



## MEMORANDUM

**TO:** Superintendent Greg Baker

**FROM:** Simone Sangster, Assistant Superintendent of Finance and Operations, and Rob McElroy, Executive Administrator on Special Assignment

**RE:** Transportation Levy Planning Advisory Group Recommendation

**DATE:** June 6, 2016

We are pleased to present the following document that provides information on the Transportation Levy Planning Advisory Group process, outlines our rationale, describes our recommendation on levy priorities and a levy amount, and outlines some other considerations for approaching the transport of students to and from school across the entire district.

The document is organized in five sections:

- I. Project background and alignment with The Bellingham Promise
- II. The charge, membership, and process
- III. Summary of rationale, work, and values
- IV. Recommendations
- V. Other items recommended for future follow-up
- VI. Next steps

### **I. Project background and alignment with The Bellingham Promise**

Bellingham Public Schools' buses provide transportation services to-from school for our students every day. Transportation services have also expanded over recent years. The basis for the project is to ensure that the district provides school bus services that are available to all students and are flexible to ensure that we are meeting the needs of all students. These are key strategies within The Bellingham Promise. In summary:

- Bellingham Public Schools provides safe, efficient transportation for more than 3,500 students every day.
- School buses travel thousands of miles each year and are driven in a start-stop fashion that is harder on transmissions. While maintenance staff have taken excellent care of the fleet, the fleet condition is such that many buses are recommended for replacement due to age, miles travelled or both (according to the NASDPTS - the National Association of State Directors of Pupil Transportation Services).

- Improving school schedules in fall 2017 requires more buses to maintain the current level of service.
- More buses are required to meet the transportation needs of students with special needs and students who are homeless.
- Our transportation needs now extend far beyond school hours with activities, field trips and after school enrichment and support. While many of these have been offered in the past, the district is providing a higher level of service now to support programs offered in accordance with The Bellingham Promise.
- Updating and replacing the fleet, including transportation technology needs, will increase efficiency and safety and reduce environmental impacts.
- State funding is inadequate to replace buses and does not cover expanded service needs. In the past, the district has not asked voters for additional funding, and students haven't been offered less.

## **II. The charge, membership, and process**

The superintendent charged the advisory group with “recommend(ing) levy priorities and a levy amount, considering the overall financial and taxation impact.” The group was not responsible for looking at transportation staffing implications.

### **Advisory Group membership**

The Advisory Group membership was solicited through email invitations, website postings, and word of mouth. The final membership was drawn from a wide range of stakeholder groups comprising the following:

- Ethan Berschauer - high school student
- Isabela Padilla - high school student
- Mary E Anderson - parent
- Patrick Buckley - parent
- Kirsten Wert - parent
- Kim Brown - community member
- Rick Nicholson - community member
- Kevin Terpstra - certificated staff member
- Richard Drost - transportation staff member
- Drew Graham - transportation driver
- Steve Ruthford - principal
- Rae Anne Thon - Director of Transportation
- Jonah Stinson - Director of School Safety and Emergency Management
- Kurt Gazow - Executive Director of Technology
- Tanya Rowe - Executive Director of Communications and Community Relations
- Simone Sangster - Assistant Superintendent of Finance and Operations and Rob McElroy - Executive Administrator of Teaching and Learning, Co-Chairs

### **Process**

The committee met as a whole on three occasions:

- April 20 – 3:00-5:00 pm
- May 4 1:00-5:00 pm

- May 18 1:00-5:00 pm

A team of 5 comprising Patrick Buckley, Kirsten Wert, Drew Graham, Rob McElroy, and Simone Sangster agreed to prepare draft recommendations that were presented to the full committee for input and finalization at the May 18 meeting. This team met on May 12, 2016.

### **III. Summary of work, rationale, and values**

The Advisory Group represented considerable local experience in transportation, ridership, and a cross-section of local stakeholder groups. The group brought expertise and inquisitiveness to the issues related to the school district transportation services.

#### ***Overview: Learning and questioning through inquiry...***

The committee's work was driven by inquiry. The first meeting focused on providing information on the state and local school transportation context. The agenda for the second meeting was driven entirely by questions asked by and information requests from committee members at the first meeting. The second meeting started with presentations that answered data questions. Following this, the committee broke into smaller groups which took deep dives into issues and themes that emerged from the group's discussions and questions at the first meeting. Additionally, we were joined at the second meeting by the regional transportation coordinator, Anna Esquibel, who provided a broader perspective on the district's context and answered questions. The third meeting included a tour of several new and old buses, remaining questions were addressed and time was provided for the group to distill, test, and question what was learned. Ultimately, the third meeting arrived at a set of recommendations based on this work.

#### ***Funding***

At the first meeting, the group learned that there are several ways to fund the purchase of school buses. The state provides payments on a predetermined state schedule to aid with the replacement of buses (often referred to as "depreciation"), but this is currently insufficient to update and replace the district's fleet. The state provides this funding over 8, 13 or 18 years depending on the type of bus. Bus purchases may be funded by non-voted debt, however this incurs interest charges that mean fewer buses are purchased. General funds may be used to purchase buses; however, these are the basic operating funds that support the district's day-to-day operations and the district prefers not to use funds from the classroom to purchase buses. Finally, funds from a short-term transportation levy measure may be used to purchase buses. Such a measure would be presented to the local voters. The committee's charge was therefore to consider the amount of levy that should be presented to the community.

The district's transportation staff was recognized for managing and maintaining the fleet. The buses have consistently passed state inspections. Additionally, the operation (bus routes and staffing) have received a 100% efficiency rating from the state, resulting the state reimbursing in a high percentage of operating costs (drivers, fuel, and maintenance).

Fleet condition is measured nationally by age and mileage.<sup>1</sup> The average age of the district's fleet is 12.8 years. The fleet is old with the majority of buses older than Washington State's

---

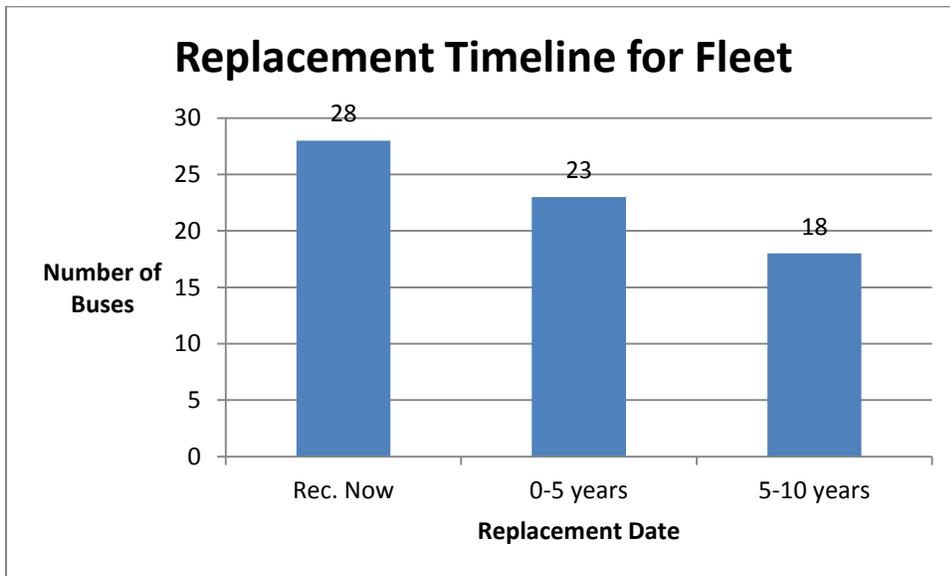
<sup>1</sup> National Association of State Directors of Pupil Transportation

reimbursement schedule, as shown in Chart 1 below. Most of the district’s buses receive funding over 13 years. Once they are older than 13 years (which is the applicable rate for the majority of buses), the district no longer receives money for them. The district already received the maximum amount of state funding for these buses; however, much of this funding was used to expand services for students and replace some buses. Average mileage for buses in the fleet is 175,022 miles. The NASDPT recommends that most buses be replaced at 200,000; accordingly, many buses in the fleet should be replaced.

The group explored the reasons the bus fleet was in need of updating. Broadly speaking, these fell into three categories: growth in services, inadequate funding, and protection of the general fund for classroom purposes. Over the last 20 years, services in the district have increased due to the opening of new schools (Squalicum, Kulshan Middle School, Wade King, Cordata); opening new programs (Promise K, GRADS); expansion of residential areas to the boundaries of the district; changes in student demographics (increased students requiring specialized services – special education, homeless); and increases in services (before and after school, fieldtrips). These are described in more detail below the following charts.

In terms of funding, a review of state funding shows that the state has not consistently funded school bus replacement over the last 20 years; the funding provided does not cover the full cost of a bus (with minimal added items needed to be placed in-service); and funding is only provided for replacement of buses, so any addition of buses to the fleet (growth) should be externally funded, although this is not always possible. Districts around the state have responded to the funding issue by requesting transportation levies and by using general funds to purchase buses. For the most part, Bellingham Public Schools has avoided asking voters for additional funding and has not used general funds to purchase buses; however, in 1999 the district transferred approximately \$1.1 million from the general fund to purchase additional buses.

Chart 1.

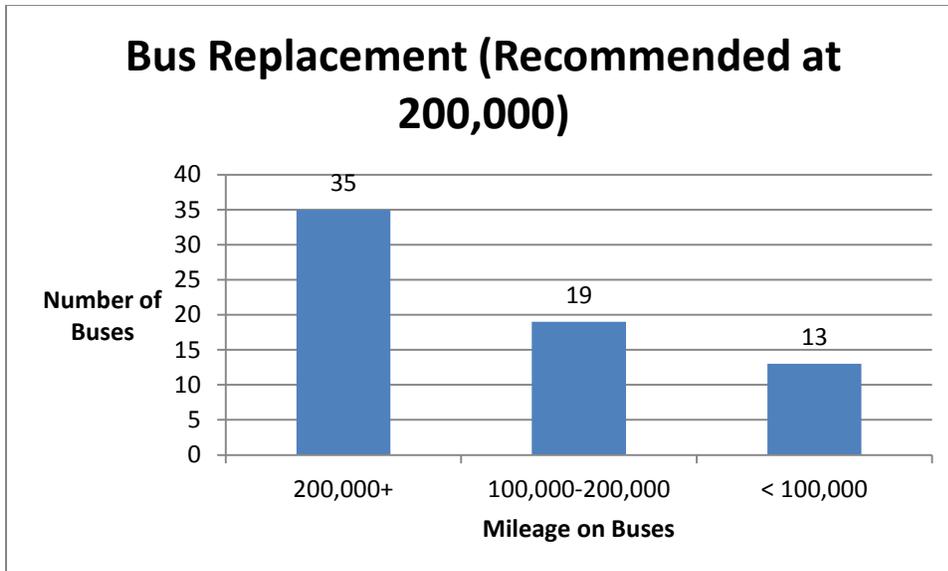


Note: Total buses is 69 and includes the buses being replaced this year. Taken from the state’s depreciation record at the beginning of the school year.

Rec. now = Recommended for replacement as of the date of this report.

The fleet has also travelled many miles. Approximately half of the fleet has travelled more than 200,000 miles as shown below.

Chart 2.



Note: Total buses in 67 and excludes buses being replaced this year. This was taken later in the year.

The regional transportation coordinator, Anna Esquibel, provided information about other districts around the state and indicated that the fleet was in “dire shape.” She also pointed out that other districts in the county/ state had been purchasing buses through levy and/ or general fund withdrawals.

Some other informational takeaways from this session were as follows:

- The fleet is travelling further – mileage increased 9% between 2013-14 and 2014-15. The increase in mileage was primarily as a result of increased mileage for field trips resulting from the district funding certain field trips for students, rather than asking families to pay, under the Project Free Education initiative.
- More specialized services are being offered to students with special needs and students who are homeless (and often live outside the district).
- Growth in the number of students in the north end of the district may necessitate a new school at some time in the future. This is likely to mean at least one more bus is needed, but it is hard to predict timing, attendance areas, and ridership at this time.

### ***Inquiry***

Give the charge to recommend bus replacement priorities, four areas of work emerged from committee discussions during the first meeting. These needed to be considered in order to develop recommendations on bus and equipment purchases. These were:

1. reviewing the level of service (to-from school)
2. considering potential additional services that might be offered by transportation

3. evaluating the fleet make-up – fuel alternatives
4. exploring technology equipment with which buses may be equipped

### 1. Level of service (to-from-school)

The level of service is a set of criteria that describes when school bus service is offered. The state funds school bus transportation for students to and from school who live outside the walk area. The walk area is defined as the safe walking area around a school or at least the area that is one mile distance from the school. Locally, the district offers service outside of a 1 mile radius from the school or the area that is outside the safe walk area, if that is inside the 1 mile radius. The district uses criteria to evaluate whether a route to school is a safe walking route that is consistent with districts across the state. Additionally, the district has considered other factors from time to time.

Our discussion revealed that changing the service level to 1½ miles, for example, would not eliminate routes, but rather lead to fewer students riding on existing routes. Right now, the district also supports other ways for students to get to school. These range from bike racks, collaboration with the City of Bellingham on safe walk routes, traffic patterns, and parking at high school.

The committee was supportive of continuing the current level of service. They observed that an increased radius for bus service eligibility would not work for elementary students and since elementary schools generated the largest number of bus routes, reducing the radius for other grade levels would not reduce the number of buses needed. Rather, they encouraged the district to increase the number of students riding buses and encourage other modes of getting to school. Specific reference was made to developing a culture supportive of students walking and biking (bike racks) to school and encouraging fewer parents to drive students to school. They were interested in ways to encourage students' healthy decisions and encouraged consideration of other factors such as neighborhood groupings, culture, and socioeconomic factors when evaluating a walk route.

### 2. Potential Additional Services

The district's bus fleet provides more services than just to-from school. These services include field trips, before and after school buses, and activity and athletic transport. Many of these services support aspects of The Bellingham Promise that extend learning beyond the classroom. These services are limited by the size of the bus fleet, which is designed to meet to-from service, and the availability of drivers. As a result, the number of additional services like field trips, activities and athletics are often limited by the window of time between transporting students to and from school. Sometimes this window is too limited. Also, due, in part, to the lack of buses available for full day use, several groups are choosing to use charter bus services. There may also not be enough buses to meet some additional after school service requests.

Since the charge of the committee was to look at the bus fleet, the group considered whether additional buses should be purchased to support additional services.

The group recommended that the levy include funding for three to four additional buses to support additional services – “Promise Buses.” The group acknowledged that the viability of

these buses hinged on attracting bus drivers for what are often one-off trips, but agreed that this was not part of the group's charge. The proposed buses were identified for the services such as: middle school activities, extended or before/ after school services (unless the activities could be offered at the school facility), and increasing demand for full-day field trips and trips to the Gordon Carter conservation area. The group also felt that there was an opportunity for the district to engage more with WTA. First, schools add buses to accommodate the change in start-end time and to provide services for students who have special needs or who are homeless– 10 buses might use a “classroom pass” in field trip plans. Another potential connection with the WTA was to link a WTA “universal pass” to a high school student's ASB card and see what services are used.

### 3. Fleet Make-Up – Fuel Alternatives

The district's current bus fleet is predominantly made up of diesel buses. This is consistent with buses in school districts across the state, which are 88% diesel. Buses powered by alternate fuels have not gained much traction in the state, to date. With only 2% of buses being propane or compressed natural gas (CNG) and in a small experiment with hybrid buses several years ago, four hybrids were purchased. The remainder of buses are powered by gasoline.

The group shared that some states, such as California, have been experimenting with electric buses. Notably, according to Rick Nicholson of WTA, alternative options especially electric for school busing are less mature than in the transit industry in general. The group that considered the fleet make-up emphasized the importance of considering more than just the financial costs – suggesting a triple bottom line approach of: public health, economics and the environment. However, at this point there is no “silver bullet” solution.

While the group was supportive of and interested in alternate fuel vehicles, such as hybrid, electric etc. there was an overall consensus that the need right now was to transport students. Accordingly, the group recommended updating the fleet and remaining open to new technology. They encouraged the district to be open to grant and pilot opportunities that support using new bus fuel types and continue to explore alternate options.

### 4. Technology Equipment on Buses

A school bus levy will allow the purchase of “anything that goes into them” (buses). With the proliferation of technology, there are several useful technologies for student safety that we might consider for the bus fleet.

The technologies discussed may increase instructional flexibility for students, enhance student safety and extend lines of communications to parents and guardians of students. These were:

- a) Bus Location / GPS – staff would have greater visibility and accountability regarding the location of students and buses. This would decrease response time. Parents would have an increased level of comfort and confidence. (Zonar)
- b) Ridership Safety – provide real-time information to staff with use of a student ridership card. (Z-Pass)
- c) Bus cameras – provide more accessible information about what happens on and around buses, enhancing student security and safety. (Seon)

- d) On-bus Wireless Internet – allow students to continue work on bus enhancing the 1:1 device implementation and provide an option to provide wireless internet connectivity to certain neighborhoods so that students can do homework after school hours.

The group was supportive of technology that enhanced student safety. The committee recognized that technology additions would not be reimbursed by the state and that this technology will have some ongoing operating cost (monthly fees for software), although not significant.

Options a) and b) were ranked highest, followed by option c) which generated some discussion about the potential to incorporate cameras that capture cars that run the bus stop sign, option d) was ranked least critical by the group. The ability to quickly locate students was considered a plus. Some students might lose their cards, forget to get them out etc.

#### ***Values and basis for recommendations***

The group identified several values to guide their recommendations:

- Replace aging bus fleet to support to-from school bus services;
- Support for The Bellingham Promise – additional services for all students;
- Improve sustainability;
- Increase safety well-being and health.

#### **IV. Recommendations**

In order of importance, the Advisory Group offers the following recommendations:

- a. Update and replace the aging fleet– 22 buses
- b. Add buses to accommodate growing transportation needs for students with special needs or who are homeless, and add buses to support more elective/course opportunities for high school students and the new schedule in fall 2017– 10 buses
- c. Add Promise Buses – buses to provide additional services and cover more requests for field trip transportation and educational programs – 4 buses
- d. Provide technology on-board – for student safety

These recommendations were arrived at through a consensus model with the bus purchase recommendation receiving unanimous support.

The recommendation will cost \$4.4 million as reflected in the following table:

Item	Number of Buses	Cost
Replace and update aging Buses	22	\$2,560,000
Add buses to cover growth in specialized services and to support the new high school schedule in fall 2017	10	\$1,170,000
Promise Buses for field trips and educational programs	4	\$580,000
<b>Sub Total: Total Number of Buses Purchased</b>	<b>36</b>	<b>\$4,310,000</b>
Technology for student safety		\$110,000
<b>TOTAL</b>		<b>\$4,420,000</b>

Note: all bus purchases include the cost of technology comprising cameras and student safety.

The group felt that there was an immediate need for school buses and this recommendation would allow the district to maintain and increase current transportation services. Even so, given the state’s current funding model this was considered a medium-longer term solution. While renewing and increasing the fleet would have beneficial impacts of increasing the state funding the district receives for buses, ultimately lack of funding from the state would mean that in 20 to 30 years the district would likely need a new infusion of funding.

The proposed request would be for a levy split across two annual levy collection periods. The statute permits a two-year levy and there are examples of two-year levies across the state. The change in total tax levy costs to district property owners from this measure would be an increase of 14/ cents per \$1,000 value of property or approximately \$43 additional levy payments for two years for an average house in Bellingham that is worth \$300,000. The total local levy collections rate for the school district comprises levies for maintenance and operations, technology levy, and facility bond measures. A recent debt refinancing in December has reduced the tax levy for facility bond measures, which partially offsets the increase in the levy rate from a transportation levy.

**V. Other Items Recommended for Future Follow-up**

While the superintendent’s charge to the group was to provide recommendations regarding a transportation levy, in the course of inquiry and discussion several other items rose to the surface that relate to the district’s transportation of students.

***(a) Encourage families to use modes other than driving for getting to school***

The committee recommends that the district develop a program that incentivizes students walking or biking to school, if it is feasible for them to do so. It was suggested that this might

be a role of a safe-route to schools committee. Encourage families living within our service areas to use bus rather than individual families driving.

***(b) Look for opportunities to use buses powered by alternate fuels***

The committee recommends that the district execute a feasibility study for the addition of electric or other alternative vehicles in the bus fleet.

***(c) Consider supplementing the state bus replacement funding, annually***

Every school bus purchase includes added features that are necessary for the bus to be brought into service, but are not covered by the state school bus reimbursement. These include items such as technology, acoustical ceilings, and moveable steering wheels and drivers' seats that are designed to accommodate drivers of different sizes. Over the longer-term, these additional features will deplete the funds available to replace buses. Accordingly, the group recommends that an amount be set aside annually to provide for this additional cost.

**VI. Next Steps**

These recommendations will be presented to Dr. Baker in early June for his review and consideration as he considers the district's school bus services. He may provide the board with a recommendation on school buses as early as June. The co-chairs, Rob McElroy and Simone Sangster, as well as the entire advisory group, are available for any clarifying or follow-up questions.

Should district leadership decide to pursue a school bus levy, the timeline might be as follows:

- Board Motion: June 2016
- Resolution Filing Deadline: August 2, 2016
- Ballots Mailed: Approx. October 11, 2016
- Special Election: Nov. 8, 2016

Thanks to the group for their work on behalf of the district.