

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

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(Vacant)

(Vacant)
AARP

(Vacant)
CA Charter School Association

(Vacant)
LAUSD Student Parent

Timothy Popejoy
Bond Oversight Administrator

(Vacant)
Asst. Administrative Analyst

RESOLUTION 2017-1

BOARD REPORT NO. 338-16/17

**AMENDMENT TO THE TRANSPORTATION SERVICES DIVISION STRATEGIC
EXECUTION PLAN TO APPROVE THE PURCHASE OF DISTRICT SCHOOL BUSES**

WHEREAS, District Staff proposes that the Board of Education (Board) amend the Transportation Services Division (Transportation) Strategic Execution Plan (SEP) to approve the purchase of approximately 296 new alternative fuel school buses at an estimated cost of \$46.6 million utilizing Measure Q bond funding; and

WHEREAS, this will allow the District to replace aging diesel school buses with new alternative fuel school buses to meet California Air Resources Board (CARB) and South Coast Air Quality Management District (SCAQMD) air emission regulations; and

WHEREAS, the Los Angeles Unified School District's Transportation Services Division owns, maintains, stores and operates 1,300 school buses with an average age of 13 years; and

WHEREAS, the Transportation Services Division developed the Project Charter that outlines the replacement of approximately 296 buses over a two-year period; and

WHEREAS, the allotted funds were set at \$50 million for school bus replacement in the voter approved 2008 Measure Q bond funds; and

WHEREAS, cleaner alternatives to conventional diesel school buses exist, including those powered with compressed natural gas, propane, and ultra-low emission fuels that have been proven to be durable, and that emit less nitrogen oxides, particulate matter and air toxics than a conventional diesel school bus; and

WHEREAS, the use of alternative fuel school buses have significantly reduced emissions of particulate matter as compared to conventional diesel powered school buses and therefore

Resolution 2017-1

**AMENDMENT TO THE TRANSPORTATION SERVICES DIVISION STRATEGIC
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provide increased protection of school children's health as compared to conventional diesel-powered school buses; and

WHEREAS, District Staff has concluded that the proposed SEP Amendment represents an appropriate and acceptable use of District bond proceeds and is consistent with the mission and mission of the District and of the BOC, and

WHEREAS, District staff has concluded that the proposed SEP Amendment will help facilitate implementation of the Transportation SEP, and therefore, it will not adversely affect the District's ability to successfully complete the Transportation SEP.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the Transportation SEP amendment as defined in Board Report 338-16/17, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Oversight Committee and the District.

ADOPTED on February 2, 2017, by the following vote:

AYES: 8

ABSTENTIONS: 0

NAYS: 0

ABSENCES: 4

Pamela Schmidt

Pamela Schmidt
Chair

Quynh Nguyen

Quynh Nguyen
Vice Chair



Board of Education Report

DRAFT

File #: Rep-338-16/17, **Version:** 1

AMENDMENT TO THE TRANSPORTATION SERVICES DIVISION STRATEGIC EXECUTION PLAN TO APPROVE THE PURCHASE OF DISTRICT SCHOOL BUSES

February 14, 2017

Transportation Services Division

Action Proposed:

Staff proposes that the Board of Education (Board) amend the Transportation Services Division (Transportation) Strategic Execution Plan (SEP) to approve the purchase of approximately 296 new alternative fuel school buses at an estimated cost of \$46.6 million utilizing Measure Q bond funding. This will allow the District to replace aging diesel school buses with new alternative fuel school buses to meet California Air Resources Board (CARB) and South Coast Air Quality Management District (SCAQMD) air emission regulations.

Background:

In November 2008, voters approved Measure Q which included an allocation of \$50 million for replacement of aging diesel school buses with new alternative fuel school buses to meet CARB regulations. Previously, the District has been aggressively replacing its old diesel school buses with grant funds awarded by SCAQMD and matching funds supplemented by Measure Y (November 2005). As a result of the replacement efforts, the District operates the largest alternative fuel school bus fleet in California, comprising of 529 compressed natural gas, 141 propane, and 100 ultra-low emission school buses. Currently, there are no anticipated SCAQMD grant awards available to replace the remaining aging school buses in the fleet.

Expected Outcomes:

The District will spend approximately \$46.6 million from Measure Q for approximately 296 new alternative fuel school buses. The amount may be reduced if new grant funds become available from SCAQMD. It is recommended that the purchase is phased into two successive years to mitigate the inflationary effects of bus costs and allow time for the Division's Fleet Maintenance to remove old buses and prep the new ones for service as they arrive. The first recommended purchase in 2016-17 will replace 154 buses (87 of which will be required to be off the road starting on January 1, 2018) which are approximately between 21 to 31 years old. The second purchase in 2017-18 will replace 142 buses that are 21 to 22 years old.

The project is exempt under California Environmental Quality Act as determined by the Office of Environmental Health and Safety. Implementation of this project will improve the air quality in the Southern California air basin by reducing particulate matter from the elimination of school buses operating on fossil fuels.

Board Options and Consequences:

The Board may approve the purchase of 296 new school buses using \$46.6 million from Measure Q, thereby reducing the average age of the District fleet to 7 years and increasing the makeup of alternative fueled buses to 87%. In addition, approval of the Project Charter ensures compliance with CARB and SCAQMD regulations. If the Board opts not to approve the purchase of 296 new school buses, the District will continue to operate a bus fleet with an average age of 13 years with a makeup of 60% alternative fuel school buses. Furthermore, the

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District will be out of compliance with CARB and SCAQMD regulations, which may result in penalties and fines.

Policy Implications:

None

Budget Impact:

The purchase of approximately 296 new alternative fuel school buses will cost an estimated \$46.6 and be funded with Measure Q. The funding amount may be reduced if new grant award opportunities become available from SCAQMD. A resolution to use voter approved Measure Q bond funding for school bus replacement is scheduled to be presented during the Bond Oversight Committee on February 2, 2017.

Issues and Analysis:

Bond Oversight Committee Recommendations:

This item was considered by the BOC at its meeting on February 2, 2017. Staff has concluded that this proposed Transportation SEP amendment will facilitate implementation of the TSD -SEP, and therefore, it will not adversely affect the District's ability to successfully complete the TSD SEP.

Attachments:

Resolution 2017-1 Approval of Bus Replacement Project Charter
Project Charter for the Replacement of District School Buses

RESPECTFULLY SUBMITTED,

APPROVED & PRESENTED BY:

MICHELLE KING
Superintendent

THELMA MELÉNDEZ DE SANTA ANA
Chief Executive Officer
Office of Educational Services

REVIEWED BY:

APPROVED & PRESENTED BY:

DAVID HOLMQUIST
General Counsel

MARK S. HARRIS
Director (Interim)
Transportation Services Division

___ Approved as to form.

REVIEWED BY:

CHERYL SIMPSON
Director, Budget Services and Financial Planning

___ Approved as to budget impact statement.