***

Case Study Report

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1. Abstract

The Arkport Central School District has struggled with an older deteriorated bus garage for a number of years. This case study summarizes recent efforts to build a new facility with town and village cooperation that would serve the needs of multiple town, village, county, and state government service providers. The bus garage project was awarded \$100,000 of funding from New York State's Shared Municipal Services Incentive Program in 2006 (FY 2005-06).

1. Community Identifiers

The Arkport Central School District is centered in the Village of Arkport which is in the northern portion of the Town of Hornellsville. The Town of Hornellsville is located in the northwest quadrant of Stueben County. Stueben County, which sits on the New York-Pennsylvania border in the southern tier, had a population of about 99 thousand people in 2000.

The school district joined with the Village of Arkport and the Town of Hornellsville to develop an intermunicipal approach for a new bus garage facility. The population and land area of these local governments are included in Table 1, below. The Village of Arkport had a population of 832 in 2000. The village's population puts it very close to the smallest 25% of villages in the state. The Town of Hornellsville, which surrounds the City of Hornell also contains the Village of North Hornell (with a 2000 population of 851). Hornellsville is larger than over fifty percent of the state's towns in terms of total population.

Table 1: Population and Land Area of Involved Local Governments

	Arkport Central School District	Town of Hornellsville	Village of Arkport
Total Population	2,983	4,042	832
Total Students	614		
Land Area(in square miles)	63.4	43.5	0.7

* Source: Land Area figures for municipalities from New York State Comptroller Municipal Annual Report data file for 2004, School district area calculated from mapping sources.

** Source: Population (towns show “outside village” figures)” and highway mileage from New York State Department of Transportation Highway Mileage Data Base. School district population calculated from census mapping sources

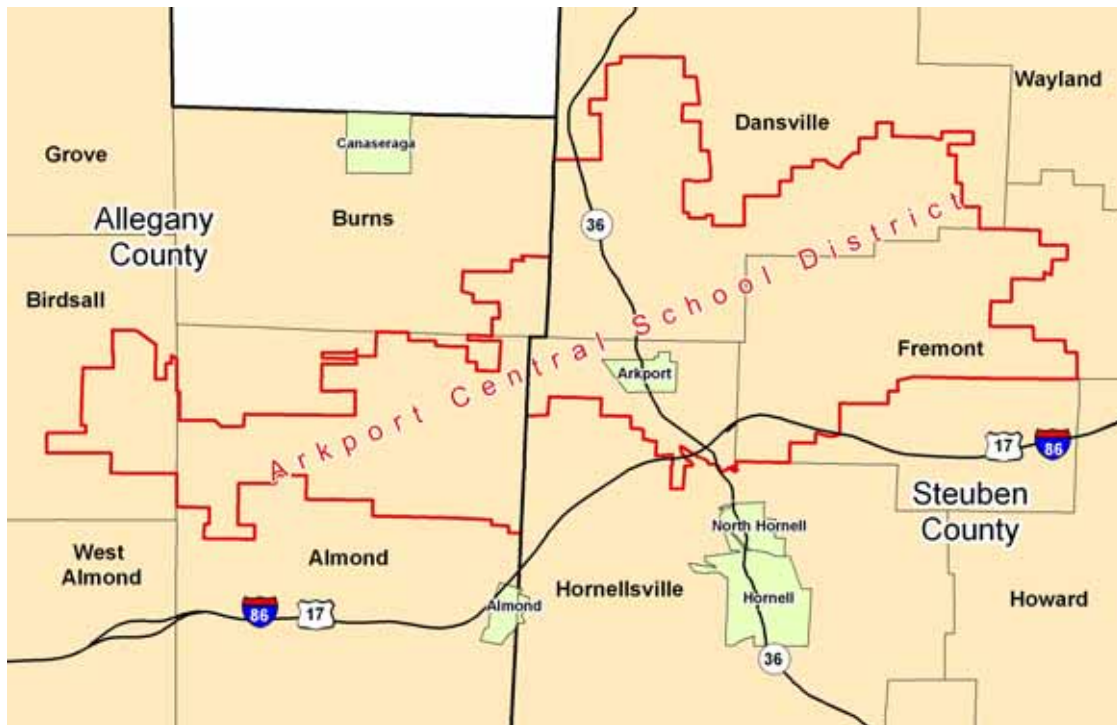
Stueben County and the locations of Hornellsville (in blue) and Arkport are presented in Map 1, below. Stueben is relatively large, in square miles, among New York State’s counties. The Village of Bath is the county seat.

Map 1: Stueben County, New York



The Arkport Central School District service area includes parts of six towns in two counties. Students in Steuben County from portions of the following three towns attend Arkport Central School: Dansville, Fremont, and Hornellsville. In neighboring Allegany County, students from the Towns of Almond, Birdsall and Burns attend Arkport Central Schools. Map 2, below, shows the School District Boundary and the towns served by the district.

Map 2: Arkport Central School District



Fiscal Overview

A fiscal profile for the Arkport School District, the Town of Hornellsville and the Village of Arkport is provided in Table 2, below. The school district and the Town of Hornellsville have a much larger property tax base and revenues from property taxes than the Village of Arkport. Of the three local governments, only the school district does not receive a share of county sales tax revenues. State aid for the Arkport Central School District dwarfs the state revenues received by the town and village governments. Total school district expenditures are approximately three times the combined expenditures of the town and village. The school district is a much larger public organization and fiscal entity than either the town or the village.

**Table 2: Annual Financial Data for Arkport Central School,
the Town of Hornellsville and the Village of Arkport**

All Data for Municipal Fiscal Years ending in 2005

Fiscal Characteristic	Arkport Central School District	Town of Hornellsville	Village of Arkport
Assessed Value Fully Taxable	109,564,780	138,362,999	20,260,222
Full Value of Taxable Property	114,561,594	152,047,251	21,785,185
Property Taxes and Assessments	2,859,476	584,140	120,030
Sales Tax	0	254,857	82,497
State Revenues	3,760,897	136,030	68,117
Total Revenues	7,115,103	1,184,623	661,751
Total Debt Outstanding	4,175,000	126,000	2,205,000
Debt Service	469,764	56,872	94,703
Transportation Expense*	384,198	819,120	116,929
Total Expenses	7,291,330	1,319,076	1,135,667

Source: all data is from New York State Comptroller's Municipal Data Files These data are based on annual financial reports filed by municipalities and school districts.

* "Transportation Expense" represents highway/street maintenance and improvement expenditures for the town and village. It represents the transport of students for Arkport School District. The school district amount is for current operations and capital only (excluding personnel and benefits).

2. Background on the Issue Addressed

In January of 2005 William Locke, Superintendent of the Arkport Central School District, initiated a meeting with Kenneth Isaman, Hornellsville Town Supervisor, and Anthony Patti, Arkport Village Mayor. He called the meeting to discuss the possibilities of building a new school bus garage that would be shared and have benefits for all three municipalities. The proposal was born out of need on behalf of the school district and a belief that if they could develop a project jointly they could find funding to support it. This was about six months before the Governor and the state legislature created the Shared Municipal Services Incentive Grant program to support such projects.

There were four facility functions or uses that had varying potential value for the three organizations. First, a new structure would provide needed enclosed space for housing vehicles. Second, a fuel facility at the new garage could provide a nearby refueling option for the three users. Third, space for vehicle maintenance, along with appropriate staffing, could reduce costs for maintenance and repair including transport costs. Fourth, the inclusion of indoor facilities for washing vehicles could be a valuable for all three partners.

The school district was in need of a new bus garage. The existing, deteriorated garage, built in the 1950s, is in a poor location next to the school and directly adjacent to residential housing. Because of its age, the garage no longer “fits” newer buses and the district has increased expense to “fit” buses into the facility. The facility is undersized, accommodating only a small portion of district buses inside. The garage lacks a functioning drainage system which limits washing of buses and creates hazardous conditions in the surrounding school parking lot from water “ponding” and then freezing.

A previous plan by the school district to build a new garage was defeated by the voters in 1999. In a follow-up survey, citizens indicated that they did not support the building project because the proposed facility should not be rebuilt adjacent to the existing school building. They indicated support for building a new bus garage if it were constructed on a new site near the school.

The Village of Arkport also has an aging public works facility for equipment storage. Mayor Patti estimates that the facility is around 70 to 75 years old. The village will need to replace its facility in the near future if it cannot find other options.

A private fueling facility operated by Agway, Inc. previously served the Arkport area and recently closed. The loss of this facility has increased the need for a fueling facility for a number of public vehicles. In addition to local users, a number of Steuben County agency staff indicated a need for fueling in this part of the county, including: Sheriff’s patrols, social service transporters, probation and corrections, public health nurses, and county highway trucks. New York State Police administrators, overseeing officers that patrol the area, also have indicated a need for a fueling facility in the area.

The Town of Hornellsville has adequate facility bays for storing highway equipment and limited above ground fuel tank capacity. The town could benefit from a more localized repair/maintenance facility and a facility for washing equipment. The town and the village currently have to send heavy equipment to major cities for major maintenance and repair. This can involve at least two employees and two pieces of equipment and take a half day or more of work time.

The school district currently contracts with nearby Alfred-Almond School District in Allegany County for school bus maintenance. The various costs associated with transport of buses to another district continue to grow with the increase in fuels prices, labor costs and other constraints on District transportation.

As noted above, there are five other towns served by the Arkport School District. Other towns have not indicated needs, of an ongoing nature, for the kinds of uses and services anticipated by the potential users, noted above, for a new bus facility.

3. The Proposal to Address the Issue

After a series of discussions the school district, the town and the village agreed to pursue the development of a school bus garage that would have adequate capacity to meet some needs for all three local governments. The district completed a Building Condition Survey in 2005. A condition survey is required by the state education department to apply for building aid. This survey documented the extensive deterioration of the existing bus garage and other district facilities and provided estimates of repair costs.

In March of 2005 a consulting firm, Transportation Advisory Services (TAS), was retained to perform a shared services study for the Arkport Central School District, the Village of Arkport, and the Town of Hornellsville. In a report to the communities in September of 2005, TAS recommended that the school district make plans to build a new bus garage on a site near the High School. The current bus garage site should be used to provide additional parking and a safer traffic flow at the high school. TAS, further recommended that all three municipalities would benefit from a building project which combined a fuel facility, potential current or future vehicle maintenance facility, equipment washing bay, and expanded garage bays to meet school district and village needs for space to store vehicles inside.

Based on the TAS recommendations, the Arkport School District engaged their engineering/architectural consultant to evaluate the potential of four identified sites for a new bus garage. An open public solicitation of available sites had been conducted. In January of 2006, the consultants issued a report which evaluated and ranked the sites. The consultants recommended a site to the south, outside the Village of Arkport, in the Town of Hornellsville. This site already had municipal water and sewer services, was close to the Town of Hornellsville highway garage and closer to the Interstate 86 interchange than the other sites. Two of the potential sites were located in the Village of Arkport. Village officials indicate that one of the village sites had to be selected for the village to participate in the joint project.

After receiving the consultant report, the school board selected one of the two sites in the village for the location of the new bus facility. The selection of the site was controversial in the community for a number of reasons. First, it was not the site recommended in the consultant report. Second, the chosen site required additional infrastructure investment to bring needed sewer service to a agricultural parcel. This increased the projected cost of the parcel relative to the one recommended by the consultants. The additional infrastructure cost for this site was estimated at \$140,000. Third, a rail crossing separates the parcel from the school which in some instances could slow the transport of school children to and from the school buildings. Fourth, the parcel selected by the district was owned by the school board president.

In 2007 the school district proposed a multi-faceted building initiative to district voters. The initiative included the purchase of the eight acre parcel selected by the school board, and the construction and equipping of a bus garage on the site. The cost of the bus garage was \$4,122,750 of a 6.4 million dollar project that includes building repair and renovations. The proposed bus garage would have adequate bays for all district buses and for existing village equipment needs. It would also contain a wash bay for buses and other equipment, and space for a *future* vehicle maintenance bay (to be developed and equipped in the future), and above ground fuel storage tanks. In addition the plans included a comfort type facility for the variety of potential fuel facility users. The site would be developed to permit future garage expansion of at least four additional bays.

The proposed financing for the project is summarized in Table 3 below. The state education department calculates State Building Aid sharing percentages (item 1. in Table 3) on a district by district basis. The Arkport district's rate is 89.2 percent. The other three sources of funds (rows 2., 3., and 4.) constitute the required 10.8 percent "local match." As presented to district voters, this capital project would not have led to any new local property tax dollars. In addition, operating costs for the new facility were expected to be lower than for the old one. It would use a portion of existing school capital reserves for renovations. It is important to note that the Shared Municipal Services grant, used as local matching funds, permitted an increase in the size of the overall project by one million dollars.

**Table 3: School Renovation and Bus Garage Project
Summary of Project Funding**

Source of Funding	Percent	Amount
1. State Building Aid	89.20%	\$ 5,670,943
2. Excel Grant (special state assistance)	3.07%	196,441
3. Shared Municipal Services Grant (state grant)	1.56%	100,000
4. Capital Reserve Account for Renovations (local)	6.76%	432,616
Total		\$ 6,400,000

4. What Was Actually Done

On March 17, 2007 voters resoundingly rejected the school proposition that included the bus garage project. District voters sided 459-138 against the school's \$6.4 million proposal. Following the vote district leaders indicated that, in response to voters, they would drop the bus garage project and move on to other issues. By statute the board has to wait ninety days before taking any additional action. A newspaper article about the vote noted that the site selected for the proposed garage had raised concerns about the project.

5. Lessons Learned

Cooperation in this venture was due in part to existing relationships of trust between the school superintendent, town supervisor and village mayor. These working relationships provided a basis for the school administrator to initiate discussions and propose this project as a shared endeavor. This case affirms the importance and value of building and maintaining trust between local government elected leaders, administrators and staff.

School districts in rural areas, usually have larger administrative organizations with more capacity than the municipal governments within the area served by the district. In this instance the school district made its administrative capacity available to develop proposals for funding, hold public meetings, oversee consultants, etc. Without the availability of this capacity, the project would probably not have progressed as a shared municipal endeavor. A tandem aspect is the exercise of local leadership. The school district administrator exercised *initiative* and *commitment* to bring this project to the point of a public vote. Other leaders had to exercise a similar commitment to the project and its value to the community, even when its characteristics were not optimal from their municipalities point of view.

Some of the conflict in this case was due to differing travel considerations for project partners. The Village of Arkport, where the school buildings reside, is located on the northern border of the Town of Hornellsville. The majority of town trucks and equipment will be traveling south from the Arkport area to service town roads. The Arkport School district on the other hand stretches largely north, east and west from the Village of Arkport. So the village provides an excellent hub for school bus routes or traffic, but is north of a more optimal location for the volume of town truck routes. In a similar way a more southern location would be valuable for many of the county service providers that would want to use the fueling facilities at the school bus garage. These inherent conflicts make it important to prioritize users when assessing the best long term site for a facility. It is important to identify and prioritize the travel time criteria for all major participants. Many cooperators with disparate or varying optimal location issues can complicate the location decision for a new facility.

Another source of community conflict over this project, was the choice of a site for the bus garage. The district held multiple public meetings leading up to the vote and provided detailed information, including a series of FAQs, about the proposed capital project in the school's February newsletter, *The ARK-re-Port-er*. However, district officials noted only that the alternative site was chosen in order to keep the Village of Arkport as a partner in the project.

The selection of an alternative site, owned by a current school board member, would need a clear and careful justification to the public. Given previous survey evidence regarding citizen attitudes about the garage project, it appears that the final choice of a site may have undermined public confidence in a valuable and needed project. The choice of a site by the school board and communication about the choice did not address the reasons for the decision in a way that removed questions about ownership and potential conflict of interest in the choice.

It is also important to remember that there are seven municipalities in the school district. The project sponsors did not discuss estimates of the potential benefits to the Village of Arkport or the Town of Hornellsville and whether or not contractual agreements assuring a fair compensation (either in cash in kind) would be negotiated when the project was implemented. These kinds of considerations, to assure fairness to the other five towns served by the district, are important. They should have been evaluated in more detail and clearly communicated to the public.

6. Contact Person for Follow-up at the lead municipality and the academic institution

Municipal Contact: William Locke, Superintendent, Arkport Central School District.
35 East Avenue, Arkport, New York 14807

607-295-7471, Fax 607-295-7473, e-mail:

Academic Institution Contact: Mike Hattery, Senior Research Associate,
Department of Public Administration, College of Community and Public Affairs,
Binghamton University, PO Box 6000, Binghamton, NY 13902-6000.

607-777-5353, Fax 607-777-2414, e-mail: mhattery@binghamton.edu

Appendix A – List of Contacts

Persons Interviewed for Case Study

Anthony Patti - Mayor, Village of Arkport

William Locke – Superintendent, Arkport Central School District

Kenneth Isaman – Supervisor, Town of Hornellsville

Ryan Westerdahl – Staff Writer, The (Hornell) Evening Tribune

Consultant Reports

“2005 Building Condition Survey of Arkport Central Schools.” Hunt Project No. 2329-003. Hunt Engineers (Airport Corporate Park , 100 Hunt Center, Horseheads), NY 14845. 2005.

“Arkport Region Shared Transportation Facility Study.” Transportation Advisory Services (3181 Valley Drive · Walworth, NY 14568). September 2005.

“Site Analysis for the Arkport Central School District: Shared Service Facility Sites.” Hunt Project No. 2329-004. Hunt Engineers (Airport Corporate Park , 100 Hunt Center, Horseheads, NY 14845). January 2006.

“The Ark-re-Port-er: an Arkport Central School Newsletter.” February, 2007, Vol. 47, Number 3. 35 East Avenue, Arkport, NY 14807. (www.acs.stev.net)

Newspaper Articles and Editorials (all from the (Hornell) Evening Tribune)

“Arkport School Fixes Reviewed, Bus Garage Plan Draws Criticism: Split Views on Shared Services Proposal.” (news article, Thursday, March 8, 2007)

“Arkport ready for vote on \$6.4 million project: School officials have some opponents to proposed garage placement.” (news article, Saturday, March 10, 2007)

“Voters Say No to Arkport bus plan: Hundreds turn out to reject capital project which featured shared services facility.” (news article, Wednesday March 14, 2007).

Proposition voted on by Arkport School District residents

March 13, 2007

Shall the proposition set forth in the legal notice of this special voter meeting, authorizing the acquisition by the Arkport Central School District of approximately 8 acres of land bordered by West Avenue and Bishopville Road, the construction and equipping of a new bus garage thereon, and reconstruction and equipping of the existing K-12 building and facilities, including site and incidental improvements, all at an estimated maximum aggregate cost of \$6,400,000; with the expenditures of \$432,617, plus interest, from the existing capital reserve fund for such reconstruction costs, the issuance of debt obligations of the School District there for, and the levy of a tax in annual installments therefore, all as more fully described in said notice, be approved?