



Robbinsdale Area Schools School Board Meeting Agenda

Monday, August 8, 2011 at 5:30 PM

Work Session

Education Service Center Boardroom, 4148 Winnetka Avenue North,
New Hope, Minnesota

1. Welcome
Presenter: Chair Van Heel
Time: 5:30 p.m.
2. Magnets/Partnerships Subcommittee Report 2
Presenter: Lori Simon
Time: 5:30 - 6:45 p.m.
3. Break
Time: 6:45 - 7:00 p.m.
4. Update on Contracted Transportation Services 24
Presenter: Jeff Priess/Stephanie Crosby
Time: 7:00 - 8:00 p.m.
5. District Memberships in Educational Organizations 2011-2012 39
Time: 8:00 - 8:25 p.m.
6. Adjourn to Closed Meeting Regarding Sale of Cavanagh
Presenter: Chair Van Heel
Time: 8:30 p.m. or Close of Work Session



MEMO

DATE: 8-3-11

TO: Members of the School Board
Aldo Sicoli, Superintendent of Schools

FROM: Lori Simon, Executive Director of Educational Services

RE: Final Magnets/Partnerships Sub-Committee Report

The board will hear a summary of the final magnets/partnerships sub-committee report. The summary will include:

- An overview of the work of the sub-committee
- Additions to the report since the January, 10, 2011 report to the Board, including
 1. A proposal to expand Spanish Immersion at both middle schools in 2012-2013
 2. A summary of the April 27, 2011 community work session
 3. A proposal to integrate the arts into a potential STEM magnet school model (STEAM) to create a more unique program among the current area STEM schools
 4. An overview of the revised financial models based upon feedback from the community work session and the most current budget information from the state
- The priorities identified by the magnets/partnerships sub-committee, including the rationale, for Board consideration:
 1. A STEAM magnet at the Olson Elementary site
 2. RSIS expansion, possibly at the Pilgrim Lane Elementary site

The presenter will be Lori Simon, Executive Director of Educational Services.

BUDGET PLANNING
ENROLLMENT COMMITTEE

Magnets/Partnerships
Sub-Committee
August 8, 2011

Report includes:

- Charge to the Committee
- Models for Potential Magnet Schools
- Supporting Information and Documentation

**Robbinsdale Area Schools
Magnets/Partnerships Sub-Committee Report**

Charge Statement

As one of the budget steering committees formed to plan for future financial stability and educational excellence, the Magnets/Partnerships Sub-committee, a sub-group of the Enrollment Committee, was charged to:

Determine ways to enhance revenue to the school district by increasing enrollment or slowing the trend of declining enrollment by examining the following:

- *The Robbinsdale Spanish Immersion school's entrance policy for non-resident students*
- *Creation of magnet or specialty schools and/or programs*
- *Partnerships with the cities served by the school district and with other entities*

Membership

Helen Bassett, School Board Member

Dennis Beekman, Executive Director of Technology

Mark Bomchill, School Board Member

Jane Byrne, Robbinsdale Spanish Immersion School (RSIS) Principal

Scott Croonquist, Executive Director of AMSD and Parent

Peter Eckhoff, President of Robbinsdale Federation of Teachers

Chris Gibbs, Parent

Patsy Green, School Board Member

Al Ickler, Executive Director of Community Education

Randy Moberg, Zachary Lane Elementary Principal

Aldo Sicoli, Superintendent

Lori Simon, Executive Director of Educational Services

Meeting Dates

Wednesday, May 5, 2010

Thursday, May 27, 2010

Thursday, June 24, 2010

Wednesday, June 30, 2010

Friday, July 30, 2010

Wednesday, August 11, 2010

Wednesday, August 18, 2010

Wednesday, August 25, 2010

Wednesday, September 8, 2010

Wednesday, September 15, 2010

Wednesday, September 22, 2010
 Wednesday, September 29, 2010
 Wednesday, October 6, 2010
 Wednesday, October 13, 2010
 Wednesday, October 27, 2010
 Thursday, December 2, 2010
 Wednesday, December 15, 2010
 Wednesday, January 5, 2011
 Wednesday, January 12, 2011
 Wednesday, February 2, 2011

Wednesday, February 16, 2011
 Wednesday, March 2, 2011
 Tuesday, March 8, 2011
 Friday, March 25, 2011
 Thursday, April 14, 2011
 Monday, April 18, 2011
 Friday, May 20, 2011
 Friday, May 27, 2011
 Friday, July 29, 2011

Work of the Sub-committee

The sub-committee:

- Reviewed school district enrollment trend data
- Reviewed Robbinsdale Spanish Immersion School (RSIS) lottery trend data
- Explored a partnership with the city of Golden Valley
- Sent and reviewed survey data of families who go elsewhere to school
- Developed a list of magnet school concepts to explore
- Reviewed presentations/information related to potential magnet schools
- Reviewed a facilities analysis of Olson and Pilgrim Lane Elementary Schools
- Reviewed financial considerations to determine financial viability of an RSIS expansion or STEM magnet
- Developed and reviewed survey data related to Expansion of RSIS and opening a STEM magnet
- Toured the Olson and Pilgrim Lane school facilities
- Went on site visit to an area STEM magnet elementary school
- Discussed a proposal to expand the Spanish Immersion to both middle schools
- Developed Scenarios for RSIS expansion and for a STEM magnet school
- Developed and held a magnet informational meeting to gain additional public feedback on proposed scenarios using the Olson site
- Revised Scenarios for RSIS expansion and for a STEM magnet school using the Olson site following magnet informational meeting
- Developed magnet school priorities

Enrollment Trend Data

The sub-committee reviewed information detailed in the supplemental Enrollment Report outlining enrollment trends for resident students attending Robbinsdale Area Schools (RAS), RSIS enrollment and lottery trends, and resident students attending other schools than the RAS. Overall, District enrollment previous to the current school year has been decreasing.

RSIS Lottery Trends

Analysis of the RSIS lottery trend data indicates that the total number of students not selected through the RSIS kindergarten lottery grew from 126 students in 2006-2007 to 171 students in 2009-2010. 109 students were not selected for the current school year. In addition, trends over a four-year period indicate that on average, 45% of the students not selected in the lottery leave the RAS.

Partnership Exploration with Golden Valley

A partnership with Golden Valley was explored regarding the possibility of sharing space at the former Olson Elementary site. However, due to financial constraints, a partnership is not feasible at this time. Partnerships will be explored further as part of magnet school development. In addition, the committee recognizes there is great potential for savings with other partnerships that should be explored.

Survey of Resident Families Attending other Schools/Districts

A survey was conducted of resident families currently enrolled in schools or districts other than the RAS with the purpose of gaining more information about particular school programs families left the RAS to enroll in. The survey was sent to 2414 households with 611 households responding, and asked three questions:

1. Why did they enroll their child/children in a school other than in the Robbinsdale Area Schools?
2. Would they ever consider enrolling their student in the Robbinsdale Area Schools?
3. If so, what would be the primary reason?

While the information gained from the survey is useful to the RAS District overall; the information was wide-ranging, and did not inform the sub-committee of any particular school program trends families were seeking. Few families indicate that they enrolled in their current school for a particular educational focus or magnet program.

Magnet School Concepts Reviewed

Science, Technology, Engineering, and Mathematics (STEM) Magnet School
 Arts Magnet School
 Popular Language Immersion Programs/RSIS Expansion
 Leadership Academy Magnet School
 Service-Learning Magnet School

STEM Magnet School

STEM information was presented to the sub-committee for consideration at two meetings. During the first presentation, background information on STEM schools and programs was provided, as well as information regarding current STEM initiatives being implemented at all of the elementary schools in the RAS. During the second presentation, further information on ways in which a STEM magnet school might differ from the current STEM implementation at the elementary schools was presented and discussed. STEM magnet schools often choose one or two areas within STEM to be the primary focus of their school. Additional STEM magnet school information was gathered and presented to the sub-committee in December, 2010.

Arts Magnet School

Information on a popular arts magnet school in the Saint Paul Public Schools was presented to the sub-committee for consideration. The Arts Plus magnet school model is a nationally recognized arts program model that revolves around the theory that educating through arts infusion is a highly effective way to help students find academic success. Student learning is supported through music, drama, dance, and the visual arts in both their regular classroom and specialist classroom environments; with the vision that by infusing arts into the curriculum, the opportunities for academic success for all students is enhanced. While there is strong support for the arts in the RAS, the sub-committee deleted an arts magnet school from its list for further consideration, due to the popularity of the FAIR schools and the District's partnership with WMEP.

Popular Language Immersion Programs/RSIS Expansion

Information on popular language immersion programs in the state/region was reviewed. Growing in popularity are Chinese Immersion Schools. While there appears to be growing interest in Chinese Immersion schools, the research has indicated that finding licensed Chinese teachers is difficult. This information, combined with the data that on average, 132 students apply to but are not selected for the RSIS lottery – nearly half of which leave the District – informed the sub-committee's decision to further study the expansion of RSIS, as it is a successful, well-developed program in popular demand.

Leadership Academy Magnet School

The sub-committee was presented information on a leadership academy concept that combined the use of International Baccalaureate (IB), Advancement Via Individual Determination (AVID), service-learning, and an after-school Mathematics Engineering and Science Activities (MESA) program in a K-8 magnet school where teachers would loop with their classes for two school years. This magnet school concept was dropped from further consideration due to a lack of information on successful leadership magnets and program development, and little data to support families would be interested in a leadership magnet school.

Service-Learning Magnet School

Information on service-learning and a service-learning magnet school was presented. Service-learning is a teaching approach that actively engages students in meaningful and relevant service projects that are integrated across the curriculum and with state standards. Service-learning engages students in their communities through youth-voice and relevant community needs identified through a community needs assessment. The sub-committee decided not to proceed with the development of a service-learning magnet school, but determined that it should be considered for further discussion as part of a STEM magnet school model.

Olson and Pilgrim Lane Elementary Schools Facilities Analysis

An analysis of the Olson and Pilgrim Lane Elementary facilities was conducted and the findings were presented to the sub-committee. Overall, the Olson Elementary building is in very good condition and would be ready for occupancy almost immediately. Minor upgrades needed would include floor repair around the freezer/cooler area, and a small amount of new classroom lighting. Two major upgrades that would be needed eventually include installation of an elevator and of a new playground area. The Pilgrim Lane building would need substantial improvements before it could be occupied again. Areas requiring immediate attention include air conditioning, extensive classroom flooring, extensive classroom lighting upgrades, new kitchen equipment, and major capital investment in a classroom ventilation system (See Appendix A).

Financial Considerations of a RSIS Expansion or STEM Magnet School

Several financial considerations were explored and analyzed in depth by the sub-committee. Areas researched and discussed included a facilities analysis of the Olson and Pilgrim Lane facilities; several transportation costs scenarios related to both a RSIS expansion beginning year one at current RSIS site or year one at Olson, as well as a STEM magnet school at Olson; new magnet program development costs; annual expenses including staffing and supplies, and anticipated revenue sources. Using this information, a spreadsheet was developed for analyzing the financial feasibility of opening another elementary magnet school in the RAS.

Magnet Survey

A survey was conducted of five family groups to identify the level of interest in expanding RSIS or opening a STEM magnet school. Groups identified for the survey include:

1. Resident and non-resident families not selected in the 2010 RSIS kindergarten lottery
2. Families with students in District 281 grades K-3 including RSIS and excluding group 1.
3. Resident students not enrolled in District 281 grades K-3
4. Families of resident pre-school aged children ages 3-5.
5. Non-resident employees with children ages 2-8 not in District 281 schools.

The survey was sent to 4975 households with 1089 households responding. In addition, 83 District staff members responded to the online survey. The findings of this survey indicate that there is support for opening a STEM magnet school, particularly with families who reside on the west side of the school district. Many of the families who indicated they would enroll their student in a STEM school have students in a District 281 school. There appears to be less interest in STEM from resident families who attend school other than in District 281 and from non-resident families compared to their interest in the expansion of the RSIS program.

The findings also indicate support for the expansion of RSIS. Families not selected in the 2010 RSIS lottery were the group most interested in the expansion of the RSIS program. However, more families with District 281 students in K-3 not enrolled in District 281 schools were interested in RSIS expansion than applying to a STEM magnet school.

Overall, while school choice appears to be valued by families of preschool-aged children, a specific educational focus such as a magnet is not a major factor influencing their preference.

Tour of Olson and Pilgrim Lane Elementary Schools Facilities

The members of the sub-committee toured the Olson and Pilgrim Lane school facilities for potential magnet school use. The tour confirmed that the Olson Elementary building is in very good condition and would be ready for occupancy almost immediately, with only minor upgrades needed. The tour also confirmed that the Pilgrim Lane building would need substantial improvements before it could be occupied again, with major capital investment needed in several areas.

STEM Magnet Elementary School Site Visit

A site visit to Weaver Lake Elementary, a STEM magnet school was conducted. The sub-committee members toured classrooms, talked with teachers and students, and met with the principal and STEM coordinators. Information was gathered during this site visit to be used in planning for a potential STEM magnet school.

Expansion of Spanish Immersion at Both Middle Schools

The sub-committee discussed a proposal to offer Spanish Immersion at both middle schools effective as soon as the 2012-2013 school year. Currently, the program is offered only at Plymouth Middle School. This proposal would eliminate district wide transportation of RSIS middle school students saving approximately \$65,000-91,000 per year, and could be implemented regardless of whether Spanish Immersion at the elementary level is expanded or not. Currently, 10% of the students in the middle school program come from out of district. Under this proposal, these students could be assigned to the middle school with more capacity. The sub-committee determined that more information, including asking current RSIS families about their intent to continue in the program during middle school would be helpful in determining the feasibility of offering Spanish Immersion at both middle schools.

RSIS Expansion and STEM Magnet School Model Development

Based upon the financial considerations spreadsheet, several RSIS expansion and STEM magnet school models were developed to further analyze financial viability. Three models were identified for presentation at the magnet informational meeting. These three models, including the fiscal analysis have been revised to reflect the most current budget information from the state. The models were premised on a fiscal analysis of the following:

- A \$100 increase to the Pupil Formula for year 1, and a \$100 increase in the Pupil Formula beginning year 5
- Staffing costs for all employee groups
- Materials
- Technology
- Utilities
- Professional development/curriculum writing costs
- Promotional expenses
- Transportation expenses
- Start-up costs at Olson

Magnet Informational Meeting

An informational community work session was held on April 27, 2011. The community work session began with a presentation that included an overview of the work of the committee, program descriptions for RSIS and a STEM magnet school, and the three proposed magnet school models, which included:

- Model 1: RSIS Expansion year 1 with kindergarten at the current RSI site with 50% of new seats (33 out of 198 total) reserved for students open-enrolling
- Model 2: RSIS expansion year 1 with kindergarten and first grade at Olson facility with 50% of new seats (33 out of 198 total per grade) reserved for students open-enrolling
- Model 3: STEM magnet school with 1/3 of seats reserved for students open-enrolling

The presentation was followed by a community input survey, in which participants were asked to respond to the following demographic questions using response clickers:

1. What is your resident city?

2. What is the age of children in your home?
3. What elementary school do your children attend?
4. Are you a district employee?

Next, participants were asked to respond to the following statements using response clickers.

1. Given the scenario presented, Robbinsdale Area Schools should open a second Robbinsdale Spanish Immersion School.
2. Robbinsdale Area Schools should offer Spanish Immersion programming within some neighborhood elementary schools.
3. Robbinsdale Area Schools should offer Two-Way Immersion (Spanish/English) programming within some neighborhood elementary schools.
4. Given the scenario presented, Robbinsdale Area Schools should open a STEM magnet school.
5. There are a number of academic areas that a STEM magnet school could emphasize. Rank your first, second and third choice.
6. Robbinsdale Area Schools should incorporate best practices of gifted education into a STEM magnet school, including differentiation, service-learning and inquiry.

Findings:

Note: The findings only apply to the 52 respondents in attendance at the meeting. The sample size is too small to draw conclusions regarding community opinion regarding magnet schools.

Respondent Demographics

1. Nearly one-third of the respondents do not have a child age 0 – 8 that potentially could attend a magnet.
2. Over half of the respondents live in Plymouth or Golden Valley.
3. Nearly one-third of the respondents (11) have a child enrolled at Zachary Lane. 19 people chose not to answer this question.

Responses

1. Of those in attendance and choosing to respond, there was more support for opening a STEM magnet school (73% Strongly Agree or Agree – 37 responses) compared to expanding RSIS (44% Strongly Agree or Agree – 23 responses).
2. The predominant demographic characteristics of the respondents supporting a STEM magnet are:
 - Live in Plymouth, New Hope or Golden Valley - 75%
 - Have a child or children under the age of 8 – 81%

- Have a child or children enrolled in a District 281 elementary school – 65%
3. As a STEM emphasis, Physical Science (Chemistry & Physics) drew significantly more interest (23.23%) than other potential areas of emphasis. The next closest area of emphasis was Life Science (Biology) at 14.6%.
 4. Of those in attendance and choosing to respond, 13% of the respondents Disagreed or Strongly Disagreed with opening a STEM and Expanding RSIS. 86% of these respondents who opposed both scenarios were district residents without children ages 0-8.

The community work session concluded with an open-ended question and answer session. The responses to questions that needed to be researched were posted on the district website along with the results of the survey.

RSIS Expansion and STEM Magnet School Models

Based upon feedback from the community work session and the most current budget information from the state, the three financial models presented at the work session have been updated. All three models generate revenue for the district over time.

1. RSIS Expansion beginning year one with kindergarten at current site, with 50% of expansion seats (33 out of 198 total) reserved for students open-enrolling.

	Annual Expenses	Revenue	Annual Net Gain (Loss)	Cumulative Net Gain (Loss)	Capital Costs for Facility Systems	Cumulative Net Gain (Loss) with Capital Costs
2012-2013	\$ 307,597	\$ 174,854	\$ (132,743)	\$ (132,743)	\$ 273,000	\$ (405,743)
2013-2014	\$ 877,012	\$ 472,457	\$ (404,555)	\$ (537,298)	\$ -	\$ (810,298)
2014-2015	\$ 958,503	\$ 773,120	\$ (185,383)	\$ (722,681)	\$ -	\$ (995,681)
2015-2016	\$ 1,238,440	\$ 1,073,783	\$ (164,657)	\$ (887,338)	\$ 10,000	\$ (1,170,338)
2016-2017	\$ 1,454,134	\$ 1,385,440	\$ (68,694)	\$ (956,033)	\$ -	\$ (1,239,033)
2017-2018	\$ 1,633,684	\$ 1,707,697	\$ 74,013	\$ (882,020)	\$ -	\$ (1,165,020)
2018-2019	\$ 1,683,822	\$ 2,025,554	\$ 341,732	\$ (540,288)	\$ 20,000	\$ (843,288)
2019-2020	\$ 1,848,352	\$ 2,420,299	\$ 571,947	\$ 31,659	\$ -	\$ (271,341)
2020-2021	\$ 2,018,807	\$ 2,828,044	\$ 809,237	\$ 840,896	\$ 2,340,000	\$ (1,802,104)
2021-2022	\$ 2,195,345	\$ 3,248,789	\$ 1,053,444	\$ 1,894,340	\$ -	\$ (748,660)
2022-2023	\$ 2,377,895	\$ 3,682,534	\$ 1,304,639	\$ 3,198,979	\$ -	\$ 555,979
2023-2024	\$ 2,566,862	\$ 4,129,279	\$ 1,562,417	\$ 4,761,396	\$ -	\$ 2,118,396

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. Beginning year 7, the program should be expanded sufficiently to support Spanish Immersion at both middle schools.

Fiscal Implications: The annual net loss in the second year takes six years to recover. The cumulative net gain over time appears to be substantial, but is predicated upon retaining students as they matriculate through the school system. An additional savings of \$93,100 per year is included as a result of decreased busing due to Spanish Immersion programming at both middle schools. However, it may be possible to realize these savings regardless of whether Spanish Immersion is expanded or not. More information, such as asking current RSIS families about their intent to continue in the program during middle school, would be helpful in determining the feasibility of offering Spanish Immersion at both middle schools.

2. RSIS Expansion beginning year one with kindergarten and first grade at the Olson site, with 50% of expansion seats (33 out of 198 total) reserved for students open-enrolling.

	Annual Expenses	Revenue	Annual Net Gain (Loss)	Cumulative Net Gain (Loss)	Capital Costs for Facility Systems	Cumulative Net Gain (Loss) with Capital Costs
2012-2013	\$ 1,032,829	\$ 466,092	\$ (566,737)	\$ (566,737)	\$ 273,000	\$ (839,737)
2013-2014	\$ 954,496	\$ 758,120	\$ (196,376)	\$ (763,113)	\$ -	\$ (1,036,113)
2014-2015	\$ 1,221,830	\$ 1,058,783	\$ (163,047)	\$ (926,160)	\$ -	\$ (1,199,160)
2015-2016	\$ 1,387,970	\$ 1,345,355	\$ (42,615)	\$ (968,775)	\$ 10,000	\$ (1,251,775)
2016-2017	\$ 1,646,261	\$ 1,662,312	\$ 16,051	\$ (952,724)	\$ -	\$ (1,235,724)
2017-2018	\$ 1,770,308	\$ 1,989,869	\$ 219,561	\$ (733,163)	\$ -	\$ (1,016,163)
2018-2019	\$ 1,840,314	\$ 2,378,114	\$ 537,800	\$ (195,363)	\$ 20,000	\$ (498,363)
2019-2020	\$ 2,009,279	\$ 2,779,359	\$ 770,080	\$ 574,718	\$ -	\$ 271,718
2020-2021	\$ 2,184,299	\$ 3,193,604	\$ 1,009,305	\$ 1,584,022	\$ 2,340,000	\$ (1,058,978)
2021-2022	\$ 2,365,259	\$ 3,620,849	\$ 1,255,590	\$ 2,839,612	\$ -	\$ 196,612
2022-2023	\$ 2,552,592	\$ 4,061,094	\$ 1,508,502	\$ 4,348,114	\$ -	\$ 1,705,114
2023-2024	\$ 2,746,483	\$ 4,514,339	\$ 1,767,856	\$ 6,115,970	\$ -	\$ 3,472,970

Educational Ramifications: RSIS is a well-known and respected program that is in demand by families. Expanding the program provides more students with access to this rigorous, academic program. Additionally, this model provides more opportunity for families to gain

access to this program for their students as it is open to kindergarten and first grade enrollment year one. Beginning year 6, the program should be expanded sufficiently to support Spanish Immersion at both middle schools.

Fiscal Implications: The annual net loss in the first year is slightly more than in Model 1, and takes five years to recover. The cumulative net gain over time appears to be greater than in Model 1, and is predicated upon retaining students as they matriculate through the school system. An additional savings of \$93,100 per year is included as a result of decreased busing due to Spanish Immersion programming at both middle schools. As noted above in Model 1, it may be possible to realize these savings regardless of whether Spanish Immersion is expanded or not. More information, such as asking current RSIS families about their intent to continue in the program during middle school, would be helpful in determining the feasibility of offering Spanish Immersion at both middle schools.

3. STEAM (Science, Technology, Engineering, Arts, and Mathematics) Magnet School at Olson with 1/3 of seats reserved for students open-enrolling and with 4th and 5th grade sections full beginning year 2 and year 3 respectively.

	Annual Expenses	Revenue	Annual Net Gain (Loss)	Cumulative Net Gain (Loss)	Capital Costs for Facility Systems	Cumulative Net Gain (Loss) with Capital Costs
2012-2013	\$ 2,172,918	\$ 1,256,787	\$ (916,131)	\$ (916,131)	\$ 273,000	\$ (1,189,131)
2013-2014	\$ 1,724,053	\$ 1,486,999	\$ (237,054)	\$ (1,153,185)	\$ -	\$ (1,426,185)
2014-2015	\$ 1,921,748	\$ 1,777,875	\$ (143,873)	\$ (1,297,058)	\$ -	\$ (1,570,058)
2015-2016	\$ 2,045,881	\$ 2,068,751	\$ 22,870	\$ (1,274,188)	\$ 10,000	\$ (1,557,188)
2016-2017	\$ 2,196,534	\$ 2,421,767	\$ 225,233	\$ (1,048,955)	\$ -	\$ (1,331,955)
2017-2018	\$ 2,340,867	\$ 2,786,223	\$ 445,356	\$ (603,598)	\$ -	\$ (886,598)
2018-2019	\$ 2,495,615	\$ 3,147,118	\$ 651,503	\$ 47,905	\$ 20,000	\$ (255,095)
2019-2020	\$ 2,655,475	\$ 3,519,454	\$ 863,979	\$ 911,884	\$ -	\$ 608,884
2020-2021	\$ 2,739,661	\$ 3,683,893	\$ 944,232	\$ 1,856,116	\$ 2,340,000	\$ (786,884)
2021-2022	\$ 2,826,290	\$ 3,851,973	\$ 1,025,683	\$ 2,881,799	\$ -	\$ 238,799
2022-2023	\$ 2,875,978	\$ 3,917,696	\$ 1,041,718	\$ 3,923,517	\$ -	\$ 1,280,517
2023-2024	\$ 2,926,654	\$ 3,983,419	\$ 1,056,765	\$ 4,980,282	\$ -	\$ 2,337,282

Educational Ramifications: STEM is a very rigorous academic program that prepares students with foundation skills for careers in science, technology, engineering, and mathematics. There is strong support for STEM schools at the state and federal levels, and strong interest

from families surveyed. Given the district's long-standing arts tradition and commitment and our desire to educate the whole child, the sub-committee is recommending that an arts focus be added to the development of a potential STEM magnet school to create a more unique program among other STEM schools that currently exist in the metropolitan area, the details of which would be fleshed out by a committee identified to develop the STEAM magnet school program.

Fiscal Implications: The annual net loss for this model is the largest in the first year of the three models. The cumulative net gain over time appears to be slightly higher than model 1, and somewhat less than model 2; and is predicated upon retaining students as they matriculate through the school system. In addition, depending on the STEM focus area(s), some additional expenses may occur as a result of increased technology or professional development needs. Grant opportunities may offset start-up costs with opening a STEM magnet school, and will be explored further pending next steps.

Summary and Priorities

The Magnets/Partnerships Sub-Committee has identified the following priorities for consideration:

1. If a magnet school is opened, the top priority is a STEAM magnet at Olson Elementary. If there is sufficient demand, STEAM program(s) could be added in existing school(s) but transportation would not be provided outside the attendance areas of those schools. The development of a STEAM magnet school is the top priority for the following reasons:
 - A STEAM magnet would create more school choice for our families, including more choice for students at all grade levels, .
 - Of those who responded to our survey/feedback efforts, there appears to be more support for STEM.
 - A STEAM magnet would provide support and vertical alignment for Project Lead the Way and Gateway to Technology at the secondary level, and for our current STEM efforts at the elementary level; and would allow us to take the current science, technology, math, reading and the fine arts curriculum to the next level. The design and implementation of various parts of this curriculum could be shared and duplicated in the other elementary buildings.
 - STEAM magnet professional development would strengthen STEM professional development across the district.
 - A STEAM magnet creates more professional opportunities for our current district staff.
 - The pool of qualified applicants for STEAM is larger than for RSIS.
 - Potential STEM grants could offset the start-up costs for opening a STEAM magnet school and would increase the cumulative net gain in the financial model.

2. A second priority is the expansion of RSIS. If a second building needed to be opened, Pilgrim Lane Elementary may be a possibility, but gaining approval from MDE for deferred maintenance projects at Pilgrim Lane could be difficult.

Appendix A

Rev. 12/9/2010

FACILITY MAJOR FEATURE OVERVIEW

FACILITY FEATURE	OLSON SCHOOL	PILGRIM LANE SCHOOL
Site Area (Acres)	9.21	11.5
Parking Stall Count	90	110
Playfield	1 baseball field 1 multipurpose field	1 baseball field 1 multipurpose field
Playground Equipment Area	Adjacent city park small playground equipment area Age: 2-5. Age appropriate equipment repaired.	On-site constructed 1998 Age: 5-12
Site Parking Lot Pavement	Reconstruct within 5 years	Reconstruct within 8 years
Building (Sq. Ft.)	44,000	57,000
Music Room	1	1
Kindergarten Classrooms	2	2
Other Classroom count (All)	18	24
Class Room Floor Area (Average Sq. Ft.)	730	840
Cafeteria	1	1
Gymnasium	1	1
Multipurpose Room	0	1
Student Lockers	249	N/A
Classroom Air Conditioning	All rooms with cooling and humidity control	Window air conditioning at several rooms
Classroom Heating Units	Radiation	Radiation
Classroom Ventilation	Rooftop ventilation units replaced in 2007	Original room unit ventilator equipment – replacement recommended
Building Heating Plant	Original steam boiler & piping system	Original steam boiler & piping system
Temperature Control System	New in Y2000	Original system
Classroom Wall Writing Surfaces	Mix of chalk and whiteboards	Chalkboards
Classroom Technology		
Classroom Flooring	Approximately 10 years remaining service life on carpeted floors	End of useful life range

Classroom IAQ	No noticeable odors except for temporary educational curriculum sorting	Odors noticeable some locations
Classroom Ceiling Tile System	Installed in 2000, good condition	Original, some staining and discoloration
Classroom Lighting	T-8 Fixtures (Y2000)	T-12 Fixtures (Original) Replacement is recommended
Gymnasium Lighting	Original fixtures	Original fixtures
Media Center Lighting	T8 fixtures (Y2000)	T12 original fixtures
Kitchen <ul style="list-style-type: none"> • Freezer/cooler • Food prep station equipment • Flooring 	<ul style="list-style-type: none"> • Operational – with repairs • Operational • Acceptable 	<ul style="list-style-type: none"> • Operational with repairs • Replacement recommended • Replacement recommended
Ceiling System	Operational	Replacement recommended
Roofing	Midlife of 20 year life expectancy	Midlife of 20 year life expectancy
Building Accessibility	<ul style="list-style-type: none"> • Two story –elevator is required • Program for an elevator to help address accessibility needs • East exterior building entry – grade slope not ADA compliant 	N/A
Restroom Accessibility	<ul style="list-style-type: none"> • Accessibility improvements recommended 	<ul style="list-style-type: none"> • Accessibility improvements recommended

Notes: N/A – Not applicable Rev. 12/9/2010

FACILITY SYSTEM MAJOR REINVESTMENT SYNOPSIS FOR OLSON SCHOOL

ITEM NO.	FACILITY ITEM LOCATION	FACILITY SYSTEM	REINVESTMENT PROJECTED YEAR	FUNDING AMOUNT (DOLLARS)	FUNDING SOURCE
1.	Gymnasium	Lighting – R&R	2012	15,000	A.F.
2.	Kitchen	Cooler equipment repairs	2012	10,000	Other
3.	Building Floor Accessibility	Elevator	2012	210,000	Other
4.	Building Accessibility	Restroom partition stalls and fixtures – R&R	2012	20,000	A.F.
		Restroom partition stalls and fixtures – R&R	2015	10,000	A.F.
		Drinking Fountains- R&R	2018	20,000	A.F.
5.	Parking Lot	Pavement repair	2012	18,000	Other
6.	Gymnasium	Flooring – R&R	2020	65,000	A.F.
7.	Administration Area	Flooring –R&R	2020	40,000	A.F.
8.	Building Wide Mechanical	Heating plant equipment – piping – R&R	2020	700,000 +100,000	A.F. & Other
9.	Building Exterior	Roofing – R&R	2020	650,000	A.F.
10.	Building Exterior	Windows – R&R	2020	140,000	A.F.
11.	Building Exterior	Door systems – R&R	2020	50,000	A.F.
12.	Parking Lot	Pavement & curb & gutter – R&R	2020	175,000 +75,000	A.F. & Other
13.	Access Road	Pavement & Pavement & curb & gutter – R&R	2020	150,000 +50,000	A.F.
14.	Playground	Pavement-R&R	2020	65,000	A.F.
15.	Sidewalk	Pavement-R&R	2020	80,000	A.F.

16.	Classroom and Media Center	Flooring – R&R	2025	190,000	A.F.
17.	Building Wide Mechanical	Rooftop ventilation equipment – R&R	2025	800,000	A.F.

NOTES:

1. Information is based on current conditions and consideration of industry life cycle projections.
2. Cost is current year basis.
3. No detailed condition survey has been performed on Olson School. Information is based on available visual observations and history.
4. Assumes a FY2012/13 school program re-occupancy of the building.
5. Does not include educational program needs – wall writing, display, projection and technology systems.
6. Unless otherwise noted, does not include interior finishes, interior door systems and interior glazing work.

LEGEND:

- A.F. – Refers to Alternative Facilities funding.
 HS - Refers to Health and Safety funding.
 Other – Refers to other capital funding.
 R&R - Remove and replace.

Rev. 12/9/2010

FACILITY SYSTEM MAJOR REINVESTMENT SYNOPSIS FOR PILGRIM LANE SCHOOL

ITEM NO.	FACILITY ITEM LOCATION	FACILITY SYSTEM	REINVESTMENT PROJECTED YEAR	FUNDING AMOUNT (DOLLARS)	FUNDING SOURCE
1.	Classroom	Flooring – R&R	2012	280,000	A.F.
2.	Kitchen	Flooring – R&R	2012	45,000	A.F.
3.	Kitchen	Ceiling System – R&R	2012	20,000	A.F.
4.	Kitchen	Food preparation equipment & serving lines – R&R	2012	70,000 +25,000	HS Other
5.	Building Accessibility	Restroom partition stalls – R&R	2012	45,000	A.F.
		Restroom fixtures – R&R	2014	45,000	A.F.
		Drinking Fountains- R&R	2018	10,000	A.F.
6.	Electrical	Lighting – R&R	2012	300,000	A.F.
7.	Kitchen	Exhaust system – R&R	2015	80,000	A.F.
8.	Kitchen	Dishwasher equipment & exhaust-R&R	2015	30,000	Other
9.	Building Exterior	Roofing – R&R	2019	1,200,000	A.F.
10.	Building Wide Mechanical	Ventilation system – R&R	2020	3,600,000 +400,000	A.F. & Other
11.	Building Wide Mechanical	Heating plant and piping – R&R	2020	1,200,000	A.F.
12.	Restroom & Chemical Storage	Exhaust – R&R	2020	50,000	A.F.
13.	Building Public Water	Piping/fixture – R&R	2020	700,000	A.F.
14.	Electrical	Power supply devices/breakers – R&R	2020	110,000	A.F.
15.	Building Exterior	Wall system repairs	2020	150,000	Other
16.	Building Exterior	Windows-R&R	2020	120,000	A.F.

17.	Building Exterior	Door systems-R&R	2020	70,000	A.F.
18.	Parking Lots	Pavement & curb & gutter – R&R	2020	430,000	A.F.
19.	Site	Storm sewer & storm water treatment	2020	175,000 +175,000	A.F. & Other
20.	Sidewalk	Pavement – R&R	2020	85,000	A.F.
21.	Playground	Pavement – R&R	2020	95,000	A.F.
22.	Roof	Drainage system	2020	250,000 +200,000	A.F. & Other

NOTES:

1. Information is based on current conditions and consideration of industry life cycle projections.
2. Cost is current year basis.
3. Assumes a FY2012/13 school program re-occupancy of the building.
4. Does not include educational program needs – wall writing, display, projection and technology systems.
5. Unless otherwise noted, does not include miscellaneous interior finishes, interior door systems, interior glazing, site grading and drainage improvements, ceiling system replacement, casework system replacements, and fire alarm/suppression and public address system work which was identified in the May 2008 facility condition report.

LEGEND:

- A.F. – Refers to Alternative Facilities funding.
 HS – Refers to Health and Safety funding.
 Other – Refers to other capital funding.
 R&R – Remove and replace.

Appendix B

Proposal: Offer Spanish Immersion at both middle schools effective 2012-2013**Rationale:**

1. Plymouth Middle School is very near enrollment capacity. There currently is physical capacity to accept more students at Robbinsdale.

Robbinsdale Area Schools - ISD 281	Total Program Capacity	January 2010	January 2011	Projected January 2012	Projected 2012 Enrollment % of Capacity
Plymouth Middle	1300	1250	1262	1245	96%
Robbinsdale Middle	1450	1454	1402	1290	89%

2. Increased enrollment in the elementary RSIS will likely translate into increased RSIS enrollment at middle school, potentially more than 50 students in the next seven years. Increased RSIS middle school enrollment will crowd Plymouth even more.

RSIS Actual Enrollment 2007-2011 Projected Enrollment 2011-2018 ¹											
October 1	K	1	2	3	4	5	K-5	6	7	8	6-8
2007	114	111	109	105	92	93	624	71	68	70	209
2008	113	112	109	106	98	92	630	58	66	65	189
2009 ²	133	111	109	109	103	92	657	61	57	61	179
2010	136	132	117	107	105	99	696	67	58	52	177
2011	132	134	132	115	102	101	716	66	64	54	184
2012	132	130	134	130	110	99	735	68	63	60	191
2013	132	130	130	132	124	106	754	66	65	59	190
2014	132	130	130	128	126	120	766	71	63	61	195
2015	132	130	130	128	122	122	764	81	68	59	208
2016	132	130	130	128	122	118	760	82	77	63	222
2017	132	130	130	128	122	118	760	79	78	72	229

¹ Projections made using 2007-2011 retention rates

² Added 6th Section of K in 2009-2010; Moved the RSIS 6-8 to Plymouth Middle School in 2009-2010

- There appears to be sufficient enrollment to sustain at least one 6th grade section of Spanish Immersion at each school beginning in 2012-2013.

Projected Attendance Area Distribution of RSIS 6th Grade Students			
RSIS 6th Grade Cohort	PMS Attd	RMS Attd	Out of Dist
2012-13 <i>(5th Grade 2011)</i>	50%	44%	6%
2013-14 <i>(4th Grade 2011)</i>	51%	36%	12%
2014-15 <i>(3rd Grade 2011)</i>	47%	45%	8%

- District wide transportation of RSIS middle school students could be eliminated saving approximately an additional \$65,000 - \$91,000 per year (5-7 bus routes; 2010 cost per bus rate).
- Currently the district is limited in the number of open enrolled students it can accept at Plymouth Middle School due to capacity. If Spanish Immersion is offered at both middle schools, some of the vacated seats at Plymouth would allow the district to accept open enrollment applications at both middle schools maximizing open enrollment revenue commensurate with demand.



TO: Members of the School Board
Dr. Aldo Sicoli, Superintendent

FROM: Jeff Priess, Executive Director of Business Services

DATE: August 8, 2011

RE: Contracting Transportation Services

DISCUSSION:

The District continues to investigate the potential of contracting for Student Transportation services. Attached is the latest report from John Thomas, Eastern Carver County Schools Transportation Coordinator, that confirms the attached March 7, 2011 Center for Efficient School Operations (CESO) report in terms of the estimated savings that could be derived through a contractual arrangement. Utilizing the updated contract rates, the estimated savings for conversion to contracted services is \$1,047,700 per year.

Also attached is additional information regarding process and timing, effects on custodial costs and experiences of other districts.

QUESTIONS:

For questions please contact Jeff Priess at 763-504-8037 or jeff_priess@rdale.org

STRATEGIC PLAN:

5B-Evaluate existing systems to ensure maximum efficiency, effectiveness and cost-benefit.



The Center for Efficient School Operations

“Partnering with School Districts to help keep educational dollars in the classroom.”

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Email: info@ceso.us

To: Kristin Johnson, Robbinsdale Public Schools
From: Chuck Corliss
Date: March 7, 2011
Re: Likely cost for Contracted Transportation Services

The Center for Efficient School Operations has been asked to review the current Robbinsdale Schools Transportation system, and to try to estimate what the approximate cost would be of contracting for all transportation services within the district. The following is a report of expected costs of contracting all transportation services provided by the district.

This report is separated into four areas:

1. The first section of this report deals with the likely cost of Transportation Services from a contract service provider.
2. The second section discusses the recommended staffing levels for the department if the district were to outsource transportation services.
3. The third section of this report details the recommended implementation timelines for the conversion to contracted services.
4. Report Summary.

1. Estimated Cost of Contracted Services:

The estimated cost of contracted services needs to be examined from both an expenditure and revenue perspective. On the expenditure side, the report will examine the expected costs of transportation service to and from school, and for Field/Activity trips as well. On the revenue side, the report will examine the potential revenue gained from leasing the District’s current facility, and the revenue from selling and/or leasing the District’s current school bus fleet.

Transportation Service:

Currently the district has 74 Regular Education routes and 17 Special Education routes operating for 170 regular school days. The current average number of miles for the regular routes is 62 miles per day and the current average number of miles for the special education routes is 79 miles per day. Both types of routes average under 4-hours of live time daily. To pursue contracted service for these routes, the District would develop a RFP that asks for rates based on up to 4-hours of live time per route per day. The RFP would also seek rates for 25 mid day routes at an average of 2.0 hours of live time per route.

Based on these parameters and contracts that have been bid lately in the metro area, the District should expect to pay \$243.00 per route per day for contracted transportation services to and from school. This would equate to approximately \$41,300 per route per year. For mid-day route service, the District should expect to see a cost of \$55.00 per day or approximately \$9,300 per year. These cost projections assume that the contracting entity would lease the District's transportation facility at annual rates outlined later in this report. Based on these estimated costs, the District should expect the following to be the total cost for transportation services to and from school:

SERVICE	NUMBER ROUTES	ESTIMATED ANNUAL COST	TOTAL
REG ROUTES	74	\$41,300	\$3,056,200
SPED ROUTES	17	\$41,300	\$702,100
MID DAY ROUTES	25	\$9,300	\$232,500
TOTAL			

Total expenditure for service for to and from transportation = \$3,990,800 per year.

It is very difficult to estimate the field trip costs due to changing variables including:

- Mix of district-operated filed trips vs. contractor-operated field trips.
- Driver pay rates at regular time vs. overtime.

In this context, the District should expect that most contractors will attempt to realize a 10% to 20% profit on field/activity trips. For the purposes of this study, the District's actual costs for district and contractor operated trips during the last year will be used plus an additional 20% for district operated trips to adjust for anticipated additional contractor profit margin. The District should expect the following costs for contracted service of all field/activity trips:

FIELD TRIP COSTS		SY2010	ADDED 20% MARGIN	PROJECTED SY 2010
DISTRICT OPERATED TRIPS	=	\$260,712	\$52,142	\$312,854
CONTRACT OPERATED TRIPS	=	\$287,740		\$287,740
TOTAL ALL OPERATED TRIPS	=	\$548,452		\$600,594

Total added cost for 100% contracted athletic/field trips = \$52,142 per year.

Revenue from leasing the Transportation Facility:

If the District were to contract for services, the District should project that an ongoing amount of \$225,000 annually could be provided to the school district as a lease payment for contractor use of the District's transportation facility. This would include contractor payment of all overhead costs. Alternatively, if the District would choose to lease the facility for \$1, the District could expect a lower daily route cost of \$232.00 per day which would equate to an adjusted annual to and from school transportation expenditure of \$3,820,000. Contractor would pay estimated facility overhead costs of approximately \$50,000 annually in either scenario.

Facility lease would provide ongoing revenue source of \$225,000 annually.

Buses:

The potential revenue from school buses can be looked at in three areas: The lease of the buses, the sale of the buses, and the cost avoidance of not purchasing future buses.

Lease of vehicles:

If contracted services are being considered, the district would pursue a lease of its' current fleet of buses to the contractor for two years. If for some reason the district were to want to change back to a district owned fleet, this decision could be made during the second year of the contract. If the district decided to continue with contracted services, it could sell the fleet after the first two years of the contract.

If the value of the District's current fleet is estimated to be \$2,400,000, the District should expect to receive \$400,000 per year for two years if it decided to lease the fleet to the contracting entity.

Sale of vehicles:

After the second year, the District should expect to sell the fleet for approximately \$2,000,000.

Cost avoidance of not purchasing future buses:

If the district were to no longer own school buses, it could anticipate an average Capital Outlay savings of \$500,000 per year from no longer needing to purchase new vehicles.

Summary:

This would provide a revenue source of \$400,000 for each of the first 2 years.

This would also provide a one-time capital payment to the district of approximately \$2,000,000 after the second year of the contact (when the buses are sold).

There would also be an ongoing Capital Outlay savings of \$500,000 per year.

2. Staffing levels for a contracted district:

If the district were to contract for transportation services, it should consider maintaining the following positions in the Transportation Department:

- Director
- Regular Education Router
- Special Education Router
- Safety Coordinator
- Department Secretary

With this staffing structure, the District could realize a reduction of 3.0 FTE positions within the department.

This would provide an ongoing expenditure reduction of approximately \$150,000 annually.

3. Timelines:

The District could consider the following implementation timeline if it were to convert to a contracted services transportation department. This timeline could be followed in any school year for implementation of contracted service for fall of the subsequent year:

- September/October - District develops and publishes RFP for conversion to contracted transportation service.
- November – District receives and evaluates transportation proposals from qualified contract service providers.
- December thru February – District negotiates with contractor(s) and executes agreement to convert to contracted service for the next school year.
- March thru June– Service contractor(s) commence with preparations to assume operations including hiring, staffing, training, vehicle maintenance, etc.
- July – Service contractor begins operations in the District transportation facility.

4. Report Summary:

It appears that there would be a potential savings if the Robbinsdale School District were to convert to operating 100% of its' transportation service by contracted services. The following is a summary of the information listed above.

Current District Transportation Costs:

In order to provide a valid comparison, current "Non-contracted" service costs that would be eliminated by converting to contracted services needs to be established.

The current "Non-Contracted" expenditures within the transportation department equal approximately \$4,825,000 annually. Based on the information listed above, the District should expect the following to be the cost difference if the district were to change to contracted services:

Potential Savings: Operations - Contacted Service – Scenario A

	ESTIMATED ANNUAL COST	ESTIMATED ANNUAL SAVINGS
Existing non-contracted service: To/From school	= \$4,825,000	
Estimated contracted service: To and From school (Assumes facility lease cost of \$225,000)	= \$3,990,800	
		\$834,200
Estimated additional cost for field trip service (20% up charge on current district operated trips)	= \$52,000	(\$52,000)
Office Staff Savings	=	\$150,000
Building Lease Revenue	=	\$225,000
<hr/>		
Total savings for conversion to contracted service	=	\$1,157,200

TOTAL ANNUAL SAVINGS = \$1,157,200*

Potential Savings: Operations - Contacted Service – Scenario B

	ESTIMATED ANNUAL COST	ESTIMATED ANNUAL SAVINGS
Existing non-contracted service: To/From school =	\$4,825,000	
Estimated contracted service: To and From school (Assumes facility lease cost of \$1) =	\$3,820,000	
		\$1,005,000
Estimated additional cost for field trip service (20% up charge on current district operated trips) =	\$52,000	(\$52,000)
Office Staff Savings =		\$150,000
Building Lease Revenue =		\$0
<hr/>		
Total savings for conversion to contracted service =		\$1,103,000
<u>TOTAL ANNUAL SAVINGS</u> =	<u>\$1,103,000*</u>	

Potential Savings: Capital

Bus Lease Revenue (2 years) =	\$400,000
Sale of buses =	\$2,000,000
Bus purchase savings =	(\$500,000)*

(* Ongoing Capital Outlay Savings)

As a reminder, this cost would only cover the costs currently being covered by the School District fleet. The current contracted costs would remain unchanged.

Total Savings Over 5 Years-Scenario A:

	OPERATIONS	CAPITAL	TOTAL
Year 1	\$1,157,200	\$900,000	\$2,057,200
		(Operations + Bus Lease + Capital Outlay)	
Year 2	\$1,157,200	\$900,000	\$2,057,200
		(Operations + Bus Lease + Capital Outlay)	
Year 3	\$1,157,200	\$2,500,000	\$3,676,200
		(Operations + Bus sale + Capital Outlay)	
Year 4	\$1,157,200	\$500,000	\$1,657,200
		(Operations and Capital Outlay)	
Year 5	\$1,157,200	\$500,000	\$1,657,200
		(Operations and Capital Outlay)	
Estimated total 5 year savings:			=\$11,105,000

Total Savings Over 5 Years-Scenario B:

	OPERATIONS	CAPITAL	TOTAL
Year 1	\$1,103,000	\$900,000	\$2,003,000
		(Operations + Bus Lease + Capital Outlay)	
Year 2	\$1,103,000	\$900,000	\$2,003,000
		(Operations + Bus Lease + Capital Outlay)	
Year 3	\$1,103,000	\$2,500,000	\$3,603,000
		(Operations + Bus sale + Capital Outlay)	
Year 4	\$1,103,000	\$500,000	\$1,603,000
		(Operations and Capital Outlay)	
Year 5	\$1,103,000	\$500,000	\$1,603,000
		(Operations and Capital Outlay)	
Estimated total 5 year savings :			=\$10,815,000



Office of Transportation
John Thomas, Coordinator

District Education Center
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Chaska, MN 55318
952.556.6160
fax: 952.556.6159
www.district112.org

To: Kristin Johnson, Robbinsdale Public Schools
From: John Thomas, Transportation Coordinator
Eastern Carver County Schools
Date: July 15, 2011
Re: Analysis of CESO Report on Contracted Transportation Services

I have reviewed the report The Center for Efficient School Operations (CESO) submitted to you, in regards to the possibility of conversion of your current in-house transportation system to a contracted service system. The following is my observations and input, in the same format as CESO's report so that information from both reports may be integrated.

Estimated Cost of Contracted Services:

Using CESO's data, I was asked to do a contract comparison to other districts in the metro area that are contracting their transportation services. I chose 4 school districts to compare. CESO recommends a 4 hour minimum for the daily rate, so based my comparison on that assumption. However, two districts do not have a 4 hour daily rate, so I have noted that in the comparison. The District I used in the comparison were selected using the following criteria:

- The Contractor is a well established company
- The Contractor has a solid reputation for quality service
- The Contractor is, and would be willing, to service a large district like Robbinsdale
- The School Districts are similar in size and contract specifications

The School District's and Contractor's I have used for the comparison are:

District: Eastern Carver County Schools
Contractor: Student Transportation of America dba: Positive Connections, Inc. (STA)

- School District owns the bus garage
- 10 year replacement schedule on the fleet
- Buses equipped with GPS, Digital Camera systems,
- Bus company is beginning its 7th year of service to school district.
- **NOTE: Route rate is a base of 5 hours**

District: Hopkins School District
 Contractor: Minnetonka Transportation, Inc (MTI)

- School District owns the bus garage
- 10 year replacement schedule
- Buses equipped with camera system
- Bus company is beginning its 5th year of service to school district.

District: Minnetonka School District
 Contractor: First Student, Inc.

- School District owns the bus garage
- 15 year replacement schedule
- Buses equipped with GPS and camera systems
- Bus company has been a long time provider for district

District: Osseo School District
 Contractor: First Student, Inc.

- School District DOES NOT own the bus garage
- 10 year replacement schedule
- Buses equipped with GPS and Digital Camera systems
- Bus company is beginning its 5th year of service to the school district.
- **NOTE: Route rate is based on 4.5 hours.**
- **NOTE: This school district is larger than the others and does not own it's own facility. However, many Districts like to use MSHSL Conference schools as a comparison, so I included them to satisfy that possibility.**

Here is the Rate Comparison:

		CESO	STA (5 Hour Rate)	MTI	FS - Minnetonka	FS - Osseo (4.5 hour rate)
Reg. Rate		\$243.00	\$259.00	\$238.00	\$237.00	\$244.00
Reg. Routes	74					
School Days	170	\$3,056,200.00	\$3,258,220.00	\$2,994,040.00	\$2,981,460.00	\$3,069,520.00
SpEd Rate		\$243.00	\$235.00	\$226.00	\$213.00	\$235.00
SpEd Routes	17					
School Days	170	\$702,270.00	\$679,150.00	\$653,140.00	\$615,570.00	\$679,150.00
Mid-day Rate		\$55.00	\$51.00	\$75.00	\$69.00	\$63.00
Mid-day Routes	25					
Mid-day Days	170	\$233,750.00	\$216,750.00	\$318,750.00	\$293,250.00	\$267,750.00
Total Expend.		\$3,992,220.00	\$4,154,120.00	\$3,965,930.00	\$3,890,280.00	\$4,016,420.00

Field Trips:

I agree with CESO's determination that field trip rates are difficult to estimate. Bus companies tend to reduce their rates to their contracted districts. Below are the contracted rates for the companies involved in the comparison:

- STA - \$73.00 for 2 hours minimum (\$36.50/hour)
- MTI - \$110.00 for 3 hours minimum (\$36.67/hour)
- FS Mtka - \$89.00 for 2 hours minimum (\$44.50/hour)
- FS Osseo - \$80.00 for 2 hours minimum (\$40.00/hour)

Revenue for leasing the Transportation Facility:

This is one area where I am in disagreement with CESO. As is presented in the above comparison, similar districts that own their own facility and provide it to their contractor at triple net are realizing rates closer to \$240.00 per day. I believe the rate of \$232.00 is too low.

I recommend that you include your facility in the contract agreement as a triple net lease. A triple-net lease requires the company to take over management and operation of the facility as part of the contract and must maintain the facility to your current standards. Any major repairs or remodels must be discussed and agreed upon prior to happening. You, as the district, would step in if there's a major repair such as a roof or fuel tanks.

Every cost that is incurred to service the contract will be calculated into the daily rate per bus, so to charge your contractor a lease payment for the facility just results in a higher daily rate. In addition, charging a lease for the facility gives the contractor the choice to possibly find an alternative facility to use. This would be detrimental to your district, since your facility would be unused, and you would still be paying the overhead for an empty building.

Buses:

Considering that you have already had the value of the fleet appraised by Telin Group, it is only fair to conclude that CESO's analysis is correct.

One thing to keep in mind, the purchase of your fleet could be a significant part of making the decision of what bus company you decide to contract with. Most bus companies will offer daily rates that are similar and competitive. However, if a bus company is given the opportunity to purchase your existing fleet, they could value the fleet high or low, depending on their need for the fleet, and how much they want your contract.

Here's an example: Two companies bid on your contract, and each of them offer's a daily rate of about \$240.00 per day. However, Company A is a large company that has a solid bottom line, and they really want your contract, so they offer \$3 million for your fleet that's valued at \$2.4 million. Company B may have a surplus of buses not being used currently because they recently lost a contract, so they offer \$2.4 million, or maybe even less. They may want your newer buses, but not your older buses. Now you have a \$600,000 capital gain to consider.

Staffing:

If the District were to contract for transportation services, it is imperative to retain control and management of the routing and field trip coordination. There should always be district oversight so that efficiencies can be recognized and quality levels are maintained. CESO's recommendation of continuing District staffing includes a Safety Coordinator. I believe this is not necessary. The bus company must hire and train all of their drivers and monitors, maintain the proper files, and follow additional State and Federal laws that pertain to student transportation. The company will have its own safety staff. The contract should you develop should list your requirements and expectations in detail, and indicate that the School District has full access to all training, files and reports from the bus company.

Therefore, I believe an additional \$50,000 can be recognized in district staffing. In addition, you should consider that someone in your staff will need to maintain the field trip reservations. This duty can be included in the Regular Education Router or the Department Secretary.

TIMELINE:

CESO's timeline for conversion is standard. It's important to give yourself plenty of time to work through the process, and to give the bus company plenty of time to prepare for the new school year. The contract should be awarded by March or April at the latest. As a District, be prepared for employee resistance. You may see drivers leave in protest or because they found another job, especially towards the end of the school year. I recommend that during contract negotiations, consider developing a plan with the incoming contractor to possibly provide drivers or take over routes early if you begin to experience a driver shortage.

Summary:

Overall, I believe CESO has provided a very good report on the possibility of conversion at Robbinsdale School District. The two areas that I recommend for consideration are:

- Daily Route rate: I believe you will recognize a daily route rate of \$240.00 with a triple-net lease of your facility. If you choose to charge a lease for the facility, your rates will probably be closer to \$250.00 per day. Mid-day routes may be closer to \$50.00 per day.
- Staffing: You do not need to have a Safety Coordinator on your district staff, so you could recognize an additional \$50,000 in savings.

To reference CESO's Potential Savings calculation:

		ESTIMATED ANNUAL COST	ESTIMATED ANNUAL SAVINGS
Existing non-contracted service: To/From school	=	\$4,825,000	
Estimated contracted service: To and From school (Triple-Net lease of facility)	=	\$3,925,300	
			\$899,700
Estimated additional cost for field trip service (CESO's calculation)	=	\$52,000	(\$52,000)
<u>Office Staff Savings</u>	=		<u>\$200,000</u>
Total savings for conversion to contracted service			\$1,047,700

Keep in Mind:

Each School District designs their contract to meet their own needs. There are many factors that could impact your requirements in your contract. Potential bidders will take all of your requirements into consideration when developing their offer. Some of your requirements may be considered easy to fulfill without a financial impact, while other specifications may be a significant financial impact. Keep in mind that every specification you require will have a cost and a profit associated to it by the contractor. However, don't reduce your level of quality and customer service just to save money. A transportation conversion that doesn't go well could be a public relations nightmare for many years past the change.

Here is an example of some contract specifications that could impact your daily rate:

- Fuel clause. When does it go into effect and what is the percentage of share
- Maximum age of your fleet.
- Required equipment on the buses
- Passenger capacity of your buses, including buses serving special needs students.
- Potential penalties for service issues

The industry is seeing a lot of competition for contracts right now. However, there are companies that are not bidding in good faith. I highly recommend that you be very diligent in your search for a transportation provider. Do background checks, utilize your networks to get real opinions of their service record, and don't hesitate to ask tough questions. Student Transportation is a competitive market, but the price of transportation has a tight range. If you see a bid that is significantly different from other contractors, you need to find out **why** it's so much different, and **what** are they doing differently to get that result. For example, if you're shopping to buy a new car, and someone offers to sell you a 2011 BMW for \$10,000, the first thing you're going to ask is "why is it significantly lower in

price?" and then you'll probably ask "What's wrong with it?" These are the same questions that need to be asked when soliciting bidders for your student transportation.

My Experience:

I began driving a school bus as a substitute for my hometown school district in Western New York in 1989. That began my career in the student transportation industry. I moved to Minnesota in 1992 to pursue my graduate degree at St. Thomas University. I became a bus driver for Ryder Student Transportation in St. Paul as I continued my education, but quickly moved up the ladder of management. In 1993 I became Assistant Manager of the Arden Hills garage, and in 1995 I was named the first Manager of the Stillwater location. In 2001, I was named the Transportation Coordinator for Chaska Area Schools, now known as Eastern Carver County Schools.

I am very active in both local and national organizations. On the state level, I attend and participate in a number of committee's including State Issues, Special Education, Legislative. I represented Minnesota in the 2010 National Congress on Student Transportation, which is the governing body to school bus specification standards and procedures. As a member of Minnesota Association of Pupil Transportation I have been the Conference Chair for two years, and was recently named the 2010 Transportation Administrator of the Year. In 2008 I headed up the State Committee that designed the Model Transportation Contract for the Department of Education, and is now a standard in the state. Throughout my years of service, I have developed a large network of colleagues on both the district and contractor side of the table, and I believe I am well respected among the industry.

I am committed to student transportation, both on a safety level and a financial level. Students are our future, and it's important to me that they are transported to and from school as safely and efficiently as possible.

Thank you for giving me the opportunity to offer my observations and suggestions during your process. I am more than willing to discuss further anything that was mentioned in this report, or assist you in any way in the future. I wish you the best of luck during this process.

Additional Information Requested:

Process and timing of working with the union-

The School District initiated a meeting that was held on Thursday, August 4 with union leadership. The focus of the meeting was the two transportation reports and the estimated annual cost savings estimated in the reports. The District is required to negotiate the effects of contracting for services.

Effects on custodial costs-

Both studies use only the bus driver portion of salaries and benefits when calculating expenses associated with current employment of full-time bus drivers/custodians.

Customer Service-

Well established transportation companies are very responsive to customer complaints. Their reputation and ability to retain contracts are on the line.

Experience of Districts (Bloomington) that have contracted and then returned to being a provider-

In 2000 the Bloomington School District returned to being a provider after two years of contracting. The contractor (Septran) was going to increase current rates by 25%.

Experience of Districts that moved to contracting and are still contracting for services-

There are several districts that went from being a provider to contracting for service and continue to contract. These districts include Stillwater, LeSeur, St. Louis Park and Elk River. St. Louis Park will actually see a decrease with their latest bid which includes the installation of cameras and GPS systems in every bus.

Marketing value of having "Robbinsdale Area Schools" on the buses-

This would be specified in a Request for Proposals. We can also specify that the provider will operate from a bus garage location within the district.

DISTRICT MEMBERSHIP DUES

EDUCATION ORGANIZATION	2010-2011 DUES	2011-2012 DUES
Association of Metropolitan School Districts	\$14,428.00 based on enrollment - 12,777	\$13,879.00 based on enrollment – 12,177
Minnesota School Board Association	\$12,566.00 based on 12,585.90 ADM year ended June 30, 2009 numbers from MDE plus \$500.00 Policy Services Renewal	\$12,810.00 based on 12,107.29 ADM year ended June 30, 2010 numbers from MDE (MSBA membership dues are based on two factors - fixed dues which increased 3% and student enrollment - because of our declining enrollment our increase was 1.97%) plus \$500.00 Policy Services Renewal
National School Boards Association	\$5,625.00 Enrollment Category 7,500 – 14,999	\$5,750,000 Enrollment Category 7,500 – 14,999
Center for Applied Research and Educational Improvement (CAREI) University of Minnesota	For 2010-2011 CAREI provided free membership to districts that had been long-time members.	\$1,500.00 Metro Area Student Enrollment 8,001-20,000