

**SPECIAL MEETING OF THE
FALL RIVER SCHOOL COMMITTEE**

**Tuesday, September 3, 2013
6:30 PM**

**Spencer Borden Elementary School
1400 President Avenue
Fall River, MA 02720**

AGENDA

- Vote to approve transportation contracts

MINUTES

At 6:37 PM Mayor William Flanagan, Chair of the Committee, called the meeting to order. A roll call for attendance showed all members were present.

A salute to the flag followed.

Mayor Flanagan explained that the agenda item was regarding transportation contracts and asked Mr. Coogan to come to the podium. He asked what Mr. Coogan was asking from the Committee.

Mr. Coogan explained that they have had three different sessions of bidding/negotiations with vendors and the amount is still in excess of the budgeted line item amount. It appears they have the vendors' last, best offer and until they have some time to figure out how they will cover the shortfall, it would be their resolution to go with a shorter term contract and stay within the budgeted amount at this time. He suggested that they go with a six month contract which is within the means of the transportation budget to secure the transportation and get it in place for the start of the school year.

Mayor Flanagan asked what the original contract was for.

Mr. Coogan said that special education contracts make up approximately 80% of the budget. In years past, the gross budget including regular and special education transportation was about \$5.3M to \$5.4M. This year, the original bids came in slightly over \$1M above that amount. Through different sessions, they are down to about \$850K in excess of the budgeted amount.

Mayor Flanagan asked if the contract they are asking them to adopt is for six months.

Mr. Coogan said that was correct.

Mayor Flanagan asked what the original proposal was for.

Mr. Coogan said it is typically for one year.

Mayor Flanagan asked how they came up with their number when budgeting.

Mr. Coogan responded that typically they do a one year contract and the amount is for one year for the term of the contract. They go out each year with a different section. He noted that over the last three or four years they have done things such as staggered start and end times and extended day and have played with those combinations a number of ways. As a result they have been able to increase services and still stay within the budgeted amount by packaging different pieces and using smaller combinations of routes. They have been able to stave off an increase in that budget amount but were not able to do that this year.

Mayor Flanagan asked if they had looked at any other communities and if they had seen an increase as well.

Mr. Coogan said New Bedford also saw a significant increase this year in their transportation budget. Several of the other local communities said they saw slight increases but not to the magnitude Fall River saw. He added that they checked with 14-15 area communities.

Mayor Flanagan said Thursday was the start of school for most of the children and asked if they would be ready to go.

Mr. Coogan said they have transportation arrangements in place.

Mayor Flanagan asked if there would be any children without a bus.

Mr. Coogan said there would not.

Mayor Flanagan said their first goal is to make sure arrangements are in place for Thursday. Their second goal is how they close an \$850K overage that they did not budget for. He asked if Mr. Coogan was working with the financial team to insure they are able to find an alternative source of funding to continue transportation past the six months.

Mr. Costa explained that a finance subcommittee meeting was held just prior to this special meeting and the subcommittee is going to meet again with the administration at the beginning of October. That will allow for two payrolls to be processed and then some recommendations will be forthcoming to the Committee in terms of where within the current FY14 school budget they may be able to transfer funds to assist with the shortfall. The discussion has begun and will be continued once the payroll has been processed for at least two payroll periods.

Mayor Flanagan said they can assure children are being transported on Thursday and the process has begun to look for a funding source for any overages.

Mr. Andrade asked what the rationale was for having a six month contract instead of a year. He did not see how they would get any savings from that.

Mr. Coogan explained that it gives them the ability to secure transportation and get the arrangements in place so that they can start the school year with transportation in place for students. It also gives them six months to stay within the budgeted amount they have available for resources to commit to the contracts and gives them some working time to look at alternative solutions.

Mr. Andrade asked if there was a possibility that vendors could raise their prices for the second six months.

Mr. Coogan responded that the district has the ability to extend at the same rate. They cannot execute that contract now because it exceeds the amount they have budgeted. This would allow them to execute a contract for the amount that is budgeted and then extend it out at the same rate. They are locking in with the ability to maneuver.

Mr. Maynard asked if they have looked everywhere possible for the money for transportation.

Mr. Coogan said they take advantage of every grant and program they can to try to transport students and get very creative with the way they schedule buses so that they can maximize the dollars available. At this point, he would say yes, they have exhausted all possibilities.

Mr. Maynard asked if he thought they would have a problem finding the funds at the end of the six months.

Mr. Coogan said he thinks the six months was designed to allow them to get transportation in place and time to find resources that will allow them to cover it.

Mr. Maynard asked if every child that takes a bus would be picked up on Thursday.

Mr. Coogan said they would.

Mr. Costa stated that after seeing the total amount that is before the Committee that evening, their total special education transportation for FY14 was \$5.4M.

Mr. Coogan said that \$5.4M was the total budget and about 80% of that was for special needs.

Mr. Costa said he was looking at the numbers and they are requesting to award contracts for a six month period at \$5.3M which will cover through March.

Mr. Coogan said it will cover 6-7 months.

Mr. Costa said if it is a six month contract and gets them through September to March; it leaves them April to June. He asked if Mr. Coogan was anticipating the amount to cover the remaining three months of special education transportation to be roughly \$850K to \$1M.

Mr. Coogan said that was correct and based on current circumstances.

Mr. Costa said he just wants to make sure that they are getting to the finish line when it comes to services and wants to be sure they do not foresee any issues going forward that would put them in a bad spot for April – June.

Mr. Pavao said he heard at the subcommittee meeting, special needs transportation is exempt from 30B.

Mr. Coogan said that was correct.

Mr. Pavao asked if he goes out for requests for proposals on the routes.

Mr. Coogan said they go out for bids. They put together a package with different combinations and it is broken up into about fifteen different components that go out and they get prices back from vendors on those.

Mr. Pavao asked when the bids went out.

Mr. Coogan said they typically go out at the end of June or the first part of July when the budget is solidified. These bids went out about four weeks beyond that point this year; third or fourth week of July and they were in contact with the vendors throughout that process.

Mr. Pavao asked what the reason was for the delay.

Mr. Coogan said there were a number of unresolved issues with start and end times, ELT proposals, Innovation School proposal, etc. They were unsure of what combinations they could put together based on those circumstances.

Mr. Pavao asked if the \$5.4M line item included the additional transportation incurred by the district transporting the Henry Lord students to three other middle schools.

Mr. Coogan said it was included in that number but wanted to be clear that regular education transportation is done on a three year contract and those contracts are already in place. In some cases, they are repositioning regular education students still using the existing contracts at a contracted rate they already have. Special needs students that were formerly being transported to Henry Lord; they have an obligation to transport those students from door to door but are now just transporting them to a different school.

Mr. Pavao asked Mr. Coogan to clarify he was still unclear.

Mr. Coogan said they have a contract with their vendors to transport regular education students and two of those buses were already covered under Henry Lord because of the size of their district. Those regular education contracts were already in place. Instead of delivering those students to Henry Lord, they are now being delivered to other schools.

Mr. Pavao said he is trying to find out if they are realistically saying there is an \$850K deficit in that line item or could it be more. He said he is confused and concerned.

Mayor Flanagan said the issue before them is special education transportation. He asked if the closing of the Henry Lord Middle School would have an effect on the special education transportation.

Mr. Coogan said it would not.

Mr. Pavao did not believe that was true and explained that they have \$5.4M budgeted on the line item and are now looking at \$6.4M give or take. He felt it did not matter if they were talking special needs or regular transportation. He stated that regular education has increased as well as special needs.

Mr. Coogan said that regular education at this point has increased by one bus.

Mr. Pavao asked if it was \$45K.

Mr. Coogan said that was correct.

Mr. Pavao said that Mr. Coogan said at the subcommittee meeting that they are anywhere from \$825K - \$850K.

Mr. Coogan said that was approximate at this point.

Mr. Pavao said he has to add another \$45K to that.

Mr. Coogan said they do not and explained that the gross amount of their transportation budget as they stand there that evening is approximately \$825-\$850K at this point. Over the first part of the school year there is some consolidation that may take place or they may have to add a bus and increase transportation to keep times down. They are not only bound by the capacity of the bus but also the amount of time the students spend on the bus.

Mr. Pavao wondered if circuit breaker money could be legitimately used to cover transportation costs due to the fact that they were dealing with primarily special needs students.

Mr. Coogan asked if he meant directly or money that came back to the district.

Mr. Pavao said the money that comes back to the district.

Mr. Saunders said he did not believe transportation was allowed and that it was always used for the tuition. They have never taken a portion of the circuit breaker money and put it into transportation. They have always used it for the direct service to the students.

Mr. Pavao asked if out-of-district students were funded through circuit breaker money.

Mr. Saunders said absolutely.

Mr. Pavao asked if it would include their transportation from this district to other districts.

Mr. Saunders explained that their tuition comes out of circuit breaker and transportation out of the operating budget. They have to keep those separate.

Mr. Pavao asked if he was sure on that.

Mr. Saunders said that is what they have done and has been their record on that. He added that they have always used that to supplement the operating money for tuition.

Mr. Pavao asked if they got in \$800K in circuit breaker money and they had \$1M in out-of-district placement, if they use the \$800K to offset the \$1M.

Mr. Saunders said that was correct.

Mr. Pavao cautioned if they were going to go into a six month planning period that they do it very carefully because the budget is going to be decreasing and the deficit is still going to be at the same amount. He asked that they be cautious as to how they do it.

Superintendent Mayo-Brown explained that their plan is to return to the School Committee in October to give them one month's time to run two payrolls to see where they are in salaries. They budget based on an average salary and now that they have completed appointments, they can get a better picture for the Committee as to where they are in salaries. Their plan is to move quickly and be back to the Committee for the October meeting with recommendations for the Committee to consider.

Mr. Pavao asked if they could expect a recommendation at the October meeting from the administration as to where they recommend they recoup the money.

Superintendent Mayo-Brown said that was correct and they would be looking at some options to consider. She believed that Vice-Chair Costa would like to set up a finance subcommittee meeting in early October.

Mr. Martins asked Mr. Coogan about the contract already in place for regular education students and asked where it came from.

Mr. Coogan said they went out for an RFP three years ago through the procurement office for a three year period and they are in the final year of that contract.

Mr. Martins asked if the third year was out of the \$5.4M.

Mr. Coogan said that was correct.

Mr. Martins said that he did not agree with the Mayor that they were there to discuss special education transportation and was under the impression that they are there to discuss transportation costs in total.

Mayor Flanagan said they are in the last year of their regular education transportation contract so that is set and fixed. The increase was in the one year special education contract which is what caused the numbers to become higher than what was budgeted.

Mr. Martins said he understood that and asked how much the third year cost.

Mr. Coogan said it was approximately \$900-\$950K of the \$5.4M total.

Mayor Flanagan said for clarification, special education amounts to about 80-85% of the transportation budget.

Mr. Martins said that subtracting that amount left them with approximately \$4.5M.

Mr. Coogan said that was approximately the amount.

Mr. Martins asked if the contract that was already in place was going to move the students that are displaced from Henry Lord to the other middle schools and asked if it would cover the entire cost.

Mr. Coogan said it is a complicated question and explained that those students who were at Henry Lord that were special needs, they are obligated to transport them door to door so whether they are transported to Henry Lord or their reassigned school and that is coming out of special education transportation. The regular education contract would cover any of those students that are now - as a result of the redistricting - more than 1.5 miles away from their home school.

Mr. Martins asked if it was the same number of students or more.

Mr. Coogan said it is potentially more students which would point to the additional bus that he mentioned earlier.

Mr. Martins said that the \$900K now goes up.

Mr. Coogan said that is way he said \$900-\$950K because it could go up at any time based on enrollments, moving students, etc.

Mr. Martins said that \$950K would be one bus.

Mr. Coogan said that was correct.

Mr. Martins asked if when Mr. Coogan mentioned the 1.5 hours on a bus, if that only pertained to special education students.

Mr. Coogan said that was correct.

Mr. Martins said he did not think the regular education students would like to have a long bus ride either. He then stated that they are back up to \$950K of which case they are at approximately \$4.2M for special education transportation.

Mr. Coogan said about \$4.4M.

Mr. Martins though Mr. Pavao brought up an excellent point in regards to time moving on, funds being expended, and having a short period of time at the end to see if they can come up with that money. He felt they were going to be taking from other line items now to pay for buses but they still haven't looked at combining special education transportation with regular education. At one point in time that was done. He added that as he stated in the subcommittee meeting, while he would like to have the business given to the local vendors, he feels they should look into other companies to see what they can provide for transportation and expand the area of competition. He also felt 6 months was too long and thought a 3 month contract would be more acceptable.

MOTION: Mr. Maynard – Mr. Hart: To approve the six month transportation plan as presented by Mr. Tom Coogan.

A roll call showed:

Mr. Andrade: Yes
Mr. Costa: Yes
Mr. Hart: Yes
Mr. Martins: No

Mr. Maynard: Yes
Mr. Pavao: Yes
Mayor Flanagan: Yes

6 in favor

1 opposed (Mr. Martins)

Motion passed

Mayor Flanagan encouraged Mr. Coogan, Mr. Saunders, and the finance subcommittee to meet regularly to find out how they were going to be able to carry it out past the six month period and also as the last year of the regular education transportation contract expires, it may be beneficial when they go back out for bids to send it as one package to see if there is a cost savings or limit the amount of vendors to see if it makes it more/less competitive to make it more advantageous for somebody to bid.

MOTION: Mr. Hart – Mr. Maynard: To adjourn.

All were in favor

None were opposed

Meeting adjourned at 7:15 PM.

Respectfully submitted,



Interim Administrative Assistant for
School Committee Services

Please note: A videotape/DVD of this meeting is on file in the School Committee Office and is available for review by contacting the Interim Administrative Assistant for School Committee Services.