

CAPITAL AREA TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING

WEDNESDAY, AUGUST 18, 2021  
4:00 P.M. – 3131 E. MICHIGAN AVE., LANSING, MI 48912  
(FORMER SEARS BUILDING)

**PRESENT:** Nathan Triplett, Chair  
Derek Melot  
Jennie Gies  
Doug Lecato  
Mark Grebner

John Prush  
Phil Deschaine  
Dion'trae Hayes  
Robin Lewis

**CALL TO ORDER:**

Nathan Triplett, Chair called meeting to order at 4:01 p.m.

**ABSENT:** Dusty Fancher, Vice Chair; Shanna Draheim, Secretary/Treasurer; and Jack Schmitt

**ROLL CALL:** All present, Dusty Fancher, Shanna Draheim and Jack Schmitt were absent.

Chair Triplett welcomed everyone back to meeting in person. He also mentioned that the meeting is being offered on Zoom for those that wish to view the Board meeting virtually.

**PUBLIC COMMENTS**

Nathan Brann inquired about CATA's policy for banned riders and requested that the policy be revised.

**PUBLIC HEARING**

At 4:04 p.m., Chair Triplett opened the public hearing regarding CATA's proposed Fiscal Year 2022 Budget and proposed 2021 Property Tax Levy.

Notice of this hearing was published on the CATA website on June 17, 2021; posted at CATA's Administrative Building, the downtown CATA Transportation Center (CTC), MSU CTC and the Capital Area Multimodal Gateway on June 28, 2021; emailed to 35 private agencies, human-services organizations, and disadvantaged and underserved populations on July 21, 2021; mailed via United States Postal Service to 222 private transit agencies, human-services organizations, and disadvantaged and underserved populations on July 22, 2021; published in the Lansing State Journal on July 22, 2021; published in the Lansing Community Newspapers including the Delta Waverly Community News, Holt Community News, Ingham County Community News, Lansing Community News, Towne Courier and Williamston Enterprise on July 25, 2021;

published in the City Pulse on July 28, 2021; and distributed to CATA's social-media networks on Twitter and Facebook page on July 28, 2021.

Chair Triplett stated that the proposed Fiscal Year 2022 Budget would establish an operating budget of \$55.7 million. The proposed 2021 property Tax Levy of 3.007 mills is to support the operating budget.

Chair Triplett asked if Chief Executive Officer, Bradley T. Funkhouser and/or staff had received any comments. Chief Executive Officer, Bradley T. Funkhouser reported no additional comments were received, written or verbal, during the period of time under notice.

Chair Triplett then opened the meeting for public comment regarding the proposed Fiscal Year 2022 Budget or the proposed 2021 Property Tax Levy. He stated he would call on those who wish to make comments and to please state your name and address for the record. Comments may be limited to five (5) minutes. When called upon, names and addresses were recorded for the record.

There were no public comments. Chair Triplett closed the Public Hearing on CATA's proposed Fiscal Year 2022 Budget and 2021 Property Tax Levy at 4:07 p.m.

**CHAIR'S COMMENTS:**

**MOTION:**

Robin Lewis motioned to excuse Dusty Fancher, Shanna Draheim and Jack Schmitt and Doug Lecato supported the motion.

**VOTE:** The motion carried unanimously.

**CHIEF EXECUTIVE OFFICER'S REPORT**

**Lansing School District (LSD)**

Bradley Funkhouser reported that CATA met with Lansing School district Superintendent, Ben Schuldiner this past week in order to provide additional assistance to transport students. Mr. Funkhouser noted that CATA will work within its legal boundaries to help coordinate transportation, however; CATA will not be running school bus routes. In response to some concerns that have been brought forth by parents, CATA has put together a FAQ sheet. Mr. Funkhouser stated that as a public agency, CATA will do what it can to provide additional service while ensuring students are safe and well-informed on CATA's bus routes.

**COVID-19 Update**

Bradley Funkhouser stated that CATA will work with the Union and legal counsel to create an incentive program for CATA's unvaccinated employees to be vaccinated. Mr. Funkhouser and ATU Local 1039, President, Steve Soliz have already started discussions and the next step will be for the incentive program to be bargained with the Union.

### **Regional Planning**

Bradley Funkhouser reported that CATA is consistently working with the other transit agencies and LEAP to expand regional boundaries. He also stated that as new businesses come to the area, so will the demand for transportation. Recently, CATA gave CMAQ money to the Tri-County Regional Planning Commission (TCRPC) to hire a mobility manager. The mobility manager will aid transit agencies when scheduling trips for their clients, reduce wait times and provide better communication in real time with riders and care givers. The overall goal is to provide “seamless” transportation.

### **New Operator Class**

Bradley Funkhouser reported on the success of the new operator class. He also commended Andrew Brieschke, Deputy CEO on coordinating a Q & A session on Customer Service that took place earlier today. A panel consisting of Local Advisory Committee (LAC) members and the public shared their ideas with the new operators on the importance of customer service and how to best serve the community while operating a CATA bus.

### **Employee Appreciation Day**

Bradley Funkhouser stated that last week CATA hosted an Employee Appreciation Day. Overall, the day was a great success and everyone seemed to enjoy the food and activities.

Phil Deschaine inquired about CATA having weekly testing for unvaccinated employees.

Bradley Funkhouser stated that CATA will present the incentive program first before looking into weekly testing.

Derek Melot inquired about whether mandating vaccinations conflicted with CATA’s labor agreement.

Bradley Funkhouser replied that while mandating vaccines would need to be bargained with the Union, he felt that the incentive program was a better approach to have more employees vaccinated. Mr. Funkhouser also recognized that, if needed, CATA will look at other options.

Jennie Gies inquired about the Development Report and the details pertaining to the contract with Indian Trails.

Bradley Funkhouser stated that the contract with Indian Trails is being reviewed.

Jennie Gies requested having a future update on the outreach specialist and the CTC.

Bradley Funkhouser confirmed that he will give an update on the outreach specialist and the CTC at a later date.

Dion'trae Hayes applauded CATA for promoting vaccination incentives. She also inquired about the Lansing School District's request for additional transportation and whether the students will receive any extra help to ensure they are on the correct route.

Bradley Funkhouser reported that the service will be mostly for high school students. He confirmed that CATA will not be taking over of any of Dean's routes nor will CATA be adding any additional routes. CATA will only be assisting LSD by making it easier for their students to use CATA.

Dion'trae Hayes expressed her concern for young students riding alongside adult riders.

Bradley Funkhouser stated that CATA will work closely with staff and LSD to ensure that the young students stay safe while riding on CATA.

ATU Local 1039, Union President, Steve Soliz stated that tripper buses can assist in transporting young students and that it has proven to be very efficient in the past.

Robin Lewis thanked Mr. Funkhouser and CATA for their continued assistance in helping the community.

Bradley Funkhouser stated that Customer Experience Representatives (CXR), have been training new hires on how to handle students while riding the bus. CATA will also work with social services and the LSD on how to provide the best service to students.

Doug Lecato inquired about payment from LSD.

Bradley Funkhouser stated that the intent is to have an agreement where LSD will reimburse CATA for the bus passes. He also stated that in time this agreement may be presented to the Board, however; the main concern right now is to provide transportation to the students.

**ACTION ITEMS – PROPOSED CONSENT AGENDA**

- A. APPROVAL OF MINUTES OF JULY 21, 2021, BOARD MEETING
- B. APPROVAL OF TREASURER'S REPORT FOR JUNE 2021
  - 1. Interim Income Statement
  - 2. Cash Summary
  - 3. Investments
  - 4. Fifth Third Investment Account Reconciliation

C. EXTENSION OF STUDENT HOUSING TRANSIT SERVICES AGREEMENT (ADDENDUM 16)

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute Addendum 16 to the Student Housing Transit Services Agreement for the period from August 1, 2021, through July 31, 2022, for extended public transit services, on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

D. INSURANCE BROKERAGE AND CONSULTING SERVICE AGREEMENT

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute an agreement with Epic Insurance Brokers, Grand Rapids, MI, to provide insurance brokerage and consulting services in the amount of \$30,000 for the period from September 1, 2021 through February 28, 2022 on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

E. CONTRACT FOR HOIST PREVENTATIVE MAINTENANCE AND SERVICE

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute a contract with State Installation and Service LLC to provide Preventative Maintenance & Service for in-ground vehicle hoists systems for a maximum amount of \$4,665, plus extra services as needed of \$51,040, for a term of three (3) years, commencing August 1, 2021, through July 31, 2024, and not to exceed the approved annual Operating Budget of \$55,705 for such services as the Board Chair and Chief Executive Officer deem necessary.

F. APPOINTMENT TO LOCAL ADVISORY COMMITTEE

**PROPOSED MOTION:** That the CATA Board of Directors approves the recommendation of the Local Advisory Committee to appoint Geneva Smith to a three-year term through April 2024.

Mark Grebner requested that Action Item C be moved to discussion.

Dion'trae Hayes requested Action Item D be moved to discussion.

**MOTION:**

Robin Lewis motioned to approve the Consent Agenda with Action Item C, EXTENSION OF STUDENT HOUSING TRANSIT SERVICES AGREEMENT (ADDENDUM 16) and Action Item D, INSURANCE BROKERAGE AND CONSULTING SERVICE

AGREEMENT moved to discussion and Phil Deschaine supported the motion.

**VOTE:** The motion carried unanimously.

**ACTION ITEM - DISCUSSION AGENDA**

- A. EXTENSION OF STUDENT HOUSING TRANSIT SERVICES AGREEMENT (ADDENDUM 16)

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute Addendum 16 to the Student Housing Transit Services Agreement for the period from August 1, 2021, through July 31, 2022, for extended public transit services, on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

**MOTION:**

Mark Grebner motioned to approve Discussion Item A EXTENSION OF STUDENT HOUSING TRANSIT SERVICES AGREEMENT (ADDENDUM 16) and Derek Melot supported the motion.

**DISCUSSION:**

Mark Grebner inquired about the service being the same as last year.

Bradley Funkhouser replied that the service is the same as last year, however; due to COVID-19, ridership has decreased and everyone has suffered financially therefore, CATA only added a 2% inflation cost for the term.

**VOTE:** The motion carried unanimously.

- B. INSURANCE BROKERAGE AND CONSULTING SERVICE AGREEMENT

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute an agreement with Epic Insurance Brokers, Grand Rapids, MI, to provide insurance brokerage and consulting services in the amount of \$30,000 for the period from September 1, 2021 through February 28, 2022 on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

**MOTION:**

Mark Grebner motioned to approve Discussion Item B, INSURANCE BROKERAGE AND CONSULTING SERVICE AGREEMENT and Doug Lecato supported the motion.

**DISCUSSION:**

Dion'trae Hayes inquired about CATA's consulting service and the associated cost.

Bradley Funkhouser stated that Epic Insurance Brokers has saved CATA a lot of time and money by finding the best deal on the market. They also advise CATA on making decisions and do not work on a commission basis. They are consultants rather than salespersons. Mr. Funkhouser explained that the cost is approximately two-thirds of the yearly fee since a majority of their service is done within the first six (6) months. He also stated that this action item will be rebid and brought back to the Board before the contract expires.

**VOTE:** The motion carried unanimously.

C. 2021 PROPERTY TAX LEVY

**PROPOSED MOTION:** That the CATA Board of Directors authorizes the levy of ad valorem property taxes for the year 2021 of 3.007 mills. The Board of Directors further directs staff to file the required Form L-4029 with the appropriate jurisdictions.

**MOTION:**

Derek Melot motioned to approve Discussion Item C, 2021 PROPERTY TAX LEVY and Doug Lecato supported the motion.

**DISCUSSION:**

Bradley Funkhouser introduced Jim Frenedt, Director of Finance to give his financial report.

Jim Frenedt gave his report on the 2021 Tax Levy and the Fiscal Year 2022 Budget. In his report, Mr. Frenedt stated that the tax levy has not changed from last year and the fiscal year 2022 budget is very similar to the forecasted projections that were given at this year's Board Retreat in March 2021. CATA's revenue was \$55.7 million compared to the projected \$55.8 million. Farebox revenue will continue to be a challenge for the foreseeable future. CATA's budget is at \$1.8 million for fiscal year 2022 compared to over \$1 million in fiscal year 2021. He also predicted that property taxes for 2022 will increase to over 3%. In regard to operating grant revenue, Mr. Frenedt commented on the Coronavirus Aid Relief Economic Security (CARES), Coronavirus Response and Relief Supplemental Appropriations (CRSSA) and American Rescue Plan (ARP). CATA has requested CARES reimbursement in operating expenses for quarters 1, 2, and 3. CATA expects to receive approximately \$11 million in total from CARES for fiscal year 2021 and plans to spend the rest of CARES money in fiscal year 2022 before using CRSSA and ARP funds.

Jim Frenedt continued by stating that salary and fringe benefits remain to be CATA's most costly expense and he expects to see a 2% increase every year. New drivers and a reduction of overtime will help curb expenses while inflation prices on contracts may show some increases. He also stated that he does not see an increase in fuel prices.

Jim Frenedt closed by thanking those that helped with the fiscal year 2022 budget.

Mark Grebner commented on line-haul buses and inquired about paratransit ridership.

Bradley Funkhouser reported that we are still in the middle of COVID-19 and ridership will be down, however; CATA will not be cutting any service. He then deferred to Andrew Brieschke, Deputy CEO for more details.

Andrew Brieschke stated that paratransit has been consistently busy even though ridership is down. He also stated that the call center typically receives calls between 800-1,100 calls per day whereas currently they have been at 600-800 per day.

Phil Deschaine inquired about students riding on Meridian Redi-Ride in the fall.

Andrew Brieschke stated that he expects Redi-Ride ridership to increase in the fall. Similar to previous years.

Bradley Funkhouser explained that COVID-19 is still in effect and the future of ridership is uncertain.

Mark Grebner recognized CATA's approval to receive 3.007 mills in tax levy and suggested that CATA and the Board think carefully on how to expand CATA's services and future endeavors.

**VOTE:** The motion carried unanimously.

D. FISCAL YEAR 2022 BUDGET APPROVAL

**PROPOSED MOTION:** That the CATA Board of Directors, as its general appropriations act, adopts the following resolutions:

1. The proposed Operating and Capital Budget for Fiscal Year 2022, upon which public hearing was held at a regular meeting of the Board on August 18, 2021, is adopted as the general appropriation of total revenues of the Authority to defray expenditures and meet the liabilities of the Authority for its Fiscal Year 2022 (October 1, 2021, through and including September 30, 2022).
2. In accordance with the Truth in Budgeting Act, the Board states that the Authority's levy for 2021 of 3.007 mills of ad valorem property taxes as provided for in the Budget and authorized by resolution adopted on August 18, 2021, are for the purpose of defraying the expenditures and meeting the liabilities of the Authority in providing public transportation.
3. The CEO/Executive Director shall have authority within the overall budget to manage operations and the capital program, as well as to make transfers to and from invested funds, to facilitate daily

operations and meet cash flow needs without further approval of the Board.

4. The annual goals and objectives and the organization charts as presented with the budget for Fiscal Year 2022 are approved.

**MOTION:**

Robin Lewis motioned to approve Discussion Item D, FISCAL YEAR 2022 BUDGET APPROVAL and Doug Lecato supported the motion.

**VOTE:** The motion carried unanimously.

**OLD BUSINESS**

None

**NEW BUSINESS**

Chair Triplett introduced the Nominating Committee Report. Chair Triplett stated that Policy 411 requires the Board of Directors to appoint the committee in July with recommendations presented in August, hold an election in September and for new officers to take seats in October. Chair Triplett thanked Derek Melot, Robin Lewis and Jack Schmitt for serving on the committee.

Derek Melot gave the Committee Report. Mr. Melot stated that his fellow members have discussed nominations and that he has had requests from Nathan Triplett, Dusty Fancher and Shanna Draheim. The Committee recommended that Nathan Triplett serve as Chair, Dusty Fancher as Vice Chair, and Shanna Draheim as Secretary/Treasurer for Board.

Chair Triplett thanked Derek Melot for his report and appreciated the recommendations.

Chair Triplett stated that per Policy 411, the Board will consider the nominations at next Board Meeting in September.

**PUBLIC COMMENT**

Robin Lewis shared a personal story related to CATA's service.

**MOTION:**

Doug Lecato motioned to go into closed session and Robin Lewis supported the motion.

**ROLL CALL VOTE:** The motion carried unanimously.

**ADJOURNMENT**

There was no further business Chair Triplett adjourned meeting at 5:12 p.m.

Respectfully Submitted,

Shanna Draheim  
Secretary/Treasurer

Tina Orlando  
Recording Secretary