McGregor School District Transportation Update
Exploring Contracted Services

Why is the District Considering This Change?

Our district, like many small rural schools, has struggled to maintain a stable transportation department. Despite our best efforts to recruit, train, and retain drivers, we continue to face significant challenges. We have reached a point where operations are unsustainable in our current structure.

Key Challenges:

- We currently employ 8 bus drivers, 1 van driver, and a transportation supervisor. We had an open driver position that remained vacant for more than six months.
- Our facilities supervisor and transportation supervisor regularly have to drive routes which impacts their ability to complete their regular essential position responsibilities.
- Drivers have delayed retirement and changed personal plans in order to help the district maintain transportation services.
- When short of licensed bus drivers, the district has had to use smaller vans and request help from our van-certified paraprofessionals to transport students. This is a temporary, but unsustainable, solution.
- We anticipate the retirement of more transportation staff this spring.
- Despite being one of the highest paying transportation employers in our area, the increasing licensing and training requirements have made it difficult to attract and retain qualified drivers.
- These ongoing staffing challenges also create a significant burden on district management, drawing time from other essential school operations.

Why Contract with a Private Transportation Company?

Partnering with a professional transportation company allows the district to focus more on student learning while ensuring that transportation services remain safe, consistent and efficient.

Key Benefits:

- The transportation company has dedicated recruiters to find drivers, they help new drivers obtain licenses, and they maintain additional staff with contingency plans to cover for absent drivers.
- They have comprehensive and ongoing driver training programs to ensure safe operation and positive student management while on the bus.
- The company will purchase the district's buses and related equipment at market value. All buses will maintain our district logo and will be kept in a professional and safe manner, utilizing a regular replacement cycle.
- The bus company is able to purchase new buses and equipment at a bulk rate, which allows for cost saving to the district.
- The company provides a 3 year contract for district operational stability that locks in rates and provides consistent service. The contract provides an option at the 2 year mark for the district to repurchase the buses and equipment if the arrangement is not successful.
- Contracting transportation will lead to a substantial reduction in district staff hours that are currently dedicated to transportation management. This will free up time for facilities, payroll and business office staff to focus on other priorities.

About the Bus Garage

The district recently built a new bus garage using levy funds. As part of the proposed transportation agreement, the facility will be leased to the transportation company for $1 per month. This approach is a common and fiscally responsible practice that keeps the facility in use for its intended purpose while helping the district reduce overall transportation costs.

If the district were to charge a higher lease rate, the bus company would increase the cost of the transportation contract to offset that expense — resulting in higher costs to the district.

By setting the lease at $1, the district is able to save money on the transportation contract while maintaining full ownership and access to the bus garage for any school purpose or need. This partnership helps ensure that taxpayer investments in the building are utilized efficiently and responsibly.

The district has also spent considerable time reviewing its current and future budgets. Based on these reviews, we expect the annual cost of transportation to remain comparable to current levels, with the potential for long-term cost reductions as efficiencies are gained through the contracted model.

Our Commitment to Employees

We want to be clear, our drivers are valued members of the McGregor team. Their professionalism and dedication to our students are deeply appreciated.

To that end, the district is committed to ensuring its current drivers will be treated fairly if the district moves forward with engaging an outside transportation provider. With the proposal the district currently has, the transportation company plans to offer our current drivers the opportunity to hire on with them, providing a hiring bonus and comparable or increased wages. No driver would receive a reduction in pay.

In addition, the District's administration has offered to meet with the AFSCME Union representatives to discuss issues related to this potential transition and remains willing to do so.

Commitment to Transparency

The district has been transparent with employees about its interest in considering a transportation vendor:

- The AFSCME Union and the district's bus drivers were notified in August of the district's intent to seek proposals.
- After the district received the proposal from 4.0 Transportation, the District offered to meet with the drivers and union on multiple occasions to answer questions or provide more information. The district also invited the union's leadership to provide ideas on alternative options to address the district's concerns related to transportation.
- A public notice was published in the newspaper requesting proposals.

The district remains committed to open communication with staff, families and the community.

Upcoming Public Board Meeting
Date: Monday, October 27th, 2025
Time: 6:00 PM
Location: McGregor High School Library

4.0 Transportation will be at the meeting to present their proposal to the School Board. This is a public meeting - all are welcome to attend and listen.

Our Goal

To provide a safe, reliable, efficient and sustainable transportation plan that meets the needs of the district, maintains fiscal responsibility and reduces the strain on district operation.
This decision is guided by our commitment to:

- Student safety
- Operational efficiency
- Staff wellbeing in all departments
- Long-term sustainability for McGregor School District

Questions?
We welcome your feedback.
Please contact the district office by email at spylvanen@isd4.org.
Your voice matters as we make decisions in the best interest of our students and community.