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Bus error; please reboot

A state official warned Boston Public Schools that proceeding with its school bus contract would be risky. The district should take the hint.

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Alarm bells don't come much louder than this: The state inspector general warned the Boston Public Schools recently that its plan to renew the district's transportation contract with Transdev — the vendor that has operated the city's school bus fleet for almost a decade — <u>puts the district at potential legal risk</u>.

As <u>reported by the Globe's James Vaznis</u> last week, Inspector General Jeffrey Shapiro sent a letter to city and BPS officials, including Boston School Committee chair Jeri Robinson, warning them that if they award Transdev a new multiyear contract, the district risks violating the state's bidding law. Shapiro writes that his office is "aware of publicly reported concerns with the current school bus operator's performance under the existing contract and is aware of publicly reported concerns with the current school bus procurement," according to the letter dated Dec. 21.

Shapiro's concerns stem from the fact that even though dozens of interested parties initially expressed interest in the school bus contract, the requirements set forth by the district seemingly excluded all but the incumbent. Indeed, BPS <u>received only one</u> <u>bid</u> for the transportation contract last fall — the one submitted by Transdev. Reopening the bid and adjusting its parameters so more companies can compete for the sizeable five-year contract would be a sensible way to both create more competition and avoid legal problems.

If the district plows ahead at its own risk, it's not only forgoing the benefits of competition — it's courting serious disruption down the line. If the contract is determined to be invalid, Boston will be prohibited from paying Transdev.

But BPS appears to be going forward full speed ahead. In a <u>statement to Vaznis</u>, a district spokesperson said the district is planning to keep Transdev despite Shapiro's warnings. The BPS spokesperson also defended the procurement process in an e-mailed statement, saying that, for the first time, the bid included performance incentives so that "our vendor doesn't make money when kids are late to school," the spokesperson wrote. However, school officials will implement guidance from the inspector general on "improving contract administration protocols," according to the spokesperson.

But changes to "contract administration," whatever those might be, don't go far enough. There is still time to pivot and go with the fiscally smart approach by reopening the bid. The Boston Finance Commission, a municipal fiscal watchdog that has authority to investigate city contracts but lacks teeth to enforce any findings, <u>had already raised</u> <u>questions</u> about the procurement process after it received several complaints. For instance, the agency was concerned about the lack of "a rational and complete explanation" of the request in the bid that all vendors must have experience with three contracts operating a bus fleet of at least 50 percent of the total size of the BPS fleet.

The "requirement is arbitrary, artificially limited competition, and could increase costs to the taxpayers of the City of Boston," the commission's executive director, Matthew Cahill, wrote in a letter addressed to BPS Superintendent Mary Skipper.

What's striking is that Transdev's Boston tenure, which began in 2013, has been plagued by performance issues. It's a sad state of affairs when every year Boston parents already know to plan for buses showing up late, if at all, the first day of classes. Chronically late buses are the expectation. Because of that, BPS is under pressure from state education officials to achieve a district-wide school bus on-time arrival rate of 95 percent or better for all trips each month.

According to the district, that rate was somewhere between 83.6 percent and 91.3 percent for January. Why a range and not a single number? Last month, BPS lacked GPS data, which is used to calculate on-time performance rates, from 7.7 percent of buses. Possible reasons, according to the district, include lost signals or the failure of the bus to cross the physical marker necessary to capture arrival times due to traffic at the school site or a parked car blocking the bus. The lower end of the range is calculated by counting the missing data as late arrivals, whereas the higher end of the range is when those buses are counted as "on-time."

But even the 91.3 percent rate is not especially high, making it all the more baffling that BPS is not open to the possibility of rebidding the contract. BPS buses about 22,000 students each day to more than 220 public and private schools and alternative programs. BPS owns the fleet of more than 730 buses, of which approximately 620 run daily.

Here's another reason why it makes sense to make a U-turn on the bus contract. The timing is ripe given the findings from a consultant that conducted a state-mandated audit of the district's transportation operations. The consultant concluded that, despite BPS having one of the highest transportation costs in the nation at \$143 million, or nearly 11 percent of the district's budget, the school system doesn't track basic metrics that could lead to improved cost efficiencies, such as how many students actually ride the buses or other rider information. Consider these remarkable <u>per-rider costs</u>: In the 2020 school year, regular education riders cost taxpayers nearly \$1,000 more than the benchmark, while special education riders cost a whopping \$3,400 more than the benchmark, <u>according to the report</u>.

If Boston's school buses were models of on-time performance and affordability, the district's apparent preference for Transdev might at least make sense. It's also true that

many of the factors that determine the bus system's reliability are outside any contractor's control, such as scheduling of school bell times. Transdev isn't to blame for all Boston woes — but the company's performance hasn't been so fantastic that the city should be bending the rules for it, either.