

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD RETREAT MEETING

WEDNESDAY, JANUARY 18, 2023
LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

CALL TO ORDER:

Chair Triplett called the meeting to order at 4:16 p.m. He thanked the Board for their time and the CATA staff for all their hard work in organizing the Board Retreat.

INTRODUCTION:

Bradley Funkhouser welcomed everyone and started off the retreat by explaining the purpose of the Board Retreat is to give a brief overview of the past year and year to come. He then introduced first speaker, Todd Brooks, Director of Operations.

DEPARTMENT TRENDS AND UPDATES:

OPERATIONS & PARATRANSIT: Todd Brooks, Director of Operations, gave an overview of his staff including the hiring of an Operations Manager and the promotion of two (2) CATA operators to supervisors. In 2022, CATA hired and trained six (6) new operator classes and the current operator headcount is 235 (full-time-204; part-time-31), with Transdev included, CATA has 317 operators.

Todd Brooks also presented data on how the pandemic effected service over the past couple years including fixed-routes and Paratransit.

Some of the department's key accomplishments for 2022 included assisting the Lansing School District with transportation for their students, providing shuttle service for Route 8 during construction, and providing tripper buses throughout CATA's system when needed. Mr. Brooks continued his report by acknowledging CATA's community partnerships including MSU, East Lansing's Art Festival, Tri-County Office on Aging, Capital Area Disability Network, the Davies Project, Lansing for a Lifetime Committee, and parade participation within the surrounding areas.

Todd Brooks further shared the goals for 2023 including re-establishing quarterly training meetings, complete AVERT training for all Operations' employees, update CATA Work Rules and continue to work with Transdev to provide outstanding service to CATA's riders.

MAINTENANCE: Dan Hodges, Director of Maintenance, gave an overview of his department including the hiring of four (4) supervisors, one (1) mechanic and four (4) utility employees. He stated that CATA received seven (7) new, 40-foot and two (2) 60-foot Nova buses, 16 new ADA Chrysler minivans and ordered 12 new, 25-foot

ADA cutaway buses. The department also participated in discussions with Planning and Grants to fund the purchase of a large electric bus and completed and successfully passed Maintenance's FTA Triennial Review.

Goals for 2023 will include continuing to update CATA's fleet and educating and developing the Maintenance Department.

Doug Lecato inquired about vehicles purchased, but not yet in service.

Dan Hodges stated that CATA is in the final stages of completing the Buy America Audits and then they will be able to fulfill the ADA minivan order.

Jennie Gies inquired about the number of CATA buses and minivans that still need to be ordered.

Dan Hodges stated that his department is a little behind on CATA's Transit Asset Management plan, yet he believes that as long as the delivery process stays on track, CATA will soon be able to fully update the fleet and get caught up with the TAM plan.

Phil Deschaine inquired about the number of supervisors that were hired internally.

Dan Hodges stated that one (1) supervisor was hired from within.

Doug Lecato inquired whether there are any penalties for being behind on updating the buses that have reached their life expectancy and whether there is any concern for not being able to have replacements.

Dan Hodges stated that the Transit Asset Management (TAM) plan provides guidance and reduces costs. He also reported that the delay in buying new buses was due to the increase in price. Mr. Hodges further noted that he doesn't have any concerns from a safety point.

Shanna Draheim inquired about the TAM plan timeline for updating.

Dan Hodges stated that the TAM plan occurs every year and more details will be covered in the Planning Department's presentation.

MARKETING: Lolo Robison, Director of Marketing and Customer Experience, gave her overview of the department's projects including the promotion of CATA's 50th Anniversary year-round celebration and revamping CATA's Community Report. She also reported that Customer Experience initiated training for all operators and frontline employees on Title VI and provided de-escalating techniques. They also reviewed the Ban Book as well as CATA's customer complaint documentation and resolution process. Ms. Robison continued by acknowledging CATA's community partnerships including the Human Trafficking Awareness & Prevention Campaign, Community Connect "Coat Drive", Operation Santa, Lansing School District and Refugee Development Center, Migrant Student Workers, and Lansing Regional Chamber of Commerce's DEI Executive Roundtable.

Goals in 2023 for the Marketing Department will be to review Board Policy No. 205 regarding advertising on CATA properties, examine CATA and EATRAN regional rebranding and activate a DEI Strategic Plan and Task Force subcommittee. Goals for Customer Experience include the Listening Bus which will launch in late January, obtain CXR certification through the Institute of America, review Artificial Intelligence (AI) ChatGPT in order to improve communication to riders, introduce Pop up Art in Transit, and introduce GLCVB Certified Tourist Ambassadors for CXRs.

Doug Lecato inquired about the ridership survey and how it compares to past ratings.

Lolo Robison stated that the survey results were a couple points higher than in the past and the demographics were pretty consistent from the last survey done in 2015.

Derek Melot inquired about CATA's generated advertising revenue.

Lolo Robison reported that CATA's generated advertising revenue is approximately \$67,000. She also noted that CATA's initial minimum annual guaranteed revenue was \$300,000 which was adjusted to \$215,000 due to articulated buses not operating during the summer and holiday breaks. Outfront will continue to monitor in service vehicles and adjust our minimum annual guarantee accordingly.

Jack Schmitt requested more details on the AI ChatGPT.

Lolo Robison stated that the AI ChatGPT will help CXR's improve communication with riders.

Shanna Draheim commented on CATA's 50th Anniversary logo. She also inquired about future plans with CATA's logo and the possibility of rebranding.

Lolo Robison stated that CATA is still using the 50th Anniversary logo for now since we don't have anything else at the moment. She also stated that CATA is currently working on a regional logo.

Shanna Draheim inquired about a timeline for transitioning to a regional logo.

Lolo Robison reported that she will connect with the Board in April with more details.

John Prush stated that he thought the promotion of CATA's 50th Anniversary was just the right amount of celebration.

HUMAN RESOURCES: Marshea Brown, Director of Human Resources, started with the year in review. The Human Resources Department hosted four (4) job fairs, administered wage increases, implemented signing bonuses associated with the ATU contract ratification, and acquired a new employee benefits broker. Future goals for the department include updating the Administrative Guidebook and vacation policy for Administrative Staff and acquire a Learning Management System (LMS). Ms. Brown further noted that in addition to the DEI survey that was previously mentioned by Ms. Robison, a campaign will be created to promote employee participation.

Phil Deschaine inquired about CATA's efforts to boost employee morale and whether Ms. Brown can share any data.

Marshea Brown stated that she doesn't have any data related to the activities that CATA has used to boost employee morale, yet she explained that she has seen the positive results through employee engagement.

Jennie Gies thanked the DEI Task Force and expressed her appreciation for the DEI's success. She also commented on the lack of operator involvement and wondered whether the scheduled times had an effect on attendance.

Marshea Brown stated that since the Union contract was ratified, she has had one (1) operator attend. She also stated that the DEI meetings are scheduled at various times of the day to accommodate schedules.

Jennie Geis requested more details on the Learning Management System (LMS).

Marshea Brown explained that the LMS will enable employees to log in at any time to continue and/or complete their training. The system will save CATA both time and money.

Terrance Augustine inquired about the number of employees hired from the job fairs.

Marshea Brown stated that about 100 employees were hired from the job fairs.

Doug Lecato inquired about the tools that the DEI has used to measure what is needed.

Marshea Brown stated that the best tool is having employee engagement. The DEI survey will also help in figuring out CATA's strengths and weaknesses.

Doug Lecato inquired about who will be included in the DEI survey.

Marshea Brown stated that the DEI survey will include all employees.

FACILITIES: Andrew Brieschke, Deputy CEO, reported on some of the improvements made by Facilities including converting CATA's storage areas lighting to LED, replacing the rooftop HVAC units, continuing improvements to CATA's bus stops, and expanding the bus shelter program. Facilities also upgraded CATA's security by converting the camera system and expanding the number of card access doors. Some upcoming projects include continuing to improve bus stops, additional security upgrades, electric bus charging infrastructure, and new air compressors for the Maintenance Department.

Shanna Draheim inquired about the bus stop improvements.

Andrew Brieschke stated that Facilities has been working with local businesses to ensure that nearby shelters fit with their needs and wants.

Derek Melot inquired on the percentage of stops on CATA's five (5) busiest routes that have shelters or benches and the percentage of stops on all CATA routes that have shelters or benches.

Andrew Brieschke stated that he doesn't have the current percentages, but he will get back to Mr. Melot with his requested data.

Mark Grebner inquired about the status of CATA's Board Room.

Andrew Brieschke stated that CATA's Board Room serves as a meeting place for vendors and staff.

Jennie Gies thanked Facilities for their hard work and expressed her appreciation for the shelter at Frandor.

Andrew Brieschke stated that it is very important for Facilities to make sure the shelters are clean and accessible.

Phil Deschaine inquired about the number of electric buses CATA will have.

Andrew Brieschke replied that it will depend on the infrastructure plan. CATA will be procuring as many as three (3) 40-foot buses this year.

Jennie Gies inquired about the Board being notified before any electric buses are put into service.

Andrew Brieschke replied that the Board will be notified before any of the electric buses are put into service.

INFORMATION TECHNOLOGY: Dan Goodemoot, Director of IT, outlined his department's accomplishments over the past year which included the upgrades for Zonar, MyRide CATA App, and Transit Master server and hardware upgrade. Mr. Goodemoot explained that the hardware on the bus is the brain of the bus and it was aging and needed to be replaced. On October 31, 2022, the IT Department started to update CATA's fleet and replace the hardware. The conversion took three (3) weeks to complete.

Dan Goodemoot further reported on some future projects for his department including upgrading CATA's network, completing two-factor identification, MPSCS migration, contactless payment, and cameras on buses to ensure the safety of operators and the public.

Shanna Draheim requested more details on contactless payment.

Dan Goodemoot replied that CATA is looking at offering various options for contactless payment including a phone app, QR code, student IDs and CATA cards.

Shanna Draheim requested further explanation on the MyRide CATA App.

Dan Goodemoot explained that the MyRide CATA App is for Spec-Tran riders. The app provides Spec-Tran riders with the ability to schedule and/or cancel rides. It also has tracking capabilities through Google.

Shanna Draheim inquired whether the app screens riders to make sure they qualify for ADA.

Dan Goodemoot replied that the riders create a profile on the MyRide CATA App and CATA screens all the riders to make sure they are ADA certified.

Derek Melot inquired whether CATA could have a contactless payment station at their bus stops.

Dan Goodemoot explained that the biggest challenge with having a contactless payment station at a bus stop is having power. Running lines for power is very costly and it's more economical and efficient for CATA to have mobile apps and/or pre-paid cards.

Doug Lecato inquired whether Zonar can identify and report bus issues back to the Maintenance Department.

Dan Goodemoot explained that Zonar is used for pre-trip inspections only.

Dan Hodges, Director of Maintenance, confirmed Dan Goodemoot's remarks.

Jennie Gies inquired about the number of people that use the MyRide CATA App.

Dan Goodemoot stated that he has not tracked the number of users on the MyRide CATA App.

Jennie Gies commented on Transit Master and reported that she has noticed a difference since it was upgraded and inquired about the time delay in notifications.

Doug Goodemoot replied that the delay time is approximately 45 seconds.

Jennie Gies expressed her appreciation for Transit Master. She also inquired about the cameras on buses and shared her concern for privacy.

Dan Goodemoot stated that CATA's priority is safety first while also not invading someone's privacy. He also stated there will be a policy in place before implementing technology.

Chair Triplett shared that he also has some concerns for cameras being installed on buses with respect to protecting privacy.

Phil Deschaine inquired about the scope for the MyRide CATA App.

Dan Goodemoot stated that it is his understanding that the intent for the MyRide CATA App was to include only Spec-Tran and possibly Redi-Ride in the future but not fixed-routes.

Phil Deschaine inquired whether Redi-Ride will be included in the MyRide CATA App.

Dan Goodemoot stated that he will need to explore other features in the MyRide CATA App in order to branch out into other services.

Shanna Draheim inquired whether the Transit app allows riders to text.

Dan Goodemoot explained that Transit Master is responsible for offering real time data to the Transit app and the “CATA Now” function allows riders to text but not the Transit app.

Bradley Funkhouser elaborated on the difficulties and challenges related to the implementation of these services. He also shared that the Union has been invited to discuss any issues weekly. Mr. Funkhouser noted that CATA is taking a cautious approach to technical progress.

PLANNING: Matt Oudsema, Senior Manager, Data Analytics, provided data comparing ridership including fixed-route and paratransit from the last couple years. He also shared the department’s accomplishments including having a perfect Triennial Review with zero (0) deficiencies in 23 areas and updating CATA’s TAM plan which must be updated every four (4) years. Mr. Oudsema further commented on the grants that CATA was awarded such as a grant for regional transit service for cross-boundary transportation and Enhance Lansing Equity via Creative Transportation Solutions (ELECTS) which will pilot a fund for microtransit. The Planning Department also worked with Lansing Schools, EATRAN and Clinton Transit, McLaren Greater Lansing, LCC West and Route 12 and MSU.

Mark Grebner inquired about Route 12 to LCC.

Matt Oudsema stated that CATA wanted to be consistent and provide year-round service.

Doug Lecato commended CATA on receiving zero (0) deficiencies in the FTA Triennial Review. He also inquired what steps CATA took in preparing for the Triennial.

Matt Oudsema explained that CATA collaborated with other transit agencies to share ideas and information. He also recognized Andrew Brieschke and Ericka Hartigan for their contributions in the Triennial.

Brad Funkhouser shared that during the MPTA Conference over the summer, Kelly Brookins mentioned that only three (3) agencies in the state received a perfect Triennial. Mr. Funkhouser stated that CATA obtained a consultant to help with the Triennial and it took a lot of time and resources to prepare.

Kai Christiansen, Service Planning and Scheduling Manager, reported on the year ahead and the major projects that CATA will be working on. In 2023, the Planning Department will focus on expanding regionalism, service improvements, microtransit, electric vehicles, bus stop shelters, and research for a downtown facility.

Dusty Fancher expressed her excitement over CATA having a new location downtown. She also requested looking into having daycare for employees.

Mark Grebner inquired about the facility only having administrative staff.

Kai Christiansen stated that CATA is only looking at locations right now. More details to come.

Mark Grebner recommended finding a property that has room to expand.

Shanna Draheim recognized the pros and cons with having separate locations. She also mentioned the many possibilities with having a downtown location including partnering with local businesses and having a mobility hub. Ms. Draheim further noted that she looks forward to having future discussions about this project.

Kai Christiansen stated that CATA is looking at having a mobility hub that would have four (4) shelters on all four (4) sides of the street. This would be a nontraditional stop and provide easier transfers for riders.

Dusty Fancher left the Retreat at 5:49 p.m.

Jennie Gies stated that she was excited to hear more on microtransit.

Jack Schmitt inquired about the differences between microtransit and Redi-Ride.

Kai Christiansen stated that microtransit is similar to Redi-Ride, yet microtransit is more of an on-demand service and eliminates the four (4) hour call ahead requirement.

Doug Lecato inquired about the number of shelters that CATA plans to replace or add.

Kai Christiansen stated that approximately 165 shelters will be either replaced or added.

Jennie Gies inquired about the type of vehicles that will be used for microtransit and whether they will be ADA compliant.

Kai Christiansen explained that the vehicles will all be ADA compliant and most likely will be vans.

Jennie Gies inquired about microtransit usership.

Kai Christiansen stated that microtransit will serve the general public.

Doug Lecato inquired about the service area for microtransit.

Kai Christiansen explained that microtransit will fill in the gaps within a demographic area.

FINANCIAL PLANNING/PROJECTIONS: Jim Frenedt, Director of Finance reported on the department's accomplishments including the implementation of a new Accounting and Financial Management System (Sage Intacct) and nearing the completion of CATA's annual financial audit. He recognized Pat Lemon, Acting Financial Compliance Manager, who has been the driving force behind the implementation of Intacct and its success. Mr. Frenedt also shared CATA's historical financial performance data and CATA's projected revenue and expenses for the year ahead. Revenue assumptions included property taxes to increase by 1 percent to 2.5 percent, state operating revenues to increase by 2 percent, other federal and state revenues to increase by 2.5 percent, farebox and contract revenue to slightly improve, and investment income should be better as interest rates increase. Expense assumptions include salaries and wages, fringe benefits, and fuel expenses. Mr. Frenedt further noted that CATA will be adding approximately \$1.4 million to its bottom-line budget.

Terrance Augustine left at 6:00 p.m.

Mark Grebner left at 6:02 p.m.

Jim Frenedt stated that CATA's stimulus dollars will likely be depleted by the end of 2025.

Shanna Draheim suggested that the public be updated on CATA's expenditures and grants that are awarded and used in the future.

Jim Frenedt stated that the operator and maintenance employee wages have been paid through the CARES Act grant, including their recent increases.

Doug Lecato inquired whether Plante Moran assisted CATA with Mr. Frenedt's data.

Jim Frenedt stated all the data was compiled by the Finance Department and Plante Moran was not involved.

Doug Lecato inquired whether Sage Intacct is fulfilling all of CATA's needs.

Jim Frenedt confirmed that Sage Intacct is proving to be very efficient especially with grants and sending required information to the federal government.

Doug Lecato wondered whether Sage Intacct was linked to the farebox.

Jim Frenedt replied that Sage Intacct has provided better reporting regarding, but it is not linked to the fareboxes.

Doug Lecato also inquired about the decrease in property taxes that Mr. Frenedt predicted.

Jim Frenedt explained that his prediction was anecdotal based on his friend's mortgage business that has declined due to the lack of mortgages being processed.

Doug Lecato commended Pat Lemon for his work on the Sage Intacct project.

Bradley Funkhouser summarized Mr. Frendt's finance report by stating that the difference from last year's budget to this year's budget is approximately a 3% increase, for a total of approximately \$64.3 million. Mr. Funkhouser commended Mr. Frendt and the Finance Department for their work in managing CATA's budget.

Chair Triplett asked for any more questions from Board members.

DISCUSSION:

Jack Schmitt inquired whether the Board should be worried about CATA's financials after the stimulus money is depleted and whether the Finance Department has any accounting tools for assessing the future.

Jim Frendt stated that his budget is based on information that he is currently aware of and without future insight on potential new funding sources. He also stated that the Finance Department will keep a close watch and try to stretch funds for as long as possible.

Bradley Funkhouser explained that financially, CATA is in a much better cash position than other transit agencies. Mr. Funkhouser also stated that he is very optimistic that more funds will be available for transit in the years to come.

Chair Triplett explained that Mr. Frendt's data reflects a normal lifecycle for transit agencies and they are not intended to generate a profit.

Phil Deschaine commended CATA staff on an excellent Board Retreat. He also suggested that the meeting take place in the morning rather than later in the afternoon.

Chair Triplett explained that the Board Retreat is scheduled on a regular cycle; however, there will be time blocked off in the spring where Board members will have more time to speak about visioning for the agency.

Jennie Gies stated that she is proud to be on the CATA Board. She also commended CATA staff on their presentations.

PUBLIC COMMENT:

None

CLOSING REMARKS:

Bradley Funkhouser noted that the Board had earlier agreed to keep the same format for the Board Retreat. The meeting information was also posted for the public. Mr. Funkhouser explained that there will be another meeting scheduled in the spring. He

also commended his staff and believes that they are the best group of individuals to achieve CATA's goals for FY 2023. Mr. Funkhouser further thanked the operators, maintenance employees, customer experience representatives and all staff for their dedication and believes that CATA's best days are still to come.

Chair Triplett echoed Mr. Funkhouser's remarks. He also recognized the tasks and hard work that went into the Board Retreat's presentations.

ADJOURNMENT:

Chair Triplett adjourned at 6:28 p.m.

Respectfully Submitted,

Shanna Draheim
Secretary/Treasurer

Tina Orlando
Recording Secretary