

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, AUGUST 21, 2024
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

PRESENT: Shanna Draheim, Vice Chair
Phil Deschaine, Secretary/Treasurer
Doug Lecato
Maggie Sanders
Derek Melot
Mark Grebner
Eric Tans

CALL TO ORDER:

Vice Chair Draheim called the meeting to order at 4:01 p.m.

ROLL CALL: Phil Deschaine, Shanna Draheim, Mark Grebner, Doug Lecato, Derek Melot, Maggie Sanders, and Eric Tans were all present.

LATE: John Prush

ABSENT: Nathan Triplett, Chair, Jack Schmitt, and Terrance Augustine

Vice Chair Draheim welcomed everyone to the Board meeting.

PUBLIC COMMENTS:

None

PUBLIC HEARING

On August 21, 2024, at 4:03 p.m., Vice Chair Draheim opened the public hearing regarding CATA's proposed FY 2025 Budget and proposed 2024 Property Tax Levy.

John Prush arrived at 4:03 p.m.

Notice of this hearing was published on the CATA website on July 18, 2024; posted at CATA's Administrative Building, the downtown CATA Transportation Center (CTC), MSU-CTC and the Capital Area Multimodal Gateway on July 18, 2024; distributed to CATA's social-media networks on Facebook, Instagram, LinkedIn and Twitter @rideCATA on July 19, July 27, August 1, August 5, August 14, August 19, and August 21, 2024, at various times; mailed via United States Postal Service to 169 private transit agencies, human-services organizations, and organizations that prioritize disadvantaged and underserved populations on July 25, 2024; emailed to 35 private agencies, human-services organizations, and organizations that prioritize disadvantaged and underserved populations on July 26, 2024; emailed on July 26, 2024, to the Cities of Lansing and East Lansing; and the Townships of Delhi, Lansing

and Meridian; emailed to the Ingham County Board of Commissioners and Michigan State University on July 26, 2024; emailed to the EATRAN Board of Directors and Eaton County Board of Commissioners on July 26, 2024; published in the Lansing City Pulse on July 24, 2024, and July 31, 2024, as well as online at lansingcitypulse.com on July 18, 2024, through August 21, 2024; published in the Lansing State Journal on July 28, 2024, and August 4, 2024, as well as the Lansing State Journal online at lansingstatejournal.com on July 28, 2024, through August 11, 2024; published in The Chronicle in its August 1, 2024, and August 16, 2024, issues as well as online at thechroniclenews.com on August 1, 2024, through August 31, 2024.

Vice Chair Draheim stated that the proposed FY 2025 Budget would establish an operating budget of \$69,929,500. The proposed 2024 Property Tax Levy of 3.007 mills is to support the operating budget.

Vice Chair Draheim asked if Chief Executive Officer, Bradley T. Funkhouser and/or Staff had received any comments.

Chief Executive Officer, Bradley T. Funkhouser stated that no comments were received.

Vice Chair Draheim then opened the meeting for public comment regarding the proposed FY 2025 Budget or the proposed 2024 Property Tax Levy. She stated she would call on those who wish to make comments and asked them to state their name and address for the record. Comments would be limited to five (5) minutes.

PUBLIC COMMENT:

Mark Grebner commented on SMART operators and their new contract which was recently ratified between ATU and the SMART Board. He explained that in time, SMART operators may be the highest paid bus operators in the state of Michigan.

Vice Chair Draheim closed the Public Hearing on CATA's proposed FY 2025 Budget and 2024 Property Tax Levy at 4:07 p.m.

VICE CHAIR'S COMMENTS:

Vice Chair Draheim requested a motion to excuse Nathan Triplett and Jack Schmitt.

MOTION:

Doug Lecato motioned to excuse Nathan Triplett and Jack Schmitt. Derek Melot supported the motion.

VOTE: The motion carried unanimously.

Vice Chair Draheim introduced new Board member Eric Tans, City of Lansing.

Eric Tans thanked Vice Chair Draheim for the introduction. He stated that he is happy to be part of the CATA Board and is a frequent rider of Route 1. Mr. Tans continued

by stating that he is the Sciences Coordinator and the Environmental Sciences Librarian at Michigan State University Libraries.

CHIEF EXECUTIVE OFFICER'S REPORT

Bradley Funkhouser welcomed Mr. Tans.

Employee Appreciation Day

Bradley Funkhouser stated that CATA celebrated their annual Employee Appreciation Day on Thursday, August 15, 2024. He shared that this year's theme was "70s retro" and there was good attendance. Mr. Funkhouser thanked the Human Resources Department for planning the event and everyone involved in making it a success.

MSU Service

Bradley Funkhouser stated that MSU is back in session, thus CATA buses are back to providing full service on campus. Mr. Funkhouser stated that although it is only the first week, runs have been received well. More to come.

Eaton County

Bradley Funkhouser stated that providing additional service in Eaton County has been positive and the EATRAN Board is working with the county and their jurisdictions to find necessary funding to sustain and continue to provide robust service.

Clinton County

Bradley Funkhouser stated that the Cross-Boundary Agreement between CATA and Clinton Transit concludes on August 24, 2024. Mr. Funkhouser explained that CATA will continue to have conversations with Clinton Transit on how to collaborate in order to continue working on regional growth projects. More to come.

Downtown Facility Update

Bradley Funkhouser stated that CATA was awarded \$5 million from the proposed FY 2025 state budget through local representatives who voted to pass the budget in support of CATA's infrastructure project. After weeks of trying to reach a mutual agreement with developers on the new Lansing City Hall plan, CATA notified the mayor's office that CATA will not be moving forward. Mr. Funkhouser explained that CATA was not able to achieve the functional goals outlined in the state application, while staying within the budget provided. Currently, CATA is working on alternate options, and he will inform the Board as new information unfolds. Mr. Funkhouser also noted that there may be the need to schedule a special Board meeting.

Community Resource Center

Bradley Funkhouser stated that he recently met with Senator Sarah Anthony. He shared that she is very excited with the scope of work that CATA has presented in their plan including for social services and a community center. Mr. Funkhouser explained that while CATA will no longer be partnering with the City of Lansing and the new City Hall building, Mayor Schor would like to partner with CATA on creating a community resource center and has approved a new committee that will meet monthly to work out the details.

Derek Melot inquired about the process associated with the \$5 million that CATA was awarded.

Bradley Funkhouser stated that he met with Senator Sarah Anthony, who is the lead legislator, to discuss the award process. He explained that after October 1, CATA will receive a packet of forms to complete and return for processing. Mr. Funkhouser stated that CATA will receive the funds at the beginning of the year and will update the Board accordingly.

Vice Chair Draheim stated that partnership is important for regional coordination and shared a personal story.

ACTION ITEMS – PROPOSED CONSENT AGENDA

- A. APPROVAL OF MINUTES OF JULY 17, 2024, BOARD MEETING
- B. APPROVAL OF TREASURER’S REPORT FOR JUNE 2024
 - 1. Interim Income Statement
 - 2. Cash Summary
 - 3. Investments
 - 4. Fifth Third Investment Account Reconciliation
- C. ELEVENTH AMENDMENT OF AGREEMENT WITH INGHAM COUNTY TO PROVIDE FUNDING FOR CATA RURAL AND SPEC-TRAN SERVICES

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute Amendment No. 11 to the Agreement between the County of Ingham and Capital Area Transportation Authority for October 1, 2024, through September 30, 2025, on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

- D. PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) 2025 TARGETS

PROPOSED MOTION: That the CATA Board of Directors approves the Public Transportation Agency Safety Plan 2025 Safety Performance Targets to meet compliance with the FTA.

- E. PURCHASE OF UP TO SIX (6) LARGE, ACCESSIBLE VANS

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 up to six (6) accessible, battery-electric and gasoline powered, large Ford Transit vans, from Hoekstra

Transportation, Inc., Grand Rapids, Michigan, through the State of Michigan, MDOT contract, for a total amount not to exceed \$680,000 of federal and state grant funds, pending successful completion of necessary Buy America audits, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

F. PURCHASE OF UP TO EIGHT (8) LOW-FLOOR MINIVANS

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 up to eight (8) accessible, low-floor minivans from Hoekstra Transportation, Inc., Grand Rapids, Michigan, through the State of Michigan, MDOT contract, for a total amount not to exceed \$550,000 of federal and state grant funds, pending successful completion of necessary Buy America audits, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

Phil Deschaine requested that the following statement be amended in the July 2024 Board meeting minutes.

Phil Deschaine stated that he has spoken to approximately 3,500 taxpayers who are not happy with the CATA millage or the LCC millage; however, Meridian Township residents rely on the region especially MSU, and are happy to give back.

Amended statement to the July 2024 Board meeting minutes.

Phil Deschaine stated that he has spoken to approximately 3,500 taxpayers and some of them are not happy with the CATA millage or the LCC millage; however, Meridian Township residents rely on the region especially MSU, and are happy to give back.

MOTION:

Derek Melot motioned to approve the Consent Agenda, with the amended July 17, 2024, minutes, and Phil Deschaine supported the motion.

VOTE: The motion carried unanimously.

ACTION ITEM - DISCUSSION AGENDA

A. 2024 PROPERTY TAX LEVY

PROPOSED MOTION: That the CATA Board of Directors authorizes the levy of ad valorem property taxes for the year 2024 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 A, 2024 Property Tax Levy and Maggie Sanders supported the motion.

DISCUSSION:

Bradley Funkhouser stated that the property tax levy is the same as last year.

VOTE: The motion carried unanimously.

B. FY 2025 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 FY 2025, upon which public hearing was held at a regular meeting of the Board on August 21, 2024, is adopted as the general appropriation of total revenues of the Authority to defray expenditures and meet the liabilities of the Authority for its FY 2025 (October 1, 2024, through and including September 30, 2025).
2. In accordance with the Truth in Budgeting Act, the Board states that the Authority's levy for 2024 of 3.007 mills of ad valorem property taxes as provided for in the Budget and authorized by resolution adopted on August 21, 2024, 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 FY 2025 are approved.

MOTION:

Doug Lecato motioned to approve Discussion Item B, FY 2025 Budget Approval and Derek Melot supported the motion.

DISCUSSION:

Bradley Funkhouser stated that CATA's Annual Budget for FY 2025 is very robust and complimented Jim Fendt, Director of Finance, for his work on the budget.

Mark Grebner stated that CATA has the highest levy in the state for public transit and is very fortunate to have this amount of public support.

VOTE: The motion carried unanimously.

OLD BUSINESS

None

NEW BUSINESS

Vice Chair Draheim introduced the Nominating Committee Report. Vice Chair Draheim 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. Vice Chair Draheim thanked Derek Melot, Jack Schmitt, and Doug Lecato for serving on the committee.

Nominating Committee Chair Melot, reported that committee members discussed nominations. They received requests from Nathan Triplett, Shanna Draheim, and Phil Deschaine. The Committee recommended that Nathan Triplett serve as Chair, Shanna Draheim as Vice Chair, and Phil Deschaine as Secretary/Treasurer.

PUBLIC COMMENT

David Ellis commented on CATA's Route 1 and believes that the route is too slow due to its length. He also presented some suggestions for CATA and the Board to consider.

Eduardo Gonzalez commented on electric buses from New Flyer and Gillig and shared that he prefers hybrid diesel buses only.

ADJOURNMENT

Vice Chair Draheim adjourned the meeting at 4:28 p.m.

Respectfully Submitted,



Phil Deschaine
Secretary/Treasurer



Tina Orlando
Recording Secretary