Dixie School District

Transportation Review

April 21, 2010

Joel D. Montero
Chief Executive Officer

FCMAT
FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
CSIS California School Information Services

April 21, 2010

Thomas J. Lohwasser, Ed.D., Superintendent
Dixie School District
380 Nova Albion Way
San Rafael, CA 94903

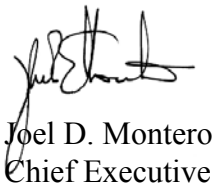
Dear Superintendent Lohwasser:

In January 2010 the Dixie School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement to provide a review of the district's transportation services. Specifically, the agreement stated that FCMAT would perform the following:

1. Conduct a review of the district's transportation program and operations for special education and regular home to school services.
2. Develop strategies for the district to use in communications with parents of regular and special education students during the process of identifying alternatives for transportation services, including parent transportation contracts.
3. Provide recommendations for a new bus routing methodology based on a standardized district wide school bell schedule and the most efficient use of transportation routes.
4. Review bus routes and provide recommendations for changes to improve route efficiency. Provide an estimate of the cost to implement the recommendations and identify possible funding sources, including parent fees.
5. Analyze the fiscal impact of current bargaining contract provisions related to transportation including wait time, field trips, extra duty, additional benefits, other overtime and hourly activities.
6. Evaluate the current in-house bus maintenance activities and provide recommendations for cost savings and improvements.
7. Provide recommendations for communication strategies with parents and the community if the district considers reductions in transportation services.
8. Evaluate and provide cost comparisons for outsourcing or a joint powers agreement with other surrounding districts for home to school transportation and a component identifying the advantages and disadvantages for these types of services.

The attached final report contains the study team's findings and recommendations with regard to the above areas of review. We appreciate the opportunity to serve you, and we extend our thanks to all the staff of the Dixie School District.

Sincerely,



Joel D. Montero
Chief Executive Officer

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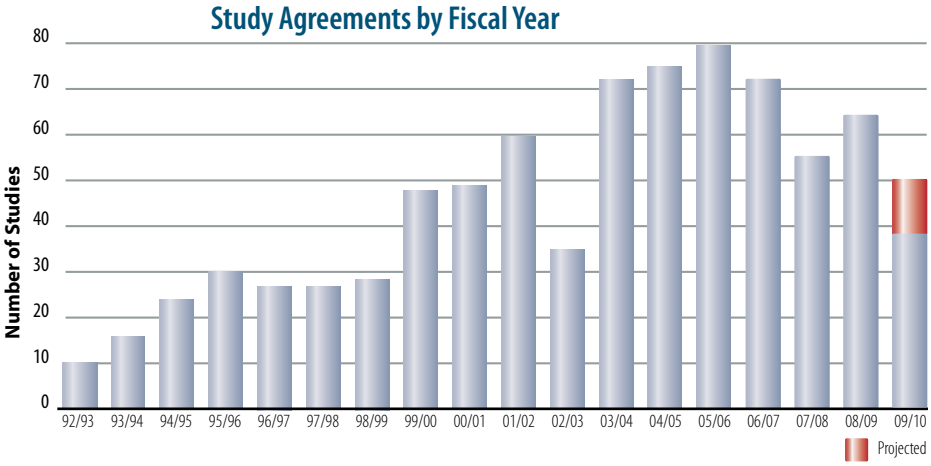
Foreword - FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies (LEAs) in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that LEAs throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 750 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



Total Number of Studies..... 743
Total Number of Districts in CA.....1,050

Management Assistance	705	(94.886%)
Fiscal Crisis/Emergency	38	(5.114%)

Note: Some districts had multiple studies.
Eight (8) districts have received emergency loans from the state.
(Rev. 12/8/09)

Introduction

The Dixie School District is located in northern Marin County. District boundaries encompass areas within the city of San Rafael and unincorporated Marin County.

The district is approximately ten square miles and consists of three elementary schools and one middle school serving students from kindergarten through eighth grade. Most of the district could be described as suburban subdivisions. The district is split by Highway 101, with all of the schools on the west side of the freeway and some residential areas on the east side.

The district has an average daily attendance (ADA) of approximately 1,800 and has been in declining enrollment for many years. The district operates both home to school transportation service with six routes and special education transportation service on six routes. The district owns 16 school buses to service all routes.

Study Guidelines

FCMAT visited the district on February 16-19, 2010 to conduct interviews with district staff, collect data, review documents and inspect facilities and buses.

The study agreement specifies that FCMAT will do the following:

1. Conduct a review of the district's transportation program and operations for special education and regular home to school services.
2. Develop strategies for the district to use in communications with parents of regular and special education students during the process of identifying alternatives for transportation services, including parent transportation contracts.
3. Provide recommendations for a new bus routing methodology based on a standardized district wide school bell schedule and the most efficient use of transportation routes.
4. Review bus routes and provide recommendations for changes to improve route efficiency. Provide an estimate of the cost to implement the recommendations and identify possible funding sources, including parent fees.
5. Analyze the fiscal impact of current bargaining contract provisions related to transportation including wait time, field trips, extra duty, additional benefits, other overtime and hourly activities.
6. Evaluate the current in-house bus maintenance activities and provide recommendations for cost savings and improvements.
7. Provide recommendations for communication strategies with parents and the community if the district considers reductions in transportation services.

8. Evaluate and provide cost comparisons for outsourcing or a joint powers agreement with other surrounding districts for home to school transportation and a component identifying the advantages and disadvantages for these types of services.

This report is the result of those activities and is divided into the following sections:

- Vehicle Maintenance, Fleet Condition and Facility
- Finance
- Driver Training
- Staffing and Collective Bargaining Agreement
- Bus Routing
- Communication
- Further Reductions, Outsourcing or Forming a JPA

Study Team

The study team was composed of the following members:

William P. Gillaspie, Ed.D.
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*As members of this study team, these consultants were not representing their respective employers but were working solely as independent contractors for FCMAT.

Executive Summary

Dixie School District operates a safe and service-oriented school transportation program that complies with all laws and regulations related to public school transportation.

In the 2007-08 fiscal year, the district's state apportionment and parent fees met 72.34% of home to school transportation costs and 40.39% of special education transportation costs. In the 2008-09 fiscal year, the district's state apportionment and parent fees met 69.33% of home to school transportation costs and 46.66% of special education transportation costs. Overall, due to parent fees and other factors the district has a lower general fund encroachment for school transportation than the average school district in the state.

Vehicle Maintenance, Fleet Condition and Facility

The district has consistently received the highest evaluation from the CHP on its annual terminal grade report, which includes bus safety and maintenance. There is no written preventive maintenance program. The average bus fleet age is 11.8 years. There are 16 buses in the fleet and 12 routes, providing an adequate number of spare school buses. The buses are clean and have little or no body damage. There is little accountability for fuel use and no physical inventory of vehicle parts. The district should explore and take advantage of any school bus replacement grant programs.

The transportation facility is extremely small and confined, and limits the parking options for the bus fleet. This leads to operational expenses of employees' time to carefully move buses and trucks in and out of the yard. Some jobs that the mechanic could perform must be outsourced because of the lack of space. One drain in the yard exits to the creek behind the facility. Although the department director reported that the district is in compliance with hazardous waste and storm water runoff rules, a spill could contaminate the creek.

Finance

School transportation in California has been poorly funded for over three decades. Currently, the statewide average apportionment covers less than 45% of the total cost to provide school transportation. In the 2009-10 fiscal year, funding was further reduced by 19.84%. In the 2007-08 fiscal year, Dixie's home to school transportation encroachment was 55%, and in the 2008-09 fiscal year it was 52.88%. The special education transportation encroachment was 59.61% in the 2007-08 fiscal year and 41.79% in the 2008-09 fiscal year. Overall, the district has a low general fund encroachment for school transportation when compared with the average school district in the state. If school transportation costs are reported below the state apportionment for either home to school transportation or special education transportation (the apportionment set by the state prior to the 19.84% cut), the state will reduce the district's apportionment.

Driver Training

Prior to the beginning of the 2009-10 fiscal year the district had a state certified school bus driver instructor; however, officials at the California Department of Education, Office of School Transportation determined that the instructor was not complying with laws and regulations regarding driver training record-keeping, and the certification was revoked. The district has hired two driver instructors from another school transportation operation to bring the driver training records and program back into compliance. These records are an essential aspect of school transportation, as school bus drivers must receive a minimum specified number of training hours to attain, maintain and renew a school bus driver's license. It would be beneficial for the district to have a school bus driver instructor on staff.

Staffing and Collective Bargaining Agreement

The Transportation Department has 12 routes but only 11 contracted drivers on staff. One of the 11 drivers is on an extended leave. Two daily routes are filled by substitute drivers. A management-level transportation coordinator oversees the department. Two school bus drivers in the department are regularly utilized to accomplish clerical tasks as extra or supplemental work. In a typical operation of this size, the management employee would perform most of the clerical tasks, regularly substitute as a driver on school bus routes, and perform the duties of school bus driver instructor. A two hour per day, ten-month clerk could assist with the clerical work, including inventory.

Drivers have a base contract of 4.5 hours per day. The basic bus routes and necessary driver pre-trip inspection time, clean up and fueling time do not amount to 4.5 hours per day. Route time could be reduced, but severe reductions may make it difficult to retain drivers. Health and welfare benefit costs for employees are very modest in comparison to nearby districts, particularly those in Sonoma County. Individual benefits are prorated against eight hours, with a maximum of the Kaiser individual rate, not full family. Many nearby districts pay between $400 and $1,500 a month, as compared to a maximum of approximately $200 at the Dixie district.

Bus Routing

In the morning, the district's elementary bus routes are at 28.2% of capacity and middle school bus routes are 43.5% of capacity. In the afternoon, elementary bus routes are 30.2% of capacity and middle school bus routes are 44.2% of capacity. Home to school routes could be consolidated (reduced by two routes) to increase the load factor on routes. The district must be cautious, however, not to reduce costs too much because state funding will also be reduced. A very active parent group is working hard to attract more riders to the service. This consolidation of home to school transportation can only be accomplished by building a greater amount of time between the bell schedules of the middle school and elementary schools.

Special education bus routes have a load factor of 6.8 students per route. This is a lower load factor than is typical. However, because Dixie only transports 39 special education students, it is very difficult to achieve higher efficiency. Adjusting district bell schedules may assist in achieving higher load factors on special education bus routes that serve programs located at district schools.

These route reductions should yield per-route savings of between $40,000-$45,000 per year, which includes driver salary, benefits and the cost to operate the buses. The district may also want to reduce fees. Local statistics indicate that when fees increased to $450 per year, ridership decreased by 200 over two school years. Reducing home to school transportation service by two routes and reducing fees to approximately $375-$399 may encourage more riders and potentially reduce the transportation encroachment on the general fund.

Communication

Whenever a school district considers reducing school transportation service, community communication is critical. Dixie can significantly benefit from its very active and visible school transportation committee. This powerful and energetic work force can be utilized to communicate and plan for the needed changes to the transportation program, including encouraging new riders and exploring the benefits of a reduced fee schedule. As the district considers options, holding meetings with this committee as the platform will allow interested parents to offer input.

Further Reductions, Outsourcing or Forming a JPA

If school transportation funding decreases in the future, the district will need to implement strategies to further reduce costs and service. One option is to increase the walking distance. Many school districts in Marin County do not provide school transportation. This is reasonable in some areas where there are safe routes to school or adequate public transit infrastructure. In other areas, it may not be practical. Home to school transportation is not mandated by California law. Special education transportation is mandated by federal law as a related service dictated by a child's individualized education program (IEP).

Because the district has a long history of providing home to school and special education transportation for their students and receives state funding, it makes sense to continue to provide the service. Contracting with a for-profit provider is not currently a viable option because EC 45103.1 virtually prohibits a school district from outsourcing any district support service. The governor's current proposed budget contains an element to overturn this law. In that case it would be fiscally prudent for the district to explore membership in the Marin Pupil Transportation Agency for special education transportation service.

In some areas of California, school transportation joint powers agreements have been formed to operate school transportation service. Several school districts join together

to improve service and reduce costs through economies of scale. This is economically feasible when districts are geographically proximate. However, districts close to Dixie do not provide transportation.

Some of the district's special education transportation is provided by a taxicab company. This service, although reasonably priced, can expose the district to significant liability regarding driver and vehicle safety. Typically, taxicab companies do not guarantee that trained drivers are screened for drug and alcohol use or have completed background checks that are required for school district bus drivers. If taxicabs will be used in the future, the contract should require the drivers to comply with typical school district background checks, drug and alcohol testing, and regular submission of driver's DMV record. Another option could be purchasing one or more automobiles or minivans to provide this service with a district employee. This would likely be less expensive than utilizing a school bus and school bus driver.

Vehicle Maintenance, Fleet Condition and Facility

School bus maintenance is the mostly highly regulated type of commercial vehicle maintenance in California. Each school bus driver must fully inspect their school bus each day before traveling on any roadway, and must report any defects immediately. Defects that may affect safety take the bus out of operation until it is repaired. Every 45 days or 3,000 miles each school bus in California must undergo a preventive maintenance inspection by the mechanic charged with repairing that vehicle.

At least annually the California Highway Patrol Motor Carrier Division inspects each school bus for compliance with all laws and regulations. In addition, the CHP annually inspects maintenance records, driver training records and drug and alcohol testing records, and produces a Terminal Grade report. The Dixie School District consistently receives a "Satisfactory," which is the highest grade the CHP awards. This grade indicates that the district is in compliance with all laws and regulations relative to the above and is a strong indicator that the district operates a very good preventive maintenance program and that the school buses are safe.

The district employs one mechanic to maintain the 16 school buses, 10 pickup trucks or vans, nine other large pieces of equipment such as tractors and mowers, and various other gasoline-powered pieces of equipment like string trimmers and blowers. FCMAT observed that the school buses are well-maintained and safe. Staff reported great confidence in the mechanic's abilities.

The district parks the maintenance and grounds vehicles in the maintenance shop every night. Therefore, the mechanic cannot perform any maintenance that would leave a bus or other vehicle in the shop overnight. Although the mechanic has the ability to perform more complex tasks, those jobs are outsourced. The mechanic carefully selects the providers of this mechanical work, often soliciting more than one quote. He also has demonstrated his creative ability to be able to perform some complex, multi-day jobs by planning the work so that the bus or other vehicle can be moved out of the shop by day's end. This does, however, make some jobs more time-consuming than they need to be.

Title 13 of the California Administrative Code indicates that commercial vehicles should have a written preventive maintenance plan. Although the CHP motor carrier inspector has not indicated so in his reports, the district does not have such a plan. The plan is more than the inspection schedule for 45-day, 3,000-mile inspections and should include other items such as lube, oil and filter changes; automatic transmission fluid services; and more in-depth inspections such as brakes and wheel bearings. Although the mechanic performs these tasks at intervals that he has verbally designated, a written plan should be developed.

The district maintains a small parts inventory for its vehicle fleet. Although the value of the parts is relatively minor, they include common parts for automobiles or pickup trucks

such as filters, belts, hoses and wiper blades. FCMAT could not document any evidence of theft; however, the types of parts stocked are susceptible to theft. When parts are purchased for a particular vehicle, the mechanic lists the vehicle number on the receipt. If the part is designated to maintain an inventory level, the word "stock" is written on the receipt. The receipts are given to the Director of Maintenance and Operations for his approval and then batched for payment by district office staff. No formal written work order is produced for each repair, so there is no written record of each part that was used. The history of each vehicle repair is briefly written by date in a file folder when the repair is completed. An annual inventory of parts should be performed. The district does not have a system that can easily extract or report on the maintenance cost of vehicles. This data is important in making decisions regarding preventive maintenance schedules and determining when vehicle replacement is warranted.

Vehicle Fleet

The district operates a fleet of 16 school buses. Eight buses are used for home to school transportation, and eight are used for special education transportation. This is an adequate number of school buses for the service that is performed and also provides a reasonable number of spare buses of each type if a bus is being maintained or is otherwise out of service. The oldest bus is a 1990 International, and the average fleet age is 11.82 years. The California Air Resources Board (CARB) has adopted regulations included in Title 13 of the California Administrative Code, Section 2025 that will require all commercial, on-road buses and trucks over 14,000-pound gross vehicle weight rating to have engines and exhaust systems that reduce particulate matter in the exhaust. Compliance must be achieved at the very latest by 2018, and some dates may be sooner, depending on the method chosen to comply. School buses and commercial vehicles covered under these rules must either be repowered with a new, lower-emission engine and retrofitted with a diesel particulate filter, or must be retrofitted with an exhaust filter, depending on the age of the vehicle. Appendix A contains a synopsis of the CARB rules for school buses.

Creating a reasonable schedule for bus replacement is a necessary and challenging element of any school transportation program. It eventually becomes quite expensive for a school district to maintain an older bus. The comparison would be the family automobile. Most families do not keep their vehicles beyond 10 years, but it is not uncommon that school districts will try to operate school buses for more than 30 years. The California Association of School Business Officials (CASBO) has published The School Transportation Performance Profile, which recommends replacing large buses at 20 years (300,000 miles), conventional buses at 15 years (250,000 miles) and van-conversion special education buses at seven years (100,000 miles). Many school districts cannot afford a regular replacement schedule; however, grants have been available through the Bay Area Air Quality Management District over the past two decades to replace school buses with cleaner, safer new buses. Many school districts aggressively apply for these grants. School bus replacement grants also are available through the California Department of Education's Small School District Bus Replacement Grant Program that has annual funding available for school districts below 2,500 ADA.

Despite the very tight parking conditions in the bus yard, the buses have very little body damage. Although the district has no approved bus washing area, and buses are not washed frequently, they appear relatively clean.

Facility

The facility is quite insufficient for all the activity that occurs there. The Transportation and Maintenance/Grounds departments both operate out of this facility that is approximately one-third of an acre in size. All of the buses and maintenance vehicles park in this location. All employee vehicles must park on the street. Parking vehicles in this facility must be done carefully and skillfully to minimize collisions within the yard. It is a credit to the staff and bus drivers that there is very little damage to buses. Buses must be moved out of the yard in the morning, because they are parked in front of each other. Some drivers accomplish their pre-trip inspection out on the street. In the middle of the day, buses are not allowed back into the bus yard so that work can be done in the yard. In the afternoon, all maintenance and grounds vehicles are pulled into the shop building. All buses are turned around at the intersection up the street and then are backed down the street, into the yard and into their parking space.

As noted above, this practice also limits the productivity of the mechanic, who cannot leave a partially repaired bus in the shop building overnight. The shop is equipped adequately for the types of jobs that can be performed under these constraints.

No engine-compartment steam cleaning and no bus washing can be performed at this facility. There is no approved sump system for the separation of hazardous liquids or materials. The director reported that the district is in compliance with hazardous waste and storm water runoff rules, but one drain in the yard drains directly to Miller Creek behind the facility. Any accidental spill could contaminate the creek. The district should develop a preventive plan to decrease the likelihood of such an occurrence.

The maintenance and transportation facility also has a 1,000-gallon cement-encased fuel tank that is in compliance with local and state regulations and includes two separate tanks. One contains 500 gallons of diesel fuel and the other contains 500 gallons of unleaded gasoline. Drivers have keys to the fuel tank and the yard gate. The transportation coordinator reported that the power to the fuel pumps is turned off after-hours. Drivers are responsible for fueling their vehicle and writing the quantity on a fuel log on a clipboard. The mechanic regularly adds the quantities and compares them to the meter reading on the pump. This would indicate if there is any discrepancy in quantities. It would not, however, be able to highlight if an employee was pumping fuel into their private vehicle. Although there was no indication of fuel theft, it would be beneficial to incorporate a second level of review for fuel use. The highest level of security would include a computerized system that would detect the driver and limit fuel use by type and quantity.

Recommendations

The district should:

1. Develop a written preventive maintenance plan.
2. Monitor fuel use more closely.
3. Accomplish a regular physical parts inventory.
4. Replace older buses whenever possible.
5. Explore other options for a transportation and maintenance facility.
6. Remain continually vigilant to potential hazardous waste spills and develop a comprehensive preventive plan.

Finance

School transportation in California was fully funded until 1977. School districts would report their operational costs for a fiscal year and in the subsequent fiscal year, those costs were reimbursed. Capital equipment costs were not reimbursed. With the passage of Proposition 13 in 1977, the state began to reduce the amount that would be reimbursed. In the 1982-83 school year, the state capped the amount that school districts received based on the amount they reported. Since that time the state has only occasionally granted school transportation a cost of living adjustment (COLA). Consequently, as costs have risen, the apportionment covers an ever-decreasing amount of school transportation costs. Currently, the state apportionment is set at the level of the 2008-09 fiscal year. At that time, the statewide average funding covered 45% of school transportation costs, with school districts paying 55% of the costs. Since the level of funding was capped in 1982-83, some districts have grown tremendously and others have decreased in ADA, creating a disproportionate funding level across the state. A large encroachment for school transportation costs is not necessarily an indication of a poorly managed program.

The table below summarizes the data that is contained in the Transportation Report (TRAN) for the 2007-08 and 2008-09 school years. The TRAN is part of the annual unaudited actuals and reports the expenditures in the preceding school year. It is usually prepared in September and submitted to the state. The TRAN contains data that has been automatically populated by the state SACS accounting system and some data that is manually input, such as the number of buses, pupils and miles.

TRAN DATA FOR DIXIE SCHOOL DISTRICT				
TABLE 1				
	2007-08	2007-08	2008-09	2008-09
	HOME-TO-SCHOOL	SPED	HOME-TO-SCHOOL	SPED
BUSES	7	5	7	6
PUPILS	439	48	390	47
APPROVED COST	$ 426,106.00	$419,686.00	$ 406,607.00	$291,156.00
COST/MILE	$ 10.52	$ 4.27	$ 9.24	$ 3.49
COST/PUPIL	$ 970.62	$ 6,131.39	$ 1,042.58	$ 6,194.81
REVENUE	$ 191,575.00	$169,480.00	$ 191,575.00	$169,480.00
% ENCROACHMENT	55%	59.61%	52.88%	41.79%
BUS PASS REV.	$ 116,653.00		$ 128,332.00	
ENC. AFTER PASS	$ 117,878.00		$ 86,700.00	
% TOTAL ENCROACH	27.66%		21.32%	

The TRAN data indicates that home to school transportation had an encroachment of 55% in 2007-08 and 52.88% in 2008-09. This is quite low, comparatively, and even lower with the addition of school transportation fees collected from families. In special education transportation the encroachment is 59.61% in the 2007-08 fiscal year and 41.79% in the 2008-09 fiscal year. This is also relatively close to the state average. School transportation fees cannot be charged to special education pupils.

The school transportation apportionment received in 2008-09 was $191,575 for home to school transportation and $169,480 for special education transportation. In the 2009-10 school year that amount was reduced by 19.84%, resulting in decreased revenues of $153,563 for home to school transportation and $135,852 for special education transportation. Basic aid school districts also received an additional minor budget reduction to the school transportation apportionment for the 2009-10 fiscal year. The district's school transportation costs should not dip below the approved level of funding in the 2008-09 fiscal year. If this occurs, the state will reduce the apportionment to the lower level of spending.

School districts in California are exempt from federal excise tax on diesel fuel and gasoline and state excise tax on diesel fuel. Review of fuel invoices from the district's supplier shows that the district is paying federal excise tax on gasoline and state excise tax on diesel. The district should contact the fuel supplier to rectify these overpayments.

Recommendations

The district should:

1. Maintain costs above the 2008-09 state apportionment as it explores strategies to reduce home to school transportation service.
2. Contact its fuel supplier to rectify the overpayment of fuel taxes.

Driver Training

The district previously employed a state-certified school bus driver instructor, but at the beginning of the 2009-10 school year officials from the California Department of Education, Office of School Transportation determined that the driver instructor was not complying with laws and regulations regarding driver training record-keeping and removed the certification. Since that time, the district has contracted with two driver instructors from another school transportation operation to bring the driver training records and program back into compliance. The district pays these instructors $55 per hour for the training and record-keeping they perform, and also pays some travel time.

Driver training is a necessary aspect of school transportation. California Education Code Section 40082 requires school bus drivers to receive a minimum specified number of training hours to attain, maintain and renew a school bus driver's license. The minimum number of hours of training for a new driver is 20 hours in the classroom and 20 hours behind the wheel. Drivers must receive a minimum of 10 hours of in-service training annually, and a minimum of 10 hours of classroom training for license renewal. No other class of driver license in California requires as much training. Most school bus drivers receive much more training than these minimums because the law also requires the entire curriculum to be covered, which generally takes longer than the minimum time.

Currently, the driver training records are in compliance with law.

A school transportation operation cannot operate without certified school bus drivers. It is essential for any school transportation operation to have a school bus driver instructor on staff or readily available. Otherwise, drivers would not receive their required training and positions could not be filled, creating a service crisis. The district could continue to contract for driver instruction, but access to the service could be unreliable. Another staff member could be certified as an instructor. In an operation of this size, however, it is most common for the Coordinator to hold this certification. In FCMAT's comparisons with other districts of similar size and structure, it is not necessary to have a separate driver instructor position for an operation of this size.

California Education Code Section 39831.3 requires a School Transportation Safety Plan to be on file at each school in the district that receives school transportation. The district has a plan that was adopted or updated in 1998. The plan is not tailored to each school site and nor is it housed at the sites. The plan seems to include all the required elements.

Education Code Section 39831.5 requires school bus evacuation drills to be conducted annually. Staff produced records of the evacuation drill in the 2008-09 school year and reported that drills were performed in the 2009-10 school year, but could not produce those records. The code requires that records are maintained and kept for at least one year.

School bus accident data was produced for the past couple of years. There are few school bus accidents, indicating a high level of driver skill and competence. In addition, as previously noted, driving in and out of the bus yard and parking buses in very tight quarters requires a high level of skill. The fact that there are few in-yard accidents is a testament to the skills of the district's school bus drivers.

Recommendations

The district should:

1. Explore the options to attain a school bus driver instructor on staff.
2. Update the School Transportation Safety Plan specific to each school site, and maintain copies at the school sites.
3. Maintain current school bus evacuation records.

Staffing and Collective Bargaining Agreement

The district has 12 bus routes but only 11 contracted school bus drivers on staff. One of the 11 drivers has been on an extended leave, requiring at least two substitute drivers to cover bus routes daily. No other substitutes are employed by the district. In addition, the district contracts with a taxicab company to transport a student out of county to a nonpublic school (NPS). The transportation coordinator reported that when more drivers are absent, routes are consolidated to provide relatively similar and on-time service.

The district's organization chart shows a position titled Director of Maintenance, Operations and Transportation. The individual holding that position indicated that the title has changed and the position is no longer responsible for the transportation operation. This position does, however, manage the vehicle mechanic.

A management position titled Transportation Coordinator is responsible for daily department operations and staff supervision. It is an eight hour per day, 12-month position. Another position titled Driver Instructor consists of 4.5 hours per day as a regular route bus driver and 3.5 hours per day as a driver instructor. As noted above, the previous driver instructor's certification was removed by the California Department of Education.

No other formal positions for the Transportation Department are indicated on the organization chart or the roster of employees. However, two school bus drivers regularly perform clerical duties in the transportation office. They process bus passes, maintain databases and update bus route sheets. Since October these two drivers have reported a cumulative average of 2.12 hours per workday performing these duties.

In most operations of this size, the supervisor would regularly function as a substitute bus driver, possess driver instructor certification, perform most of the clerical work and supervise the work of the mechanic.

As noted above in the Driver Training section, the department's supervising position typically would be a state certified school bus driver instructor. One of the qualifications for this certification is the ability to drive a school bus. Since the coordinator has an industrial injury and is unable to drive a school bus at this time, he would technically be unable to become a certified instructor until he is fully released from his injury and able to drive a school bus.

Each route should have a driver on contract. In the short term, having contracted driver instructors is sufficient; however, it would be best for the long-term stability of the Transportation Department to have a driver instructor on staff. That could be a driver who is selected and trained for this responsibility but is only paid for that work when it is performed. It is not necessary to have this position on a contract, because for an operation of this size, it is not a daily responsibility. This is common in many small school district operations. The driver training function, however, is best filled by the Transportation

Coordinator. For such a small operation, it is essential to have some backup office support. For that reason, and because there is a great need for clerical assistance, a two hour per day, ten month clerical position should be created to support the Coordinator.

The collective bargaining agreement has only one statement relative to the specific work rules of the Transportation Department. It specifies that every bus route must be paid at a minimum of 4.5 hours per day. A bus route for a small operation like Dixie's generally consists of the time necessary to perform a pre-trip inspection, drive the bus from the bus yard, perform the route and return to the bus yard, the time necessary to sweep and clean the bus, fuel the bus and any associated record-keeping. Most of the district's home to school bus routes take less than four hours per day.

It is quite difficult to attract and retain school bus drivers in Marin County. This is due to the nature of the job, which is a part-time, split-shift position, and to the demographics of the county. It may be important for the district to maintain the 4.5 hour minimum to retain employees, but it is clear that the routes do not require 4.5 hours. As noted elsewhere in this report, if home to school bus routes are consolidated, drivers will work closer to the 4.5 hours per day.

Recommendations

The district should:

1. Require the Transportation Coordinator to perform most departmental clerical functions, become certified to perform the driver training functions of the department, and substitute as a school bus driver when necessary.
2. Provide a permanent school bus driver for each route.
3. Consider reducing bus driver hours to the actual amount worked each day.

Bus Routing

Home to School Transportation

Six home to school routes provide bus service for the district. In the morning all of these bus routes first pick up middle school students and drop them off at Miller Creek School; they then immediately pick up elementary school students and deliver them. Two of the routes serve Dixie Elementary School, two serve Silveira Elementary and two serve Vallecito Elementary. The bell times are as follows:

Miller Creek Middle School	8:00 am	2:56 pm	(Wed. 2 pm)
Elementary Schools	8:14 am	2:35 pm	(Wed. 1:25 pm)

This bell time split leaves little room to improve bus usage efficiency, as the bus drivers have very little time to perform their morning route and get to the schools on time. In the afternoon, there is slightly more flexibility in the schedule.

Approximately 398 seats are available on the six buses that are used for home to school transportation. The average bus loading numbers are as follows:

Middle School	173 am Riders (43.5%)	176 pm Riders (44.2%)
Elementary Schools	112 am Riders (28.2%)	120 pm Riders (30.2%)

The average bus loading numbers were taken from actual driver counts taken at various time through the year. This is actually a high average, because generally fewer than the above numbers of students ride the bus. However, a much higher number of bus passes are sold. If all students who held a bus pass rode at one time, overcrowding would be likely, particularly at Dixie Elementary School.

Mathematically, the district only needs three bus routes to provide this service, but with the current bell schedule it would not be possible. In addition, a reduction of three home to school routes could reduce costs below the state apportionment, placing the district at risk of losing state support.

There are two methods that could be employed to assist with route efficiency relative to bell schedules. One option is to spread the bell times at least 30 minutes apart in the morning. This could be done by moving the middle school bell time earlier by 10 minutes and the elementary bell times later by 10 minutes. The same could be done in the afternoon. Moving the afternoon bell times would allow the buses to arrive at the school before dismissal time. The second method would be to keep existing bell times, with the buses picking up the middle school students earlier in the morning and dropping off earlier at the school. The buses would then arrive at the elementary schools later in the

afternoon after dismissal time. This method would require more supervision by staff at all sites.

Board policy stipulates a service area of three quarters of a mile for K-3 grade students and a service area of 1 mile for 4-8 grade students. This is generally interpreted that no bus stops are closer to the school than these distances, and there could be a separation of at least this distance between bus stops. From a review of bus routes and stops, the district is not following this policy. Most likely, bus stops and routes have been historically developed and maintained as needs or issues have arisen. Routes could be further reduced by abiding by board policy; however, FCMAT has not performed a detailed analysis of this as it would take an excessive amount of time to accomplish.

The approved transportation expenditure for home to school transportation for the 2008-09 school year was $406,607. Seven bus routes were reported that year. Dividing that cost by seven routes indicates a cost of $58,086 per route. It is unreasonable to assume that would be the amount saved for each bus route that is reduced, as there are some fixed and indirect costs that would not necessarily be reduced or eliminated. It is more likely that approximately $40,000-$45,000 per route eliminated would be saved.

Community Committee

This year a community committee was formed to address the school transportation encroachment and the significant reduction in student ridership that has occurred in the past two years. The committee is quite organized, and has created a marketing campaign entitled "Get on Board," with a Web site, logo and song. Such organized community support for school transportation is unique. The committee also has done some research that indicates that since the base school transportation fee has been increased two years ago from $350 per year to $450 per year, ridership has declined by 100 students per year for the past two years. The members believe that reducing the fee to $350 per year and marketing school transportation as outlined in their plan would return ridership and decrease the encroachment.

In school districts throughout the state, FCMAT has seen reductions in school bus ridership that is not always tied to an increase in fees. In fact, there have been ridership reductions in many school districts that don't charge a fee. It is likely that fee increases do play some part in this phenomenon. The district, however, has a responsibility to manage the program according to board direction and with the resources that are allocated. A recent Board Transportation Subcommittee indicated that a home to school transportation encroachment of no more than $50,000 would be desirable.

FCMAT has also observed that school bus ridership decreases when fee levels top $400 per year per child.

If fees were reduced to $350 as the committee suggests, and no new ridership is generated, revenue would be reduced by approximately $40,000. If three routes were eliminated there could be a savings of $120,000. There would be very little seating space available to accommodate growth. This could reduce costs very close to or below the state apportionment and would not be advisable.

If fees were reduced to $350 and no new ridership was generated, there would again be a revenue reduction of approximately $40,000. If two routes were reduced the savings would be approximately $80,000. This would reduce the encroachment to about $60,000 and would still leave space for additional student riders. This is higher than the Board Transportation Committee's goal of an encroachment no higher than $50,000.

If fees were reduced to $350 and ridership decreased, fee revenue would decrease and encroachment would increase, thereby worsening the district's situation.

The most prudent course of action likely would be to reduce fees to somewhere between $375 and $399. If the committee is successful and ridership increases, it would be advisable to revisit the fee level and, perhaps, reduce it slightly at that time.

Bus passes are processed by Transportation Department staff. Transportation packets are mailed to every district family and forms are returned with checks. The passes are processed and then sent to the family. Some costs could be reduced here. Rather than mailing the packet to all district families, those that have used school transportation could be directly targeted with a mailing, or, to eliminate the paper and mailing fees, all of the information could be available online. Some paper copies would need to be produced for those who don't have access to the Internet. In addition, there may be some benefit from allowing point of sale purchasing of bus passes over the Internet with credit cards. Although staff would still have to process the transaction, it may be easier and more convenient for many district families and would not require travel to the district office or school. It also would free district staff from this time-consuming face-to-face process.

Special Education Transportation

Thirty-nine special education students are transported on six routes. One of those children is transported to a nonpublic school out of county, usually in a taxicab with which the district contracts. There are 6.3 students per bus route, on average. This number is lower than FCMAT typically sees in special education transportation operations, but could be due to bell time issues or the small numbers of students. In special education transportation operations that are larger with more students, there are generally more opportunities to route more efficiently. Shifting bell times, as noted above, may allow for more students on each special education route.

The Special Education Department of the school district is very careful in conducting Individualized Education Program (IEP) meetings, and requests school transportation

only for the students who require it. When transportation is required, a formal transportation request is forwarded to the Transportation Department and then the child is scheduled on a route. The Special Education Department is generally pleased with the service level and responsiveness of the Transportation Department.

The child that requires a taxicab on some days of the week can be transported on a district bus the rest of the week. Each taxicab trip costs $81 in the morning and $70 in the afternoon. The district is exposed to some liability with this service. School transportation is statistically the safest form of transportation. According to the National Safety Council, it is at least eight times safer than any other mode of ground transportation. School transportation vehicles must meet more federal construction safety standards than any other vehicle in the U.S., and also must comply with the most stringent vehicle maintenance requirements. In addition, the driver receives more training than any other commercial driver, is fingerprinted by state law, and drug and alcohol tested under federal law. Taxicab vehicles and drivers are not subject to the same requirements. The district should develop a formal contract with any taxicab it uses and at the very least require (1) a criminal background check, (2) compliance with a similar drug and alcohol test, and (3) regular updates regarding the drivers' DMV records.

One option for transporting small groups of students would be to use a district-owned vehicle driven by a trained employee. California Vehicle Code Section 545 states that students being transported to and from school or school activities must be transported in a school bus, but there are exceptions to the law. One allows up to nine students and the driver (10 total) to be transported in a non-school bus vehicle that has been designed for and carries that number of passengers or less. It is common for school districts to transport small groups or small teams in vans or other automobiles that are not school buses. Providing special transportation in this manner is less expensive than utilizing a school bus with a certified driver, and it provides the district with the assurance that the vehicle is well-maintained and the driver is a district employee that is in compliance with rules similar to that of a school bus driver. There should be a backup plan in the event that the vehicle is out of service or the driver is ill or absent.

The potential change in district bell times may accommodate more students per special education route as noted above, but it is unlikely that Dixie School District will have any influence on bell times at other school districts where its students attend Marin COE classes or nonpublic schools. Unfortunately, bell time is just one of the logistical issues that make special education transportation so challenging and expensive.

In Marin County, the Marin County Office of Education provided all special education transportation for many years. When the program disbanded in the late 1980s or early 1990s some districts chose to provide their own service, while others banded together under a joint powers agreement. Dixie likely had very few special education students to

transport at that time. The funding that was transferred for this service may have covered a greater portion of the cost at that time.

The Marin Pupil Transportation Agency (the JPA referenced above) has 10 school district members. It has 27 routes that serve 320 students, or an average bus loading factor of 11.85 students per route, which is considerable higher than the Dixie School District. It also has 30 students that are transported in taxicabs. The MPTA cost per mile is $6.35 and the cost per pupil is $7,808 as reported on the 2008-09 TRAN. The MPTA's reported costs are slightly higher than Dixie's but an unknown element is how those costs are allocated. It would make sense for the Dixie School District to explore membership in the MPTA if it could; however, Education Code Section 45103.1 prohibits school districts from contracting out services, except in cases where efficiency can be proved. FCMAT knows of no school district that has successfully challenged that 2002 law. If the law was ever overturned or amended to allow the transfer of the service to the JPA, it could be cost effective and beneficial for the Dixie School District.

The MPTA has occasionally been able to transport a Dixie student if no other option is available and if a bus and driver are in the area and going to the same school. The charge is $17.50 for a one-way trip and $35 for round-trip service.

Recommendations

The district should:

1. Consolidate current home to school routes by two, to four total routes.
2. Adjust bell times at the schools to accommodate more economical routes.
3. Reduce fees to $375-$399 per year.
4. Provide bus pass information online, and consider online bus pass sales.
5. Establish a formal contractual relationship with safety stipulations for taxicab companies or purchase a vehicle that could be driven by a district employee.
6. Explore membership in MPTA if EC 45103.1 is ever amended.

Communication

Whenever a school district considers reducing school transportation service, community communication is critical. The district can significantly benefit from the very active and visible school transportation committee that has been formed. The committee and its marketing campaign offer a powerful and energetic work force that can be utilized to maximize the benefits of encouraging new riders while slightly reducing the fee level.

The bus pass program (Trans Traks software program) has the ability to create a list with addresses of all bus riders. They can be targeted directly with mailings. In addition, traditional district newsletters and the district Web site can be used to communicate changes. As the district ponders changes, it will be important to have a separate meeting or hearing to allow interested parents to offer their input.

With route consolidations and minor bell time changes, location of bus stops and service areas would not change, but bus rides would be a little longer and some student pickups may occur earlier in the morning. Although these may seem like minor inconveniences, it will affect family schedules. It is always beneficial to allow complete community input on the proposed changes.

Recommendations

The district should:

1. Utilize various methods and committees to communicate with interested parents and groups.

Further Reductions, Outsourcing or Forming a JPA

School districts commonly utilize certain strategies to reduce costs and service when school transportation funding decreases. One strategy is to extend the non-service area beyond the current boundaries of three-quarters of a mile for K-3 and one mile for grades 4-8, or to provide service only at distant group bus stops. Many school districts in Marin County that used to provide school transportation abandoned this option years ago. In some areas with safe neighborhoods or adequate public transit infrastructure, that may be reasonable. In more rural areas, or in areas of lower socioeconomic demographics, it may not be practical to eliminate school transportation. Home to school transportation is not mandated by California law. Special education transportation is mandated by federal law as a related service dictated by a child's IEP.

Because the Dixie School District has a long history of providing home to school and special education transportation for its students and receives funding to do so, it makes sense for the district to continue to provide the service in-house. Contracting with a for-profit provider is not currently a viable option as noted above.

In some areas of California, joint powers agreements have been formed to operate school transportation service. Several school districts join together to improve service and reduce costs through economies of scale. This makes sense when districts are geographically proximate. Most districts close to Dixie do not operate a school transportation service, so this likely would not be a viable or reasonable option.

Responses to Additional Questions Posed by the District

In addition to the specific scope points established for this study, the district has generated a number of other specific questions. Some of these questions have been adequately addressed in the body of this report and others are discussed in the responses below. Each question is restated and the answer or discussion follows.

1. *Are there any examples of other districts significantly reducing or eliminating the home to school encroachment? How did they accomplish these gains?*

   School districts all over the state have been working to reduce their home to school transportation encroachment over the past 27 years. Most of the strategies include those suggested in this report. Consolidating bus routes, staggering bell times to maximize bus use, and extending non-service zones are methods that districts all over the state have employed to reduce service. In addition, districts have increased their fees for school transportation to recoup a greater amount of revenue. Some districts, such as Novato USD, have completely eliminated home to school transportation.

2. *Do most districts that have home to school transportation have an encroachment, and if so, how much does it vary by some comparable measure? Does encroachment differ for outsources vs. in-house bus systems?*

   As explained in the Finance section of this report, the state apportionment was frozen 27 years ago. Some school districts have greater encroachments than others. The average statewide encroachment is 55%. No data exists that substantively proves whether contracted service or district operated service is more cost effective. Contractors generally have lower salary levels for their employees, but they must also make a profit. Contractors sometimes have lower operating costs because they can purchase large quantities of buses, fuel and parts and can benefit from that economy of scale.

3. *Are there any efficiencies with our current in-house organization looking at salary and expenditures?*

   The district's bus driver salary is not significantly higher than other local school district organizations. The district's costs are relatively reasonable compared with other school districts in the area.

4. *How inadequate is our data collecting on ridership? What kind of system would collect the appropriate data for us to take further action on improving ridership?*

   The system that the district utilizes for bus pass processing contains the student address and bus stop data for each bus rider. The drivers take a monthly ridership count on a particular day. Short of purchasing a very expensive electronic system, this data is similar to what most school district transportation departments possess. School site staff could also count students as they board or exit buses at the school site to determine ridership.

5. *What do other districts do with respect to bus sign-up and registration that would make it easier for children to access bus rides?*

   The Dixie School District does as much or more than any school district to provide information regarding bus service and applying for a bus pass. The district sends an exhaustive packet to every family at the beginning of each school year. Applications for bus passes are also available at each school, and some information is available on the Web site. Credit card purchases for bus passes are available at the district office. Additional online information and online bus pass purchasing could make the process easier, but not all families have access to a computer.

6. *Would it be cost effective to market our bus services to neighboring districts without adding to our labor costs?*

   Adding service will increase the district's cost. If the district is ever approached to provide service on contract for a neighboring school district, a complete analysis should be done at that time to ensure that the service is appropriately priced and that it generates some additional revenue to help support the district's operation.

7. *What do other schools in Marin offer for home to school transportation?*

   Home to school transportation is provided by some other school districts in Marin County.

   They are: Bolinas Stinson Union School District (three buses), Lagunitas Elementary School District (one bus), Larkspur Elementary School District (three buses), Reed Union Elementary School District (3.5 buses), San Rafael City Elementary School District (seven buses), Sausalito-Marin City Elementary School District (one bus), and the Shoreline Unified School District (11 buses). Of these school districts, Bolinas-Stinson, Lagunitas and Shoreline operate their own buses. Other districts contract for service or use public transit.

8. *What do other districts charge for a yearly bus pass in Marin and across the state looking at like sized districts, equal school locations and geography, K-8 vs. unified?*

   Reed charges $250 and San Rafael City Schools charges $415 for an annual pass. Bolinas-Stinson, Lagunitas, Sausalito-Marin City and Shoreline do not charge fees. In other local school districts, Petaluma City Schools charges $420, West Sonoma County Union High School District charges $290, and Guerneville School District charges $120 per year.

   There is no statewide database for school transportation fees. The state Department of Education publishes the maximum allowable amount annually, and it is above $700 per day. FCMAT is not aware of any school district in the state that charges a fee this high. Many school districts in lower socioeconomic areas, like the Central Valley, do not charge fees.

9. *Should our distance from school requirements be changed to increase bus ridership?*

   Dixie has a reasonable board policy on school transportation eligibility that is similar to that of many school districts. Some bus stops are closer to school than the stated distance and closer together than those distances. However, some

of those bus stops may have been established for a particular safety or service reason. It is unlikely that closer bus stops would encourage greater ridership, and they would most likely increase ride times and operation costs.

10. *Review our Special Ed transportation for possible efficiencies that could reduce the encroachment.*

    It can be very difficult to attain increased efficiency with special education transportation service because of the small number of students being transported and the logistical issues relative to each child (school of attendance, bell time of the school, home location, and other IEP driven factors).

11. *We need a cost analysis comparing:*
    a. *Our current in-house transportation system.*
    b. *"Improved" in-house transportation - analyze staggered start times at MC and minimum hours of employment*
    c. *A reduced in-house transportation option, eliminate K-5, just have middle school.*
    d. *An outsourced transportation with our current configuration and also looking at the Reduced and Improved configuration. Need to include MPTA (Marin County Special Ed JPA) in the analysis.*
    e. *Also look at partnership models, Larkspur using Golden Gate Transit buses.*

    With respect to the MPTA, its bus loading factor is much better than Dixie's. However, its 2008-09 TRAN Report shows a cost per mile of $6.35 and a cost per pupil of $7,808. Dixie's 2008-09 cost per mile is $3.49 for special education, with a reported cost per pupil of $6,194. A much deeper analysis would need to be done to explain these numbers, as school districts often report elements on the TRAN incorrectly. If the law allowed Dixie to outsource special education transportation, a full analysis would need to be done.

    Some school districts in the state provide school transportation only with public transit buses. Public transit is prohibited from providing schools with tailored service by the Federal Transit Administration "tripper rules." Students can ride public transit buses, but only on established routes with the general public. Some school districts utilize their school transportation apportionment to purchase bus passes for the public transit system for their students.

    FCMAT would recommend reducing the home-to-school routes from six to four, but continuing to provide service to the elementary and middle schools. With the very active parent group encouraging ridership, it would create a public relations challenge to eliminate home-to-school transportation for a subset of students when funding is available and there is capacity on the

bus routes. Consolidating the six routes to four would save approximately $80,000 to $90,000, all but eliminating the encroachment for home-to-school transportation. If K-5 transportation were eliminated, the resultant reduction in costs would cause the district to lose a portion of its state apportionment, likely about $100,000. To preserve state funding and eliminate K-5 transportation, the district would need to operate all six routes. They would be quite inefficient routes. However, there is no legal issue relative to providing transportation service for a subset of students, as long as it is clearly defined in board policy.

12. *What are the Ed Code/Labor Code implications of outsourcing or using a JPA for our busing?*

    As described above, EC 45103.1 does not specifically prohibit school districts to contract for classified services, but does require districts to provide significant proof that savings have occurred if services are outsourced. FCMAT is not aware of any school district in the state that has challenged this law and outsourced any classified service. The California School Employees Association was the primary sponsor of this legislation and pays close attention to this issue. They interpret "contracting" as any service transfer, even if it is going from one CSEA unit to another, such as a school district providing service for another or school districts joining together as a JPA.

    A protracted legal battle could occur if Dixie School District decided to outsource school transportation. Other school districts in Marin County with outsourced transportation services or joint powers agreements had the services in place before the law went into effect on January 1, 2002. CSEA is adamant about protecting classified positions.

13. *Since we need to continue to maintain special ed transportation, any changes made to home to school transportation will need to be reviewed to determine how they impact the cost and operation of special ed transportation.*

    Yes, that is true. Some of the district's fixed costs are spread out over the entire operation, so the cost of the mechanic and the coordinator are shared. In addition, it is likely that some non-severe special education students are riding home to school bus routes. If the district ever eliminated home to school transportation, those students could require special transportation. In addition, the district would still have a need for field trips and other required bus transportation. Special education students that ride on home to school routes can be reported on the TRAN, and their costs can also be reported as home to school costs as per Education Code Section 41850.

14. *Do they have experiences with other districts when home to school transportation was significantly reduced or eliminated? Do they have strategies for working with the community on this topic?*

    Communication strategies are discussed in the body of this report. Since the district would only be making minor modifications if FCMAT's recommendations are followed, there should not be any significant community outcry. Severe reduction or elimination has initiated significant community concern. In two school districts in California, the local authorities are suing the districts for eliminating school transportation due to local traffic congestion and pollution and for not mitigating those increases per the California Environmental Quality Act.

15. *What are our best redistricting options to accommodate home to school distances for students based upon population and geography versus current busing routes?*

    As noted in the body of the report, redistricting or changing school attendance boundaries is not really necessary. The district is very small, geographically speaking, and travel distances are quite close. Any future attendance area changes should not significantly impact school transportation, and changes will not generate any great transportation savings. An in-depth demographic study was not a part of this FCMAT engagement.

16. *Explain how to determine best staggered start times for elementary schools and middle school to maximize cost savings for outsourced option/s, specifically around labor costs for drivers.*

    FCMAT believes the recommendation to reduce two routes and reconfigure the remaining routes will reduce unnecessary route costs and provide route work for each driver that will be closer to the contract-required 4.5 hours of pay per day.

17. *What are the experiences with other districts that have outsourced? Would schools that abandoned their bus operations have been wiser not to have outsourced?*

    FCMAT is not recommending that the district outsource school transportation. Because home to school transportation is not required, many school districts would like to eliminate this costly service that encroaches on their general fund, but community needs may preclude that option. Some school districts perceive that if the work is contracted, their "headaches" dealing with school transportation operations will disappear. That is not entirely the case. Contractors also are interested in making a profit, so they are not always helpful in recommending bell time or schedule changes that would reduce their services and cost.

18. *Are there Williams Act issues/risks with our population living east of Highway 101 who currently depend on our bus? On average, what would an outsourced option for just these students cost the district?*

    As noted above, there are not any Williams Act issues. FCMAT does not have any data to predict what it would cost to contract for service. The only way to get a reliable amount would be to go to bid for the service.

Comparable TRAN Data

The table below contains the 2008-09 TRAN data (the most current available) for all of the school districts in Marin County that provide school transportation.

TABLE 2										
Marin County 2008-09 TRAN Data										
	HTS	HTS	HTS	HTS	HTS	SD/OI	SD/OI	SD/OI	SD/OI	SD/OI
DISTRICT	BUSES	PUPILS	MILES	COST/MILE	COST/PUPIL	BUSES	PUPILS	MILES	COST/MILE	COST/PUPIL
MPTA	11	93	114,190	$ 6.35	$ 7,807.00	15	217	266,444.00	$ 6.35	$ 7,807.00
BOLINAS-STINSON	3	102	16,005	$ 9.83	$ 1,543.00					
DIXIE	7	390	43,966	$ 9.24	$ 1,042.00	6	47	83,316.00	$ 3.49	$ 6,194.00
LAGUNITAS	1	45	3,948	$ -	$ 788.00					
LARKSPUR	3	212	0	$ -	$ 9.82					
NOVATO	16	738	298,627	$ 3.42	$ 1,384.00	6	52	88,542.00	$ 7.27	$ 12,383.00
REED	3.5	335	35,280	$ 6.84	$ 721.00					
SAN RAFAEL	7	1463	144,654	$ 4.58	$ 453.00					
SAUSALITO	1	75	4,700	$ 33.04	$ 2,070.00					
SHORELINE	11	349	201,126	$ 4.15	$ 2,396.00					
ROSS VALLEY	3	11	11,225	$ 9.23	$ 9,427.00	2	5	18,154.00	$ 4.44	$ 16,147.00

Appendices

Appendix A

Facts About Truck and Bus Regulation Provisions from the California Air Resources Board

Appendix B

Study Agreement between Dixie School District and FCMAT

Appendix A

FACTS ABOUT

Truck and Bus Regulation School Bus Provisions

Less stringent requirements for owners of school buses

On December 12, 2008, the California Air Resources Board (ARB) approved a new regulation to significantly reduce emissions from existing on-road diesel vehicles operating in California. As discussed below, the regulation includes requirements for school bus particulate matter (PM) reductions. For general information about the regulation, see *Overview of the Truck and Bus Regulation*.

What does the regulation require?

Owners must retire school buses manufactured before April 1, 1977, by January 1, 2012. Remaining school buses must have exhaust retrofits installed that capture pollutants before they are emitted to the air. The regulation provides three options for owners to reduce emissions in their fleet. A fleet owner may not use non school bus vehicles to satisfy requirements for school buses.

How does the proposed regulation define a school bus?

School buses are vehicles providing transportation of any school pupil at or below the 12th-grade level to or from a public or private school or to or from public or private school activities.

What school buses are subject to this regulation?

Diesel-fueled school buses weighing more than 14,000 lbs GVWR are subject to this regulation.

What school buses are already in compliance with this regulation?

- School buses with level-3 (85 percent reduction of PM) particulate filters installed as after-treatment or by the original engine manufacturer
- School buses with a level-2 (50 percent reduction of PM) particulate filters installed on or before December 31, 2005, if that was the highest level device available at the time

What are the exemptions and special provisions for school buses?

Exemptions
Small school buses, less than or equal to 14,000 lbs GVWR, school buses registered as historic vehicles and non diesel-fueled school buses such as CNG-fueled school buses

Low use school buses
School buses operated less than 1,000 miles in a 12-month period are exempt from the performance requirements of this regulation; however, these vehicles are subject to the reporting requirements.

School buses that cannot be retrofitted
A delayed compliance date of January 1, 2018, is provided for school buses that cannot be retrofitted (e.g. 2-stroke engine buses). Reporting requirements apply until the school bus is brought into compliance. These buses must be replaced, or repowered with an engine that can be retrofit, if no retrofit is available by January 1, 2018.

Is incentive money available?

The Lower-Emission School Bus Program (LESBP) provides financial incentives to replace high-emitting pre-1987 model year school buses with lower-emitting new buses, and to equip in-use diesel school buses with ARB-verified diesel retrofit devices to reduce toxic PM emissions. Information about this grant program is located at *www.arb.ca.gov/bonds/schoolbus/schoolbus.htm*. The LESBP provides up to $140,000 per bus to help replace an existing older school bus with a new diesel or alternative-fueled school bus. However, this funding amount does not cover the cost of a typical hybrid school bus. The Hybrid Truck and Bus Voucher Incentive Program (HVIP) would allow for LESBP and HVIP funds to be combined to pay for up to the full cost of a new hybrid school bus. Additionally, local air districts may have funding, such as motor vehicle registration fee surcharge money, which can be used to replace or retrofit school buses.

What are the compliance options for school buses?

The first option, the best available control technology (BACT) option, allows owners to install PM retrofits and replace vehicles (or engines) according to a prescribed schedule based on the existing engine model year (See Table 1). There are no reporting requirements for the fleet choosing this option.

Table 1: Best Available Control Technology Compliance Schedule for Schoolbus Fleets

Compliance Deadline, as of January 1	Engine Model Years
2011	2000 and newer
2012	1994 - 1999
2013	1987 - 1993
2014	Pre - 1987

The second option, the PM BACT percentage limit option, allows fleet owners to ensure that a minimum percentage of the fleet is in compliance with the regulation each year (See Table 2). There are reporting requirements for the fleet choosing this option.

Table 2: Percent of Total Fleet That Must Comply with PM BACT

Compliance Deadline, as of January 1	Percent of Total Fleet Complying with BACT
2011	25%
2012	50%
2013	75%
2014	100%

The third option, the PM fleet averaging option, allows fleet owners to ensure that their fleet average emission rate is at or below the target for a given year. There are reporting requirements for the fleet choosing this option. An on-line calculator to assist fleet owners using this option can be found at: *www.arb.ca.gov/msprog/onrdiesel/calculators.htm*. The compliance table is located in the regulatory language at the end of section 2025 (h)(3).

When is the CHP Safety Inspection required?

A California Highway Patrol safety inspection is required after the retrofit is installed and before the school bus returns to service.

When are the reporting requirements for school buses subject to this regulation triggered?

When the owner of the fleet chooses to comply with option 2, the PM BACT percentage limit option, option 3, the PM fleet averaging option, or when the owner utilizes special provisions such as 'Low use school buses' and 'school buses that cannot be retrofitted,' reporting requirements apply beginning January 31, 2011.

For More Information

Fact sheets, compliance tools, and regulatory documents are available at *www.arb.ca.gov/dieseltruck* or by calling the ARB's diesel hotline at (866) 6DIESEL (634-3735).

To obtain this document in an alternative format or language please contact the ARB's Helpline at (800) 242-4450 or at *helpline@arb.ca.gov*. TTY/TDD/ Speech to Speech users may dial 711 for the California Relay Service.

Appendix B

FCMAT
FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
CSIS California School Information Services

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
December 14, 2009

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Dixie Elementary School District hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The District has requested that the Team provide for the assignment of professionals to study specific aspects of the Dixie Elementary School District operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study
The scope and objectives of this study are to:

1) Conduct a review of the District's Transportation program and operations for special education and regular home to school services. The evaluation shall provide recommendations, if any to reduce encroachment from the Unrestricted General Fund.

2) Develop strategies for the District to use in communications with parents of regular and special education students during the process of identifying alternatives for transportation services, including parent transportation contracts.

3) Provide recommendations for a new bus routing methodology based on a standardized district wide school bell schedule and the most efficient use of transportation routes. This option should also include staggering start times at both the district and the Marin County Office of Education. An evaluation of the district's board polices regarding bus pickup and walking distances should be included in this component.

4) Review bus routes and provide recommendations for changes to improve route efficiency. Provide an estimate of the cost to implement the recommendations and identify possible funding sources, including parent fees. The fee option shall include comparisons from districts in Marin County and other districts state wide of comparable size and structure. The study shall include an option including the fiscal impact to eliminate transportation for grades K-5 and transport middle school students only.

5) Analyze the fiscal impact of current bargaining contract provisions related to transportation including wait time, field trips, extra duty, additional benefits, other overtime and hourly activities. This component should include options to increase ridership and improve the registration process, if any.

6) Evaluate the current in-house bus maintenance activities and provide recommendations for cost savings and improvements.

7) Provide recommendations for communication strategies with parents and the community if the District considers reductions for fee based options for transportation services.

8) Evaluate and provide cost comparisons for outsourcing or a joint powers agreement with other surrounding districts for home to school transportation and a component identifying the advantages and disadvantages for these types of services.

B. Services and Products to be Provided

1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.

2) On-site Review - The Team will conduct an on-site review at the District office and at school sites if necessary.

3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the District of significant findings and recommendations to that point.

4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.

5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.

6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.

7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no costs. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, Deputy Executive Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

A. Mary Barlow, Deputy Administrative Officer
B. Bill Gillespie, FCMAT Chief Management Analyst
C. FCMAT Special Education Transportation Consultant
D. FCMAT Transportation Consultants

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d) (1) shall be:

A. $500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.

B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A**,** the total cost of the study is estimated at $19,000. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance

of the final report by the District.

C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools - Administrative Agent.

5. RESPONSIBILITIES OF THE DISTRICT

A. The District will provide office and conference room space while on-site reviews are in progress.

B. The District will provide the following (if requested):

1) A map of the local area
2) Existing policies, regulations and prior reports addressing the study request
3) Current organizational charts
4) Current and four (4) prior years' audit reports
5) Any documents requested on a supplemental listing

C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with District pupils. The District shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones, contingent on board approval and availability of FCMAT Staff and consultants:

Orientation:	***Estimated in January/February 2010***
Staff Interviews:	***Conducted over a three day period***
Exit Interviews:	***Conducted on third day***
Preliminary Report Submitted:	***Six weeks after the exit meeting***
Final Report Submitted:	***to be determined***
Board Presentation:	***to be determined***
Follow-Up Support:	***If requested***

7. CONTACT PERSON

Name of contact person: Robert Marical, Business Manager

Telephone 415-492-3710 FAX _____

Email: rmarical@marin.k12.ca.us

Thomas Lohwasser, Superintendent Date
Dixie Elementary School District

December 14, 2009
Anthony L. Bridges, Deputy Executive Officer Date
Fiscal Crisis and Management Assistance Team

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report.