

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, APRIL 16, 2025
4:00 P.M. – DISABILITY NETWORK CAPITAL AREA
901 EAST MOUNT HOPE AVENUE, LANSING, MI 48910

AGENDA

- I. CALL TO ORDER – ROLL CALL
- II. PUBLIC COMMENTS ON AGENDA ITEMS

*Members of the public are welcome to speak to the Board on any agenda subject. Anyone wishing to comment on any matter **not** on the agenda may do so immediately prior to adjournment.*

- III. CHAIR'S COMMENTS
- IV. CHIEF EXECUTIVE OFFICER'S REPORT
- V. ACTION ITEMS – PROPOSED CONSENT AGENDA

- A. APPROVAL OF MINUTES OF MARCH 2025, BOARD MEETING
- B. APPROVAL OF MINUTES OF MARCH 2025, CLOSED SESSION
- C. TREASURER'S REPORT FOR FEBRUARY 2025
 - 1. Interim Income Statement
 - 2. Cash Summary
 - 3. Investments
 - 4. Fifth Third Investment Account Reconciliation
- D. ANNUAL REPORT TO GOVERNING BODIES OF PARTICIPATING MEMBERS OF CATA

PROPOSED MOTION: That the CATA Board of Directors approves the Fiscal Year 2024 Annual Report and directs staff to distribute it to the governing bodies of all participating members of CATA.

E. MDOT MASTER AGREEMENT AMENDMENT RESOLUTION AND PROJECT AUTHORIZATION RESOLUTION

PROPOSED MOTION: Staff recommends that the Board approve the Resolutions set forth below.

MASTER AGREEMENT RESOLUTION

WHEREAS, the Capital Area Transportation Authority ("CATA") has the authority to contract with the Michigan Department of Transportation for state and/or federal funds for passenger transportation related services; and,

WHEREAS, CATA does hereby approve Master Agreement Amendment No. 2022-0027 A1 (the "Agreement").

NOW, THEREFORE, be it resolved that the Chief Executive Officer of CATA be authorized and directed to execute the Agreement for, and on behalf of CATA.

PROJECT AUTHORIZATION RESOLUTION

WHEREAS, this resolution shall also approve execution of project authorizations for any programs designated by CATA and/or project authorizations for any amount determined by CATA with the Michigan Department of Transportation which are issued under Master Agreement No. 2022-0027 A1.

NOW, THEREFORE, be it resolved that the Chief Executive Officer of CATA, or his or her designee, are authorized to enter into and execute on behalf of CATA all such project authorizations with the Michigan Department of Transportation for passenger transportation related services for the Agreement period.

VI. ACTION ITEMS – PROPOSED DISCUSSION AGENDA

A. POLICY COMMITTEE REPORT - POLICY NO. 402 FORMULATION OF BOARD POLICIES AND ADMINISTRATIVE PROCEDURES - FIRST READING

PROPOSED MOTION: That proposed revised Policy No. 402 – Formulation of Board Policies and Administrative Procedures, be accepted for the first reading in accordance with existing Policy No. 402, Formulation of Policies and Administrative Procedures.

VII. OLD BUSINESS

VIII. NEW BUSINESS – POLICY COMMITTEE UPDATE ON POLICY NO. 205 – DISPLAY OF ITEMS ON CATA PROPERTY AND VEHICLES

IX. PUBLIC COMMENT

Members of the public are welcome to speak to the Board on any CATA subject.

X. ADJOURNMENT

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, MARCH 19, 2025
4:00 P.M. – DISABILITY NETWORK CAPITAL AREA
901 EAST MOUNT HOPE AVENUE, LANSING, MI 48910

PRESENT: Nathan Triplett, Chair
Phil Deschaine, Secretary/Treasurer
Mark Grebner
John Prush
Derek Melot
Kellie Blackwell
Eric Tans
Chelsea Dowler
Steve Vagnozzi

CALL TO ORDER:

Chair Triplett called the meeting to order at 4:00 p.m.

ROLL CALL: Kellie Blackwell, Phil Deschaine, Chelsea Dowler, Mark Grebner, Derek Melot, John Prush, Eric Tans, Nathan Triplett, and Steve Vagnozzi were all present.

ABSENT: Shanna Draheim, Vice Chair, Ed Rodgers, Jack Schmitt, and Keith Barber

Chair Triplett welcomed everyone to the Board meeting. He also mentioned that the meeting is being held on Zoom for those who wish to view the Board meeting virtually.

PUBLIC COMMENTS:

Daniel Black expressed his disappointment that the automatic door at Disability Network Capital Area was still not working after informing prior management months ago.

CHAIR'S COMMENTS:

Chair Triplett requested a motion to excuse Shanna Draheim, Ed Rodgers, and Jack Schmitt.

MOTION:

Steve Vagnozzi motioned to excuse Shanna Draheim, Ed Rodgers, and Jack Schmitt. Derek Melot supported the motion.

VOTE: The motion carried unanimously.

Chair Triplett reminded Board members to fill out the Annual Disclosure Form, Policy #209 Code of Conduct and send them back to Tina Orlando, Recording Secretary.

CHIEF EXECUTIVE OFFICER'S REPORT

Safe Place Outreach Program

Bradley Funkhouser stated that CATA is now licensed through National Safe Place Network to operate a Safe Place outreach program. He also stated that CATA is Michigan's first transit agency and currently the only licensed Safe Place partner in the state. Mr. Funkhouser thanked Lolo Robison, Director of Marketing and Public Information, for her work on this program. He shared that on day one, CATA was able to provide assistance to a minor in need.

Delta Township Meeting

Bradley Funkhouser stated that on Friday, March 14, he met with representatives from Delta Township. Mr. Funkhouser thanked Mark Grebner, Ingham County Commissioner and CATA Board member, for attending the meeting. He stated that the meeting went well, and they were able to find common ground on many of the topics discussed. More to come.

Eaton County Board of Commissioners Meeting

Bradley Funkhouser stated that on Monday, March 17, he met with Jim Mott, Eaton County Board of Commissioners Chairperson, to discuss CATA's Interlocal Agreement with Eaton County that will be expiring in September 2025. Mr. Funkhouser stated that in order to continue regionalism in the tri-county area, there will need to be a mutual agreement in place before the expiration date.

Meridian Township Board Meeting

Bradley Funkhouser stated that on Tuesday, March 18, he, along with Andrew Brieschke, Deputy CEO, attended the Meridian Township Board meeting. Mr. Funkhouser thanked Phil Deschaine, Meridian Township Treasurer/CATA Board member, for inviting them to present at the meeting. Mr. Funkhouser stated that CATA appreciates Meridian Township's partnership. He also thanked Steve Vagnozzi, Meridian Township Representative/CATA Board member, for his insight on transportation.

CLOSED SESSION:

Chair Triplett requested a motion to go into Closed Session.

MOTION:

Derek Melot motioned to go into Closed Session and Kellie Blackwell supported the motion.

ROLL CALL VOTE: Kellie Blackwell, aye; Phil Deschaine, aye; Chelsea Dowler, aye; Mark Grebner, aye; Derek Melot, aye; John Prush, aye; Eric Tans, aye; Nathan Triplett, aye; and Steve Vagnozzi, aye.

The Closed Session began at 4:13 p.m. and adjourned at 4:38 p.m.

Chair Triplett introduced attorney David Klevorn.

David Klevorn presented some history on the FOIA appeal submitted to CATA on February 25, 2025.

Chair Triplett thanked Mr. Klevorn for providing the history related to the FOIA appeal. He then asked whether Mr. Best would like to offer his appeal.

FOIA APPEAL FROM JASON BEST

Jason Best stated his appeal and requested that CATA release the information listed in his FOIA submission.

Chair Triplett thanked Mr. Best for his remarks. He then requested a motion from the Board.

MOTION:

Mark Grebner motioned that the CATA Board direct a letter to Mr. Best with the following language. “We have considered your appeal and related information. We agree that the types of documents mentioned in the appeal would be properly disclosed if they exist. We are reliably informed that no such documents exist nor have existed making it impossible to provide copies. To the extent that the documents would be properly released if they existed the appeal is allowed, but to the extent that no such documents exist your appeal is denied.” Steve Vagnozzi supported the motion.

VOTE: The motion carried unanimously.

ACTION ITEMS – PROPOSED CONSENT AGENDA

- A. APPROVAL OF MINUTES OF FEBRUARY 2025, BOARD MEETING
- B. TREASURER’S REPORT FOR JANUARY 2025
 - 1. Interim Income Statement
 - 2. Cash Summary
 - 3. Investments
 - 4. Fifth Third Investment Account Reconciliation
- C. PURCHASE OF ADDITIONAL LARGE BUSES FROM NEW FLYER

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute a purchase of an additional four (4), 40-foot, hybrid-electric transit buses from our original order placed with New Flyer, a subsidiary of NFI Group, Inc., using the State of Washington, cooperative bus procurement contract #06719, at a total purchase price not to exceed \$4,500,000 of federal and state grant funds for the vehicles, training, and accessories, pending successful completion of

necessary FTA Buy America audits and inspections on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

- D. MDOT PROJECT AUTHORIZATION AND ADDENDUM TO THE CONTRACT WITH VIA TRANSPORTATION, INC.

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute an addendum to the contract between Via and CATA to initiate overnight microtransit service as drafted in the \$15 Million Equitable Mobility Challenge grant which was awarded to CATA in October 2024 on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

- E. MDOT CONTRACT AUTHORIZATION RESOLUTION

PROPOSED MOTION: Staff recommends that the Board approve the Resolution set forth below.

CONTRACT AUTHORIZATION RESOLUTION

WHEREAS, the Capital Area Transportation Authority ("CATA") has the ability to contract with the Michigan Department of Transportation for state and/or federal funds for passenger transportation related services; and,

WHEREAS, the Shared Streets and Spaces Grant will award \$163,400 to CATA for the "Transit to Trails" project which will enhance amenities at four (4) CATA bus stops serving popular entrances to the Lansing River Trail; and,

WHEREAS, CATA does hereby approve Contract Number 25-5079 (the "Agreement").

NOW, THEREFORE, be it resolved that the Chief Executive Officer of CATA, or his or her designee, is authorized and directed to enter into and execute the Agreement with the Michigan Department of Transportation on behalf of CATA, for passenger transportation related services as outlined in the Agreement.

- F. SUBRECIPIENT AGREEMENT WITH DISABILITY NETWORK CAPITAL AREA

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute a subrecipient agreement with Disability Network Capital Area (DNCAP) for \$28,183 to fund their travel training program utilizing 5310 grant funding.

MOTION:

Phil Deschaine motioned to approve the Consent Agenda and Kellie Blackwell supported the motion.

VOTE: The motion carried unanimously.

ACTION ITEMS – PROPOSED DISCUSSION AGENDA

- A. FISCAL YEAR 2024 FINANCIAL STATEMENTS AND AUDIT REPORT –
AUDIT COMMITTEE AND PLANTE MORAN

PROPOSED MOTION: That the CATA Board of Directors accepts CATA's Financial Statements and Report on Federal Awards for Fiscal Year 2024 and the Communication to those Charged with Governance and Management of CATA.

Audit Committee Chair Melot stated that the Audit Committee convened via Zoom on Thursday, March 13, 2025, to review CATA's Fiscal Year 2024 Financial Statements and Audit Report by Plante Moran. Audit Committee Chair Melot reported that while CATA has done well funding the Other Post Employment Benefits (OPEB) plan, they also had two (2) findings. He explained that although these findings were significant, the issues identified had no material bearings on CATA's financial operation. He also explained that CATA is in the process of strengthening their internal controls by adding an additional layer of authentication and will be submitting a written procedure to the Audit Committee within the next 30 days. Audit Committee Chair Melot thanked the Audit Committee, Mr. Funkhouser, Mr. Frendt and Plante Moran for their work on CATA's audit.

Bradley Funkhouser thanked the Audit Committee for their report. He also stated that CATA will provide a written procedure to the Audit Committee within the next 30 days.

Presentation by Plante Moran

Jean Young thanked CATA's Finance Department for their cooperation on the audit. Ms. Young noted that there were a few new audit standards that were implemented this year that required more testing. She then deferred to Christopher Gilbert to go over some of the highlights from CATA's financials.

Christopher Gilbert went over CATA's FY 2024 audit report. He stated that CATA received an unmodified opinion which is the highest level of support that can be given. Mr. Gilbert noted that while CATA's operating expenses for the year were almost identical to last year, there was an increase in revenue and grants of \$9 million from the prior year. Most of the increase was due to receiving additional federal operating funds related to COVID relief. He noted that as CATA goes through the COVID money, they will need to reevaluate their financial situation moving forward. Mr. Gilbert continued by referencing the balance sheet and noted that CATA has no long-term debt, which is a very good position to be in. He then commented on CATA's OPEB plan and pension liabilities. He noted that CATA ended the year with their ATU Pension

plan funded at 119% and their Administration Pension plan funded at 93%. He lastly commented on CATA's OPEB plan which is funded at 36% and way ahead of schedule.

MOTION:

Derek Melot motioned to approve Discussion Item A, Fiscal Year 2024 Financial Statements and Audit Report. Mark Grebner supported the motion.

DISCUSSION:

Steve Vagnozzi requested that OPEB be defined.

Jean Young stated that "OPEB" stands for Other Post Employment Benefits, and it is related to CATA's healthcare plan for retirees.

Phil Deschaine inquired about end of the year projections now that CATA is halfway through their fiscal year.

Bradley Funkhouser deferred to Jim Frendt, Director of Finance, for details.

Jim Frendt stated that CATA is on the right path to meet its projected budget for the fiscal year.

Phil Deschaine inquired about CATA's projected expenses.

Jim Frendt stated that CATA has projected to be under approximately \$7 million; however, that will depend on CATA's expenses related to healthcare benefits.

Bradley Funkhouser thanked the finance team, and Audit Committee Chair Melot. He commented on CATA's OPEB plan and how it was vastly underfunded when he took over. He also thanked Steve Soliz, ATU President, Local 1039, and the union for their part in helping CATA negotiate healthcare benefits for the year.

Chair Triplett thanked Plante Moran and the Audit Committee for their reports.

VOTE: The motion carried unanimously.

B. AMENDMENT TO THE SECURITY SERVICES CONTRACT

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute an amendment to the security services contract with Charlesbrook Protection Services for additional services at a cost not to exceed \$599,156, based on quoted rates, for the remaining three (3) year term on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

MOTION:

Derek Melot motioned to approve Discussion Item B, Amendment to the Security Services Contract. Steve Vagnozzi supported the motion.

DISCUSSION:

Bradley Funkhouser explained that security issues have been brought before the Board a number of times over the last couple years. Mr. Funkhouser noted that while he is proud of the security that CATA has been able to provide, there is the need for additional security currently at the CTC and in the future with the purchase of a new CATA facility downtown.

VOTE: The motion carried unanimously.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

Daniel Black expressed his appreciation for the acoustics at the DNACP. He also commented on his disappointment over the automatic door not working which he feels is an endorsement of inaccessibility by the CATA Board holding its meeting at this location.

Jason Best commented on CATA's shelters being made of glass and often broken. He expressed his belief that an abundance of glass has led to an increase in glass assaults and suggested that CATA build their shelters out of plastic instead. Mr. Best further suggested that CATA place trash cans in front of bus stops to help alleviate the amount of trash around the area.

ADJOURNMENT

There being no further business, Chair Triplett adjourned the meeting at 5:13 p.m.

Respectfully Submitted,

Phil Deschaine
Secretary/Treasurer

Tina Orlando
Recording Secretary

**Capital Area Transportation Authority
INTERIM INCOME STATEMENT
For The Month Ending February 28, 2025**

	<u>February Actual</u>	<u>February Budget</u>	<u>Variance</u>	<u>% Variance</u>	<u>FY 2025 Actual YTD</u>	<u>FY 2025 Budget YTD</u>	<u>Variance</u>	<u>% Variance</u>	<u>FY 2025 BUDGET</u>	<u>% Annual Budget Revenues/Expense</u>
									<u>% of Fiscal Year Completed</u> 42%	
REVENUES										
Farebox	\$ 171,641	\$ 200,075	\$ (28,434)	-14.2%	\$ 1,109,121	\$ 1,000,375	\$ 108,746	10.9%	\$ 2,400,900	46.2%
Contracted Services	\$ 510,678	\$ 336,500	\$ 174,178	51.8%	\$ 2,590,642	\$ 1,682,500	\$ 908,142	54.0%	\$ 4,038,000	64.2%
Property Tax	\$ 7,080,580	\$ 2,199,000	\$ 4,881,580	222.0%	\$ 17,190,469	\$ 10,995,000	\$ 6,195,469	56.3%	\$ 26,388,000	65.1%
State Revenue	\$ 1,577,248	\$ 1,807,000	\$ (229,752)	-12.7%	\$ 8,512,031	\$ 9,035,000	\$ (522,969)	-5.8%	\$ 21,684,000	39.3%
Federal Revenue	\$ 19,368	\$ 1,315,000	\$ (1,295,632)	-98.5%	\$ 4,357,310	\$ 6,575,000	\$ (2,217,690)	-33.7%	\$ 15,780,000	27.6%
Other Revenue	\$ 262,334	\$ 140,542	\$ 121,792	86.7%	\$ 544,777	\$ 702,710	\$ (157,933)	-22.5%	\$ 1,686,500	32.3%
TOTAL REVENUES	\$ 9,621,849	\$ 5,998,117	\$ 3,623,732	60.4%	\$ 34,304,350	\$ 29,990,585	\$ 4,313,765	14.4%	\$ 71,977,400	47.7%
EXPENSES										
Labor	\$ 2,063,908	\$ 2,147,633	\$ 83,725	3.9%	\$ 10,906,977	\$ 10,738,165	\$ (168,812)	-1.6%	\$ 25,771,600	42.3%
Fringe Benefits	\$ 1,151,780	\$ 1,337,468	\$ 185,688	13.9%	\$ 6,892,198	\$ 6,687,350	\$ (204,848)	-3.1%	\$ 16,049,640	42.9%
Services	\$ 355,922	\$ 434,783	\$ 78,861	18.1%	\$ 2,012,945	\$ 2,169,913	\$ 156,968	7.2%	\$ 5,210,400	38.6%
Materials & Supplies	\$ 380,429	\$ 490,895	\$ 110,466	22.5%	\$ 2,084,908	\$ 2,453,473	\$ 368,565	15.0%	\$ 5,888,240	35.4%
Utilities	\$ 101,904	\$ 76,725	\$ (25,179)	-32.8%	\$ 425,034	\$ 383,625	\$ (41,409)	-10.8%	\$ 920,700	46.2%
Casualty & Liability	\$ 127,255	\$ 114,000	\$ (13,255)	-11.6%	\$ 600,712	\$ 570,000	\$ (30,712)	-5.4%	\$ 1,368,000	43.9%
Purch. Transportation	\$ 860,600	\$ 1,077,775	\$ 217,175	20.2%	\$ 4,788,373	\$ 5,388,875	\$ 600,502	11.1%	\$ 12,933,300	37.0%
Miscellaneous	\$ 62,174	\$ 148,964	\$ 86,790	58.3%	\$ 649,847	\$ 744,762	\$ 94,915	12.7%	\$ 1,787,620	36.4%
TOTAL EXPENSES	5,103,972	5,828,243	724,271	12.4%	28,360,994	29,136,163	775,169	2.7%	\$ 69,929,500	40.6%
NET INCOME (LOSS)	\$ 4,517,877	\$ 169,874	\$ 4,348,003		\$ 5,943,356	\$ 854,422	\$ 5,088,934		\$ 2,047,900	

Interim statements are subject to adjustments and year-end audit

**Capital Area Transportation Authority
 Treasurer's Report
 Cash Activity During the Month**

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02/01/2025-02/28/2025

Cash Balance - 02/01/2025	\$ 4,372,098
Disbursements	\$ (6,828,376)
Receipts	\$ 10,095,602
Adjustments	\$ -
Cash Balance - 02/28/2025	\$ 7,639,324

Disbursements:

Cash Disbursements Register	\$ (3,314,216)
Payroll	\$ (2,885,704)
Healthcare (BlueCross Blue Shield)	\$ (620,045)
Transfers To the ASU Claims Account	\$ (8,411)
Transfers To the Investment Account	\$ -
Total Cash Disbursements	\$ (6,828,376)

Receipts:

Cash Receipt Register	\$ 10,095,602
Transfers From the Investment Account	-
Total Cash Receipts	\$ 10,095,602

Adjustments:

Misc. Items	\$ -
Total Cash Adjustments	\$ -

**Capital Area Transportation Authority
 Treasurer's Report
 Cash and Investment Balances & Interest Earned**

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02/01/2025-02/28/2025

CASH & INVESTMENT BALANCES	PORTFOLIO BALANCE	% OF TOTAL
<u>CASH & CASH EQUIVALENTS</u>		
FIFTH THIRD BANK - General Account	7,639,324	19.80%
FIFTH THIRD BANK - ASU Claims Account	42,112	0.11%
FIFTH THIRD BANK - Savings	546,271	1.42%
MSUFCU CD and Savings	271,562	0.70%
CASE Credit Union CD and Savings	272,812	0.71%
<u>FIXED INCOME INVESTMENTS</u>		
FIFTH THIRD BANK	<u>29,801,876</u>	77.26%
TOTAL	<u>\$ 38,573,957</u>	100.00%

INTEREST EARNED	INTEREST
INCOME EARNED ON INVESTMENTS:	
FIFTH THIRD BANK (Net of Expenses/Accrued Interest)	\$ 16,303
OTHER BANKS	<u>2,976</u>
TOTAL	<u>\$ 19,279</u>
Monthly Average Rate of Return	0.0500%
Annual Average Rate of Return	0.600%

Interim statements are subject to adjustments and year-end audit

**Capital Area Transportation Authority
 Treasurer's Report
 Fifth Third Bank Investment Account Reconciliation**

(Page 4 of 4)

02/01/2025-02/28/2025

Market Value at the Beginning of the Period - 12/01/2024 \$ 29,625,238

Portfolio Activity:

<u>Transfers (To) or From General Checking</u>		-
<u>Net Income/(Loss) & Expenditures</u>		
Interest Earned	\$ 21,133	
Accrued Interest Paid	(2,731)	
Administrative Expenditures	(2,099)	
Total Net Income/Loss & Expenditures		16,303
<u>Realized Gains or (Loss) From Sales</u>		-
<u>Market Appreciation</u>		
End of Period	\$ 174,936	
Beginning of Period	(86,713)	
Unrealized Gain/(Loss) from Market Appreciation		88,223
<u>Change in Value From Accrued Income</u>		
Previous Accrued Income (-)	\$ (227,321)	
Current Accrued Income (+)	299,433	
Net Change from Accrued Income		72,112

Market Value at the End of the Period - 12/31/2024 \$29,801,876

Interim statements are subject to adjustments and year-end audit

NOTE:

The Fifth Third Bank Investment Account includes investments in the Federated Government Obligations Fund, Institutional Shares, considered as cash equivalents with a stable market value, and short term fixed income investments in federal and Michigan municipal securities that have market values that may fluctuate prior to redemption or early call dates.

ACTION ITEM – ANNUAL REPORT TO GOVERNING BODIES OF PARTICIPATING MEMBERS OF CATA

Pursuant to Article IV, Section 11 of CATA's Articles of Incorporation and Board Policy No. 203, Fiscal Year and Annual Reports, CATA furnishes an annual report to the governing bodies of all participating members with respect to the operation, maintenance and financial condition of the Authority. At a minimum, this report shall include the following:

- (a) The Authority's balance sheet;
- (b) An abbreviated operating statement; and
- (c) A brief description of the operation of the Authority

We have prepared and attached CATA's Fiscal 2024 Annual Report for Board approval, as set forth below.

PROPOSED MOTION: That the CATA Board of Directors approves the Fiscal Year 2024 Annual Report and directs staff to distribute it to the governing bodies of all participating members of CATA.



2024 ANNUAL REPORT

OCTOBER 1, 2023 – SEPTEMBER 30, 2024

Cover Photo:

The main entrance to the CATA Transportation Center, which serves as a hub for 16 fixed routes, intercity buses, transportation network companies and other transit agencies like EATRAN and Clinton Transit.



CAPITAL AREA TRANSPORTATION AUTHORITY

NATHAN TRIPLETT, **Board Chair** BRADLEY T. FUNKHOUSER, AICP, **Chief Executive Officer**

April 16, 2025

Public transportation is ever-evolving, spurred by vehicle electrification and fulfillment backlogs; federal funding cuts, the rising cost of doing business and ongoing driver shortages. These complexities — in addition to a growing demand for more sustainable and more efficient transportation solutions — challenge industry professionals, but they also inspire us to deliver improved services that align with the needs of the riding public.

The Capital Area Transportation Authority's mission is to meet the mobility needs of our region by providing innovative solutions in partnership with the communities we serve. Our strategic goals include regional mobility, customer experience excellence, organizational strength, community partnership and dynamic workplace. We regularly evaluate our ability to meet these goals.

One common measure of success among transit systems is ridership. In fiscal 2024, CATA's ridership grew from 7.63 million to over 8.85 million trips — a 16% increase, year over year.

Securing voter support at the polls is also critically necessary.

On November 5, 2024, voters from CATA's five funding municipalities — the cities of Lansing and East Lansing; Delhi, Lansing and Meridian townships — passed our millage renewal with 69% support, delivering to CATA and our diverse population of riders a resounding victory and vote of confidence in the Authority. This renewal will fund the Authority for an additional five years through 2030.

And as always, CATA's financial health remains a top priority.

We are pleased to report to the public, as verified by an independent audit, that CATA has once again complied with all financial requirements, as determined by the U.S. Office of Management and Budget, for the year ending September 30, 2024.

We extend our deepest appreciation to our valued community partners. We are grateful for your trust and confidence in CATA, its leadership and employees.

Respectfully,

Nathan Triplett
Board Chair

Bradley T. Funkhouser, AICP
Chief Executive Officer



CATA LEADERSHIP

BOARD OF DIRECTORS



Nathan Triplett
Chairperson
City of Lansing



Shanna Draheim
Vice Chairperson
City of East Lansing



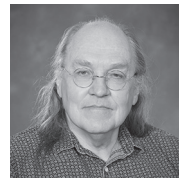
Phil Deschaine
Secretary/Treasurer
Meridian Township



Kellie Blackwell
Delhi Township



Chelsea Dowler
City of Lansing



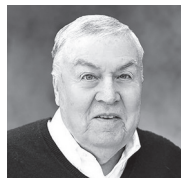
Mark Grebner
Ingham County



Derek Melot
City of Lansing



John Prush
Michigan State University



Ed Rodgers
Lansing Township



Jack Schmitt
City of East Lansing



Eric Tans
City of Lansing



Steve Vagnozzi
Meridian Township



Keith Barber*
EATRAN Representative

** Nonvoting member*

CATA LEADERSHIP

EXECUTIVE STAFF

Bradley T. Funkhouser, AICP
Chief Executive Officer

Andrew Brieschke
Deputy CEO

Lolo Robison
*Director of Marketing &
Public Information*

James Frendt
Director of Finance

Dan Goodemoot
*Director of Information
Technology Services*

Dan Hodges
Director of Maintenance

Marshea Brown, SHRM-CP
Director of Human Resources

Todd Brooks
Director of Operations

Dustin Hagfors
Director of Planning & Development

AMALGAMATED TRANSIT UNION LOCAL NO. 1039 LANSING, MICH.

OFFICERS

Steven Soliz
President

Steven Clem
Vice President

Caitlin Gardner
Financial Secretary/Treasurer

COMMITTEE MEMBERS

OPERATIONS

James M. Beech

Greg Mayes

Christopher Noble

MAINTENANCE

Donald Bean, Jr.

Brad Buzzard

Andrew Olsen

LOCAL ADVISORY COUNCIL

Deb Wiese
Chair

Erin Shannon
Vice Chair

George Hanley
Parliamentarian

Kellie Blackwell
CATA Board of Directors Representative

J. Caleb Adams

Jeffrey Allshouse

Doug Lecato

Gloria Johnson Cannon

Gill Lemonde

Darrin Fowler

Diana Paiz

Leah March-Pons

Geneva Smith

Title VI

CATA services are provided in accordance with Title VI of the Civil Rights Act of 1964, without discrimination on the basis of race, color or national origin.

CAPITAL AREA TRANSPORTATION AUTHORITY

STATEMENT OF NET POSITION

	September 30	
ASSETS	2024	2023
CURRENT ASSETS:		
Cash	\$ 10,742,610	\$ 6,627,495
Investments	29,074,682	22,363,274
Accounts Receivable	5,762,399	2,035,569
Due From Government	3,365,098	10,636,919
Inventory	1,696,667	1,596,804
Prepaid Expenses	743,243	912,277
TOTAL CURRENT ASSETS	51,384,699	44,172,338
NONCURRENT ASSETS		
Net Pension Asset	8,891,615	2,959,486
Capital Assets – Net	56,477,083	54,738,053
TOTAL NONCURRENT ASSETS	65,368,698	57,697,539
TOTAL ASSETS	\$ 116,753,397	\$ 101,869,877
DEFERRED OUTFLOWS RELATED TO PENSION AND HEALTH CARE	14,064,262	23,243,260
LIABILITIES		
CURRENT LIABILITIES:		
Accounts Payable	2,475,586	2,189,928
Accrued Vacation, Incentives and Sick Pay	2,031,500	1,871,952
Reserve For Workers' Compensation Claims	376,815	223,350
Reserve For Health Insurance Costs	469,200	572,100
Unearned Revenue	92,059	157,112
Other Current Liabilities	817,724	617,633
TOTAL CURRENT LIABILITIES	6,262,884	5,632,075
LONG-TERM LIABILITIES		
Net Pension Liability	1,708,369	2,972,715
Other Post-Retirement Benefits	34,974,942	55,113,031
TOTAL LONG-TERM LIABILITIES	36,683,311	58,085,746
TOTAL LIABILITIES	42,946,195	63,717,821
DEFERRED INFLOWS RELATED TO PENSION AND HEALTH CARE	39,729,439	26,280,470
NET ASSETS		
Invested In Capital Assets	56,477,083	54,738,053
Restricted	8,891,615	23,464
Unrestricted	(17,226,673)	(19,646,671)
TOTAL NET POSITION	\$ 48,142,025	\$ 35,114,846

CAPITAL AREA TRANSPORTATION AUTHORITY

STATEMENTS OF REVENUES, EXPENSES & CHANGES IN NET POSITION

	Year Ended September 30	
	<u>2024</u>	<u>2023</u>
OPERATING REVENUES	\$ 13,260,925	\$ 11,480,676
OPERATING EXPENSES	69,198,282	68,747,247
Operating Income (Loss)	<u>(55,937,357)</u>	<u>(57,266,571)</u>
Nonoperating Revenues	60,178,676	55,229,975
Net Income (Loss) Before Capital Contributions	<u>4,241,319</u>	<u>(2,036,596)</u>
CAPITAL CONTRIBUTIONS – GRANTS	8,785,860	6,650,795
Change in Net Position	<u>13,027,179</u>	<u>4,614,199</u>
NET POSITION, BEGINNING OF YEAR	<u>35,114,846</u>	<u>30,500,647</u>
NET POSITION, END OF YEAR	<u><u>\$ 48,142,025</u></u>	<u><u>\$ 35,114,846</u></u>

CATA Mission Statement

To meet the mobility needs of our region by providing innovative solutions in partnership with the communities we serve.





CAPITAL AREA TRANSPORTATION AUTHORITY

4615 Tranter Street, Lansing, Michigan 48910

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Customer Experience: 517-394-1000 • Administrative Offices: 517-394-1100 • Fax: 517-394-3733



ACTION ITEM – MDOT MASTER AGREEMENT AMENDMENT RESOLUTION AND PROJECT AUTHORIZATION RESOLUTION

To receive State assistance and pass-through Federal assistance, the Michigan Department of Transportation (MDOT) issues a Master Agreement every five (5) years for the governance of capital and operating support for agencies such as CATA.

As part of the Master Agreement, the Board must authorize and direct the Chief Executive Officer of CATA to execute both the Master Agreement and any subsequent project authorizations with MDOT. The Board previously approved the current resolution to authorize the Chief Executive Officer of CATA to execute the 2022-0027 Master Agreement at the October 2021 meeting. However, MDOT has since issued Amendment 2022-0027 A1 to the agreement. The Board must now approve giving the Chief Executive Officer of CATA authorization to execute this Amendment.

PROPOSED MOTION: Staff recommends that the Board approve the Resolutions set forth below.

MASTER AGREEMENT RESOLUTION

WHEREAS, the Capital Area Transportation Authority ("CATA") has the authority to contract with the Michigan Department of Transportation for state and/or federal funds for passenger transportation related services; and,

WHEREAS, CATA does hereby approve Master Agreement Amendment No. 2022-0027 A1 (the "Agreement").

NOW, THEREFORE, be it resolved that the Chief Executive Officer of CATA be authorized and directed to execute the Agreement for, and on behalf of CATA.

PROJECT AUTHORIZATION RESOLUTION

WHEREAS, this resolution shall also approve execution of project authorizations for any programs designated by CATA and/or project authorizations for any amount determined by CATA with the Michigan Department of Transportation which are issued under Master Agreement No. 2022-0027 A1.

NOW, THEREFORE, be it resolved that the Chief Executive Officer of CATA, or his or her designee, are authorized to enter into and execute on behalf of CATA all such project authorizations with the Michigan Department of Transportation for passenger transportation related services for the Agreement period.

POLICY #402

FORMULATION OF BOARD POLICIES AND ADMINISTRATIVE PROCEDURES

Board Policies

The Board of Directors shall adopt policies for the general governance of CATA. Board policies shall reflect delegation of specific authority to the Executive Director of CATA and compliance with applicable State and Federal laws.

The Chairperson of the Board shall establish a Policy Committee of not less than three members of the Board to study, evaluate, and recommend changes in current policies or recommend the adoption of new policies.

Policies and revisions to policies may be proposed by either a Board member or the Executive Director. Compilations of current policies shall be available for reference by any CATA employee and the public. All proposed policies shall be sent to the Policy Committee for this review, except that if the Executive Director and the Chairmanperson of the Board both agree, a policy may be brought directly to the full Board without first going to the Policy Committee for review. If a policy is sent to the Policy Committee, ~~t~~The Committee will ~~then~~ report on the outcome of its review to the full Board. The Board will consider either the Committee report or the proposal by the Executive Director and may accept, revise or reject the proposed policy, or return it to the Committee for further review.

~~At least two readings of a proposed policy at regular Board meetings are required for the policy to become effective. If the proposed policy is accepted or accepted with revisions at the first reading, it shall then be considered for second reading at the next regular Board meeting. The proposed policy may be adopted upon the second reading, unless it is revised in that meeting. If the proposed policy is revised in the meeting on the second reading, then the second reading shall be repeated at the next regular Board meeting.~~ New policies and revisions to existing policies shall take effect immediately upon adoption, unless otherwise stated in the policy.

It is the responsibility of the Executive Director to ensure that all CATA employees are aware of all Board policies.

Administrative Procedures:

Administrative Procedures are those policy guidelines and procedures developed by the Executive Director to implement the policies of the Board, effectively administer the Authority, and maintain compliance with legal regulations.

Adopted: 04/18/84
Amended: 05/18/94
11/16/05

INFORMATION ITEMS

APRIL 16, 2025

1. FEBRUARY RIDERSHIP REPORT
2. FEBRUARY RIDERSHIP GRAPH YEAR-TO-DATE
3. FUEL PURCHASE FOR MARCH 2025
4. DEI TASK FORCE UPDATE FOR MARCH
5. LAC MINUTES FOR FEBRUARY 2025

FEBRUARY 2025 RIDERSHIP REPORT

<u>Total system rides – February:</u>	<u>1,081,045</u>
Average weekday system ridership	49,700
Average weekday system ridership change February 2025 to February 2024	+13,650

February 2025 vs. February 2024

	<u>Percentage Change</u>	<u>Ridership Change</u>
Monthly total system ridership	+29.1%	+243,384
Monthly Urban Fixed-Route change	-3.9%	-15,051
Monthly MSU campus ridership change	+67.9%	+224,956
Monthly Spec-Tran ridership change	+4.6%	+1,134
Monthly Total Paratransit ridership change	+2.8%	+872

Note: Service on Routes 1, 5, 8, 9, and 18 have been reduced as of 12/20/2021.

FY 2025 YEAR-TO-DATE RIDERSHIP

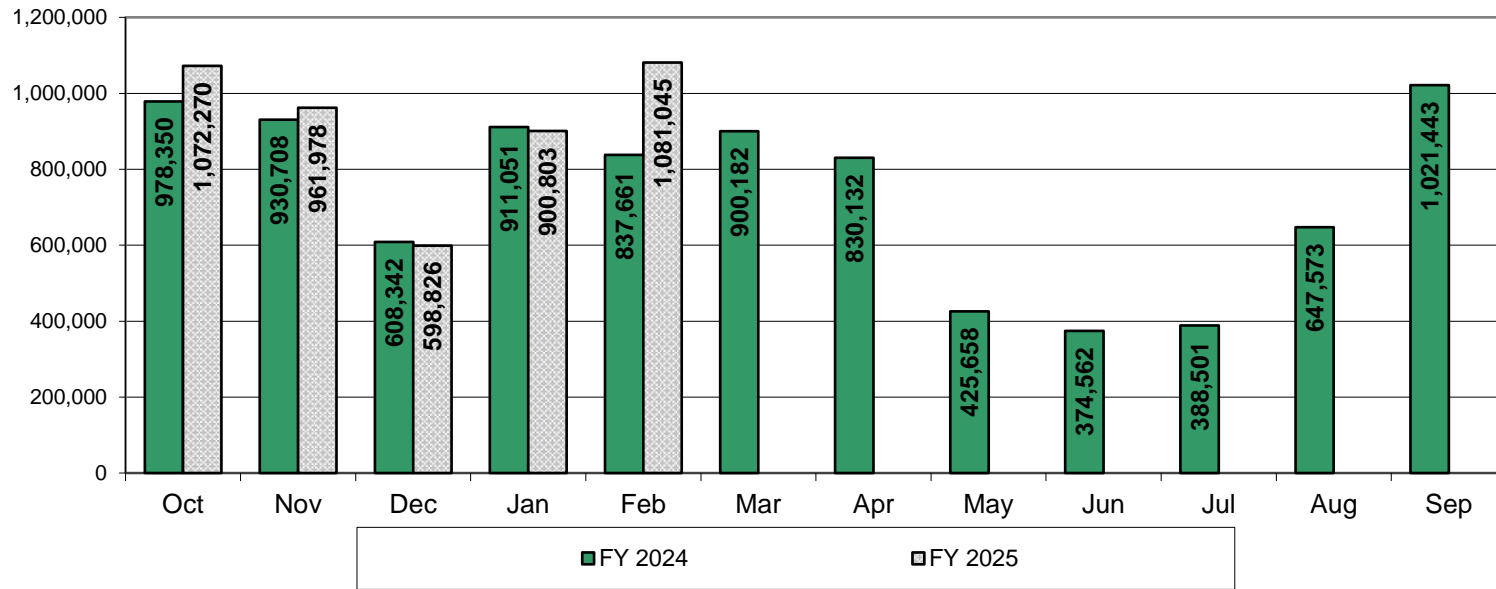
<u>Total system rides – FY 2025:</u>	<u>4,614,922</u>
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FY 2025 vs. FY 2024

	<u>Percentage Change</u>	<u>Ridership Change</u>
Total system rides change	+8.2%	+348,810
Year-to-Date Spec-Tran ridership change	+8.0%	+9,689
Year-to-Date Total Paratransit ridership change	+4.5%	+7,077

Note: Service on Routes 1, 5, 8, 9, and 18 have been reduced as of 12/20/2021.

CATA's Monthly Ridership: FY 2024 & FY 2025



INFORMATION ITEM - FUEL PURCHASE FOR MARCH 2025

The following lists our prices for diesel fuel for March 2025

<u>Date of Delivery</u>	<u>Price Per Gallon</u>
03/03/2025	\$2.2410
03/07/2025	\$2.2405
03/12/2025	\$2.2110
03/17/2025	\$2.1690
03/21/2025	\$2.2200
03/26/2025	\$2.2560

FY 2025 Current average per gallon fuel cost	\$2.22
FY 2025 Budget per gallon fuel cost	\$2.35

DIVERSITY, EQUITY, AND INCLUSION TASK FORCE MEETING SUMMARY

International Women’s History Month

In honor of Women’s History Month, the DEI Task Force Committee focused on celebrating the incredible contributions of women and their impact on both our personal lives and the world. This year’s theme “Moving Forward Together” emphasized the critical role women play in educating, inspiring, and leading future generations.

The committee is dedicated to continuing its efforts to uplift women and ensure that their voices and contributions remain at the forefront of our shared journey toward inclusion and equity.

Respectfully submitted,

Marshea Brown
Chair, DEI Task Force
Director of Human Resources



LOCAL ADVISORY COUNCIL MEETING

WEDNESDAY, FEBRUARY 5, 2025
3:30 P.M. - CATA BOARD ROOM

MEMBERS PRESENT: Deb Wiese, Chair
Gloria Johnson-Cannon
George Hanley
Darrin Fowler
J. Caleb Adams
Diana Paiz
Geneva Smith
Doug Lecato

MEMBERS PRESENT VIA ZOOM: Erin Shannon, Vice Chair, and Leah March-Pons

MEMBERS ABSENT: Gill Lemonde and Jeffrey Allshouse

CATA BOARD MEMBER: Kellie Blackwell

CATA PERSONNEL: Todd Brooks, Craig Frazier, Darren Horn, Dan Goodemoot, Dustin Hagfors, Eric Pryor, and Victoria Joseph

TRANSDEV PERSONNEL: None

GUEST: None

CALL TO ORDER:

Chair Wiese called the meeting to order at 3:30 p.m.

PUBLIC COMMENTS:

None

APPROVAL OF FEBRUARY AGENDA

MOTION:

A motion to approve February 2025 Agenda was moved by Darrin Fowler and supported by Geneva Smith.

VOTE: Motion passed unanimously.

APPROVAL OF DECEMBER MINUTES

MOTION:

A motion to approve December 2024 minutes was moved by Geneva Smith and supported by Gloria Johnson-Cannon.

VOTE: Motion passed unanimously.

LAC CHAIR COMMENTS – Deb Wiese

None

BOARD LIAISON REPORT – Kellie Blackwell

Report attached.

CATA CEO REPORT – Bradley Funkhouser (Absent)

None

DIRECTOR OF OPERATIONS – Todd Brooks

Operations

Todd Brooks stated that as of February 1, 2025, the Customer Experience Department will now be overseen by the Operations Department.

Internship Program

Todd Brooks stated that he and Marshea Brown, Director of Human Resources, have been working on an internship program for those interested in advancing their career at CATA. He explained that the program will run for six-months and as positions become available, candidates will be notified on a first-come basis.

Union

Todd Brooks stated that the relationship between the Operations Department and CATA's ATU continues to grow in a positive manner. He noted that the union has been very beneficial to reducing the number of split-shifts and improving the efficiency of runs. They have also participated in interviewing candidates at job fairs and will help train at the upcoming annual all-operator training (AOT) sessions.

Training

Todd Brooks stated that this year, training efforts/opportunities will continue to expand. He explained that there will be leadership training from LCC and MSU, transit supervisor certification training, "Train-the-Trainer" program, Trapeze software training, and department cross-training.

Geneva Smith inquired about the number of participants and who will be offered the chance to take part in the internship program.

Todd Brooks stated that employees from the Operations Department will be offered the chance to take part in the internship program and there is no limit to how many can participate.

Doug Lecato inquired whether the pay rate would remain the same for existing employees wanting to take part in the program.

Todd Brooks stated that they are still working on all the details.

Doug Lecato inquired whether employees must finish their probationary period before applying for the program.

Todd Brooks stated that as soon as employees finish their mandatory 90-day probation period, they are welcome to apply.

PARATRANSIT OPERATIONS MANAGER – Craig Frazier

New Cutaway Buses

Craig Frazier stated that nine (9) new cutaway buses, including six (6) Spec-Tran buses and three (3) Redi-Ride buses, are now in service. Mr. Frazier also stated that there are five (5) new cutaway buses, including four (4) Redi-Ride buses, and one (1) Spec-Tran bus, that are not yet in service, but will be soon. He further stated that Transdev has eight (8) new minivans that are all in service.

Federal Transit Administration (FTA) Triennial Review

Craig Frazier stated in order to prepare for the FTA Triennial Review, CATA conducted an internal review of their Americans with Disabilities Act (ADA) components for both fixed-route and paratransit. Mr. Frazier noted that the internal review has been completed, and CATA is compliant.

Trapeze

Craig Frazier stated that last week representatives from Trapeze visited CATA's Tranter Facility where Mr. Brooks gave a presentation. Mr. Frazier explained that they were so impressed with Mr. Brooks' presentation that they invited CATA and ATU to present at the Trapeze User Conference in 2026.

TRANSDEV – Simone Moore

Craig Frazier gave the Transdev report on behalf of Ms. Moore.

SERVICE QUALITY SUBCOMMITTEE (SQS) – Erin Shannon

Erin Shannon gave the SQS report.

OLD BUSINESS:

None

NEW BUSINESS:

Dustin Hagfors, Director of Planning and Development

Dustin Hagfors stated that 5310 is a federal grant that CATA receives for ADA improvements. Mr. Hagfors explained that CATA conducted a Call for Projects from 20 organizations and received two (2) bids. He noted that after reviewing projects, Disability Network Capital Area (DNCAP) was chosen to expand their travel training program. Mr. Hagfors further noted that the next step will be to go before the Board for formal approval. He also mentioned that any non-profit organization looking to expand services to seniors or persons with disabilities can contact him for more details.

CATA Rydz

Dustin Hagfors stated that CATA launched CATA Rydz on January 27. The launch included three (3) zones: Delta Township, downtown Lansing, and MSU to the Capital Area Airport. Mr. Hagfors noted that CATA is currently offering free rides on these

services through February 27. On February 28, the standard fare of \$1.25 or a discounted fare of \$.60 will apply.

Diana Paiz inquired about the company in charge of operating the vehicles.

Dustin Hagfors stated that CATA has a contract with Via Transportation and they provide vehicles and drivers.

Chair Wiese inquired whether the rides are booked in real-time.

Dustin Hagfors confirmed that rides are booked in real-time and the goal is to arrive within 15 minutes upon receiving a ride request.

Diana Paiz inquired whether the rides are shared with other passengers in the vehicle.

Dustin Hagfors explained that if there are multiple requests made in the same area, there may be additional riders in the vehicle. He noted that each vehicle seats up to four (4) people and can accommodate wheelchairs.

Kellie Blackwell inquired whether the wheelchair ramps can accommodate power chairs.

Dustin Hagfors stated that he is unsure whether the ramps can accommodate power chairs, but he will investigate.

Chair Wiese inquired whether the LAC would have an opportunity to see the vehicles and test them.

Dustin Hagfors stated that the vehicles are not stored at CATA and the best way to test the service would be to book a trip while there is no fare. He also welcomed any feedback from riders using CATA Rydz.

Contactless Payment – Dan Goodemoot, Director of IT

Dan Goodemoot stated that on October 17, 2024, CATA launched its contactless mobile pay app that's available on both Android and iPhone. He noted that currently on the app, riders can create an account and buy tickets. Mr. Goodemoot explained that Phase II will be coming soon, and riders will be able to set a value and eventually use all major credit cards including Visa, MasterCard, Discover, and American Express plus Apple Pay and Google Pay. He further shared that so far, CATA has had over 3,000 accounts created, 7,500 ticket purchases, 26,000 ticket activations, and approximately \$31,000 in ticket sales.

Geneva Smith inquired whether the number of rides is duplicated.

Dan Goodemoot stated that the ticket activations do include transfers, but most of these are one-time rides.

Kellie Blackwell inquired whether the number of tickets that are purchased on the app for paratransit are put out of service once used.

Dan Goodemoot stated that once a ticket has been activated, it only has between two (2) to three (3) hours to be used. Once it goes beyond that time frame, the ticket is deactivated.

Diana Paiz inquired about the next phase and launch date.

Dan Goodemoot stated that the next phase will include account base ticketing (ABT), and Europay, MasterCard, and Visa (EMV). He noted that CATA is currently testing this process and the launch will take place in March or April.

MEMBER COMMENTS/ANNOUNCEMENTS:

None

PUBLIC COMMENT:

None

ADJOURNMENT:

MOTION:

A motion to adjourn was moved by George Hanley and supported by Doug Lecato.

VOTE: Motion passed unanimously.

Chair Wiese adjourned the meeting at 4:57 p.m.

Respectfully submitted,

Darren Horn
Paratransit Operations Supervisor

Victoria Joseph
Operations Administrative Assistant