

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 20, 2024
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

PRESENT: Nathan Triplett, Chair
Shanna Draheim, Vice Chair
Phil Deschaine, Secretary/Treasurer
Mark Grebner
Steven Vagnozzi
Jack Schmitt
Eric Tans
Kellie Blackwell
Derek Melot

CALL TO ORDER:

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

ROLL CALL: Kellie Blackwell, Phil Deschaine, Shanna Draheim, Mark Grebner, Derek Melot, Jack Schmitt, Eric Tans, Nathan Triplett, and Steven Vagnozzi were all present.

ABSENT: John Prush, Maggie Sanders, and Terrance Augustine

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

PUBLIC COMMENTS:

None

CHAIR'S COMMENTS:

Chair Triplett requested a motion to excuse John Prush.

MOTION:

Derek Melot motioned to excuse John Prush and Phil Deschaine supported the motion.

VOTE: The motion carried unanimously.

Chair Triplett noted that Eric Tans is present via Zoom.

Chair Triplett introduced and welcomed new Board member Steven Vagnozzi.

Steven Vagnozzi stated that he has lived in Meridian Township since 1976. He has been involved in transit for a long time and works with the volunteers as the Government Affairs Coordinator for the Michigan Association of Railroad Passengers. He also served on the Transportation Commission in Meridian Township where they

worked very effectively with CATA.

Chair Triplett stated that Mayor Schor has referred Chelsea Dowler, City of Lansing, to the CATA Board. He noted that Ms. Dowler's appointment should be finalized by CATA's December Board meeting.

CHIEF EXECUTIVE OFFICER'S REPORT

Bradley Funkhouser welcomed Mr. Vagnozzi to the CATA Board.

Millage

Bradley Funkhouser stated that CATA's millage renewal proposal passed by 69.4%. Mr. Funkhouser noted that CATA's millage proposal passed in every precinct and will span over the next five (5) years. He thanked CATA's workforce and their dedication to providing safe and reliable service to the community. He also thanked the CATA Board for their continued support.

Veterans

Bradley Funkhouser stated that CATA recognized 39 veteran employees for their military service and EATRAN recognized six. Mr. Funkhouser noted that employees were given a pin identifying their branch of service, along with an eight hour day off to be used at their leisure.

Silver Bells

Bradley Funkhouser stated that this Friday, November 22, Silver Bells in the City will kick off at 6:00 p.m. This year's parade will include CATA's CATApillar and LadyBus from previous years, along with EATRAN debuting their Gingerbread House entry. Mr. Funkhouser noted that in remembrance of past Board member Robin Lewis, her husband attends the parade with their granddaughter each year. He further noted that anyone wishing to participate in the parade will need to arrive at 500 South Washinton Square by 5:45 p.m.

CATA Mobile Pay App

Bradley Funkhouser stated that CATA issued a soft launch on the mobile pay app on October 17. Since the launch, CATA has had 3,400 sign-ins to set-up an account and tracked 1,400 transactions. Mr. Funkhouser expressed his excitement for the new technology and explained that a soft launch will enable CATA to work out any problems before promoting the new service on a larger scale.

CATA Rydz

Bradley Funkhouser stated that CATA also issued a soft launch of the CATA Rydz app on Tuesday, November 12, which works with microtransit and covers three (3) zones. Mr. Funkhouser explained that the service will be monitored and eventually tied into the Transit app. He noted that a larger launch will take place at a later date.

EATRAN

Bradley Funkhouser congratulated the EATRAN Board on approving their 2025 Regional Coordination Plan which took place last week. Mr. Funkhouser stated that the vote was unanimous, and Board members agreed that the next step for EATRAN

will be possibly going after a millage.

Phil Deschaine commented on CATA's millage renewal. He noted that the 69.4% approval, which included Meridian Township's support, reflects the public's confidence in CATA. Mr. Deschaine thanked Mr. Funkhouser for his leadership and reorganization of CATA. He also thanked Staff and the Board for the direction that CATA has taken over the past few years.

Bradley Funkhouser thanked Mr. Deschaine for his positive comments yet emphasized that it has been a group effort and recognized CATA employees and the public for their support. He also applauded the Board for their leadership within their respective jurisdictions.

Chair Triplett stated that not only did CATA's millage pass by 69.4%, but it also prevailed in all precincts and service areas.

ACTION ITEMS – PROPOSED CONSENT AGENDA

- A. APPROVAL OF MINUTES OF OCTOBER 16, 2024, BOARD MEETING
- B. APPROVAL OF TREASURER'S REPORT FOR SEPTEMBER 2024
 - 1. Interim Income Statement
 - 2. Cash Summary
 - 3. Investments
 - 4. Fifth Third Investment Account Reconciliation
- C. "CELEBRATE THE TRADITIONS OF THE SEASON" — HOLIDAY FREE-FARE CAMPAIGN

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to approve fare-free boardings for riders participating in the "Celebrate the Traditions of the Season" holiday free-fare campaign, effective December 6, 2024, through January 12, 2025, as proposed by Staff.

- D. INSURANCE RENEWALS

PROPOSED MOTION: That the CATA Board of Directors approves CATA's purchase of insurance policies at quoted contract rates with the indicated premiums and authorizes the Chief Executive Officer, Bradley T. Funkhouser, to execute such applications, contracts, and other documents as are necessary and appropriate to bind and perfect such insurance coverage and services for the period from December 1, 2024, through November 30, 2025.

E. PURCHASE OF 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 up to nine (9), 40-foot, hybrid-electric transit buses from 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 \$10,000,000 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.

F. OVERHEAD DOOR 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 Overhead Door Company of Lansing, for a three-year term at an estimated cost of \$153,000 using operating funds to provide preventative maintenance and service for overhead doors, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

G. DRAIN CLEANING 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 Schultz, Inc., for a four-year term at an estimated cost of \$149,800 using operating funds to provide preventative maintenance and service for drain cleaning, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

H. CATA RYDZ FREE-FARE PROMOTION

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to approve a one-month free-fare offer for CATA Rydz users to take place during the 2024-2025 winter season as proposed by Staff.

Shanna Draheim requested that item E be moved to discussion.

MOTION:

Derek Melot motioned to approve the Consent Agenda with Action Item, E, Purchase of Large Buses from New Flyer, moved to the Discussion Agenda. Jack Schmitt supported the motion.

VOTE: The motion carried unanimously.

ACTION ITEM - DISCUSSION AGENDA

A. PURCHASE OF 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 up to nine (9), 40-foot, hybrid-electric transit buses from 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 \$10,000,000 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.

MOTION:

Derek Melot motioned to approve Discussion Item A, Purchase of Large Buses from New Flyer, and Shanna Draheim supported the motion.

DISCUSSION:

Shanna Draheim requested further explanation related to hybrid versus electric vehicles.

Bradley Funkhouser stated that Andrew Brieschke, Deputy CEO, gave a presentation last month related to CATA's electric vehicles and asked that he provide more details.

Andrew Brieschke stated the reasons for CATA purchasing hybrid vehicles and explained that because electric vehicles take longer to order and are considerably more expensive than hybrid vehicles, Staff determined that hybrid vehicles would be a better choice. Mr. Brieschke also stated that CATA is eager to purchase fully electric vehicles and noted that the Board approved the purchase of two (2) 40-foot fully electric buses, which CATA has on order now. CATA will continue to work responsibly towards turning over their fleet to zero-emissions by 2035.

Phil Deschaine inquired about the difference in miles per gallon between a standard diesel bus and a hybrid bus.

Andrew Brieschke stated that a straight diesel bus consumes about 4.5 to 5.5 miles per gallon compared to a hybrid that consumes 5.5 to 6.5 miles per gallon.

Phil Deschaine stated that there is approximately a 15% to 20% increase.

Chair Triplett inquired whether Staff sees cost and availability of electric vehicles being an issue with CATA fulfilling their commitment to the Board of having a zero-emission fleet by 2035.

Andrew Brieschke stated that CATA is aware of their commitment to having a zero-emission fleet by 2035 and are trying to achieve that goal in the most responsible way. Mr. Brieschke noted that the technology on the new hybrid buses is unique and capable of operating 40% of the day in electric mode. He also noted that CATA is still on track of achieving their goal, while looking at other options including hydrogen vehicles.

Chair Triplett inquired whether it would be feasibly possible to purchase nine (9) fully electric buses if cost and availability were not an issue.

Andrew Brieschke stated yes, but added that electric buses can take up to 16 months to be built and delivered. He also explained that since there are only two (2) vendors producing buses, it is difficult to order electric buses due to excessive costs and lead times.

Chair Triplett expressed his belief that although the Board would like to see CATA achieve a zero-emission fleet before 2035, due to market realities and CATA's budget, it may not be realistic. He commended Staff on looking at the longer goal while recognizing the Board's wishes.

Steven Vagnozzi inquired about the life cycle for CATA's existing diesel and hybrid buses.

Andrew Brieschke stated that CATA's large buses have a life cycle of 12 years or 500,000 miles, whichever comes first. He noted that CATA's current average age of a large bus is seven (7) to eight (8) years; however, there are some diesel and hybrid buses that are close to 18 years old.

Bradley Funkhouser stated that even if CATA was able to achieve a fully electric fleet at this time, CATA would not be able to offer the same service. He further explained that CATA continues to test the electric vehicles and their batteries in order to continue to provide the best service to the community.

Phil Deschaine stated that he appreciates CATA's zero-emission goal; however, there are a lot of other vehicle emissions being released besides buses. He expressed his belief that there needs to be more work related to climate change world-wide.

Steven Vagnozzi inquired about the nine (9) buses from New Flyer and the estimated fuel usage in miles per gallon compared to the ones CATA currently has in their fleet.

Andrew Brieschke stated that the nine (9) buses from New Flyer will use approximately the same or slightly better amount of fuel than our current hybrids. He noted that these new hybrid buses are capable of running the entire time on full electric.

Shanna Draheim expressed her appreciation for vehicles energy efficiencies while understanding that CATA will have to adapt as technology improves.

VOTE: The motion carried unanimously.

- B. APPROVAL OF REAL ESTATE SALES AGREEMENT FOR THE PURCHASE OF VACANT LAND (TAX PARCEL Nos. 33-01-01-16-455-003 and 33-01-01-16-455-102)

PROPOSED MOTION: That the CATA Board of Directors authorize Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to approve the Real Estate Sales Agreement for the Purchase of Vacant Land, as written, in the amount of \$120,000, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

Bradley Funkhouser stated that when he had toured the old Greyhound Station building, there were two (2) vacant parcels located on the north side of the property. He then deferred to Mr. Brieschke for more details.

Andrew Brieschke stated that real estate attorney, Norbert Madison, and local broker, Jeff Ridenour are both present. Mr. Brieschke explained that he worked with Mr. Madison and Mr. Ridenour to purchase the two (2) vacant parcels. He then shared a timeline and noted that the parcels are currently being appraised. He further shared his belief that both parcels will appraise at the listed price.

MOTION:

Shanna Draheim motioned to approve Discussion Item B, Approval of Real Estate Sales Agreement for the Purchase of Vacant Land (Tax Parcel Nos. 33-01-01-16-455-003 and 33-01-01-16-455-102) and Jack Schmitt supported the motion.

DISCUSSION:

Mark Grebner inquired whether the two (2) parcels could potentially be for a commercial business.

Jeff Ridenour and Andrew Brieschke confirmed that the two (2) parcels could be used for a commercial business.

Jeff Ridenour noted that the parcels could also be used for an apartment complex.

Andrew Brieschke stated that there are no height or setback restrictions on the two (2) parcels.

Chair Triplett stated that by CATA being able to purchase these two (2) parcels in addition to the South Washington property, they will be able to control the surrounding area and their future success. He also recognized the new downtown developments including the Ovation Center.

Mark Grebner expressed his hope that CATA will eventually relocate more than just administrative offices downtown.

Shanna Draheim stated that it will be nice for CATA to be able to control the space around the property.

Chair Triplett stated that CATA being able to control its own destiny is very important.

VOTE: The motion carried unanimously.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

Wendy Veltman commented on her recent termination from CATA. She inquired about CATA's work rule and expressed her frustration with understanding the difference between a time sheet and run sheet.

ADJOURNMENT

There being no further business, Chair Triplett adjourned the meeting at 4:38 p.m.

Respectfully Submitted,

Phil Deschaine
Secretary/Treasurer

Tina Orlando
Recording Secretary