PRIVATIZING TRANSPORTATION

A SUCCESS STORY

Jim Palm, Asst Supt – Berrien RESA

I - Legal Basis

- Section 15 (3) (f) of PA 112 removes the duty to bargain over the ***decision*** of whether or not to contract with a 3rd party for ***non instructional support services*** or the ***impact*** upon the individual employees or the bargaining unit.

- New – PA 201 (January 4, 2010) modifies PA 112(f) "….However, this subdivision applies only if the bargaining unit that is providing the non instructional support services is given an opportunity to bid on the contract for the non instructional support services **on an equal basis as other bidders.**"

Issues to Consider:

- What is meant by "non instructional support services"
- "Third party" vs District employees – <u>SAVINGS</u>
- Student Safety
- Political concerns
- Be prepared – know what to expect

Time Lines:

- 2001/02: possibility of subcontracting was initially discussed and discarded
- Fall 02/03: MASB conference resurrected the discussion – most not convinced
- Jan 2003: 03/04 budget development – a few more advocates - but not enough
- Fall 2004: ISD and LEA's meet informally with some potential vendors
- Dec 2004: RFP's drafted and distributed
- 03/09/05: Received sealed bids and reviewed internally.
  MEA GETS WORD!
- 03/09/05: Board meeting: 75 – 100 attending
  (Laidlaw is the lowest bidder)
- 04/12/05: Board takes action to privatize

III: Strategy

Prior to RFP's:

Keep it **quiet** as long as possible until RFP's

Prepare Board in terms of what to expect

No derogatory remarks – *IT'S ALL ABOUT $$$$*

Strategy continued:

After RFP's:

Keep your FOIA coordinator handy

Aggressively pro-active with media

One main spokesperson if possible

Keep Board away from the media

Keep parents informed

Focus on the student safety & $$$ savings

IV: Leading up to THE Board Meeting

- Determine recommended vendor
- Transportation Committee
- Meet often with individual Board members
- Address every concern and question
- Save a bargaining chip for the aftermath

V: At THE Board Meeting

- Location - large enough
- Limit time for audience comments
  - Per person time
  - Total time
- Allow time for vendor comments
- Script EVERYTHING:
  - Opening Statement (who gives it?)
  - Questions (who will ask)
  - Answers (who will answer)
  - Do NOT respond to comments
  - VIDEO THE MEETING

VI: The AFTERMATH

- Anticipate ULP (saved bargaining chip?)
- More FOIA's:
  - May try to organize
  - Looking for 1 "bad apple" in group
- "Black and Yellow Flu"

VII: Local vs. I.S.D. issues

- ISD's Transport *Handicapped Students*
- Reimbursement – At Berrien went to LEA's
- 100% *net savings* passed on to locals
- Scope of "community employees" different
- ISD Boards shielded from *RECALLS*

FINALLY:

Outsourcing is increasing in Michigan schools and across the country as a means to save significant dollars. When the financial crunch hurts enough you will at least have to consider it.

Do it right – or don't do it at all.