

CAPITAL AREA TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING via ZOOM

WEDNESDAY, MARCH 17, 2021; 4:00 P.M.

AGENDA

- I. CALL TO ORDER
- II. PUBLIC COMMENTS & CORRESPONDENCE TO THE BOARD
- III. CHAIR'S COMMENTS
  - Audit Committee Report
  - Annual Disclosure Form – Policy #209 Code of Conduct
- IV. CHIEF EXECUTIVE OFFICER'S REPORT
- V. ACTION ITEMS – PROPOSED CONSENT AGENDA
  - A. APPROVAL OF MINUTES OF FEBRUARY 17, 2021, BOARD MEETING
  - B. APPROVAL OF TREASURER'S REPORT FOR JANUARY 2021
    1. Interim Income Statement
    2. Cash Summary
    3. Investments
    4. Fifth Third Investment Account Reconciliation
  - C. PURCHASE OF SMALL BUSES

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer Bradley T. Funkhouser, to execute a purchase option on its contract with Hoekstra Transportation of Grand Rapids, MI for eight (8) gasoline engine cutaway buses of which there will be four (4) floor plan "A" models and four (4) floor plan "B" models at prices not to exceed \$581,404.16 and pending successful completion of necessary Buy America audits on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.
- VI. ACTION ITEM - DISCUSSION AGENDA
  - A. FISCAL YEAR 2019-2020 FINANCIAL STATEMENTS AND AUDIT REPORT

**PROPOSED MOTION:** That the CATA Board of Directors accepts CATA's Financial Statements and Report on Federal Awards for Fiscal Year 2019-2020 and the Communication to those Charged with Governance and Management of CATA.

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. PUBLIC COMMENT

X. EXECUTIVE SESSION REGARDING UNION LABOR AGREEMENT  
NEGOTIATIONS

**PROPOSED MOTION:** That this Board meeting go into closed session, pursuant to MCL 15.268(c), for a strategy session in connection with negotiation of a collective bargaining agreement with the Union, ATU, Division 1039, and that following such closed session, this Board meeting return to open session for completion of the Agenda.

XI. ADJOURNMENT

**CORRESPONDENCE TO THE BOARD**

**MARCH 17, 2021**

None

AREA TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING via ZOOM

WEDNESDAY, FEBRUARY 17, 2021; 4:00 P.M.

**PRESENT:** Nathan Triplett, Chair  
Dusty Fancher, Vice Chair  
Doug Lecato  
Derek Melot  
Mark Grebner  
Robin Lewis

John Prush  
Jennie Gies  
Jack Schmitt  
Dion'trae Hayes  
Phil Deschaine

**CALL TO ORDER:**

Nathan Triplett, Chair called meeting to order at 4:02 p.m.

**ABSENT:** Shanna Draheim, Secretary/Treasurer

**ROLL CALL:** All present except for Shanna Draheim who was absent.

Chair Triplett instructed all participants on the Zoom meeting format in accordance with the authority of Public Act 254, 2020.

**CORRESPONDENCE TO THE BOARD AND PUBLIC COMMENTS**

**Correspondence to the Board**

Chair Triplett stated that there were four (4) emails sent to the Board.

**Public Comments**

Deb Parrish thanked the Board for allowing her to speak. Ms. Parrish commended CATA staff and especially Spec-Tran drivers for navigating the streets during the snow storm yesterday. She also expressed her concern over the operators' attendance issue and the amount of money that is being saved by breaking up every line haul run.

**CHAIR'S COMMENTS:**

Chair Triplett announced the 2021-2022 Board Committee appointments.

**PROPOSED MOTION:** That the CATA Board of Directors approves the appointed members to the 2021-2022 Board Committee.

Dusty Fancher motioned to approve the 2021-2022 Board Committee assignments and Robin Lewis supported the motion.

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

## **CHIEF EXECUTIVE OFFICER'S REPORT**

### **Transportation to Vaccine Facilities**

CATA has been doing an excellent job of getting those eligible to vaccination sites. There will soon be an editorial in the Lansing State Journal highlighting regional coordination. CATA will continue to work with other transit agencies to provide rides to those eligible and if needed will seek out the private transit sector to ramp up service.

### **Closed Captioning for Board Meetings**

CATA, along with the help from IT and the Lansing City Council, have added closed captioning to the Zoom Board meetings.

### **DEI Update**

The Board packets will now include an information page dedicated to the Diversity, Inclusion & Equity task force. This page will provide a summary of past meetings along with up-and-coming events and objectives.

### **Mask Mandate**

CATA has updated our policies in accordance to the federal mask mandate that was recently issued. All operators and riders are required to wear masks at all times.

Derek Melot inquired about CATA's policy for staff being vaccinated in accordance with federal regulations and vaccination policies in the workforce.

Bradley Funkhouser stated that back in December 2020, CATA's staff was sent a link from the Ingham County Health Department to sign up to receive the vaccine. Currently, there is a shortage of vaccines, however; once the supply is more readily available CATA and the Union will have the opportunity to discuss incentives for employees to receive the vaccine.

Phil Deschaine inquired on the number of people that CATA has transported to receive the vaccine.

Bradley Funkhouser stated that CATA has transported approximately 55 people to receive their vaccinations. Riders are required to show that they have an appointment before being taken to the designated location. Currently, CATA is working with Ingham County Health Department in order to increase the allowed number of riders at a given time. The process is very well organized and CATA is dedicated to help provide rides for those eligible and in need.

Phil Deschaine reported that about half of Meridian Township's first responders have received vaccines and expects more to be vaccinated in the next couple months.

**PROPOSED CONSENT AGENDA**

A. APPROVAL OF MINUTES OF JANUARY 20, 2021, BOARD MEETING

B. APPROVAL OF TREASURER’S REPORT FOR DECEMBER 2020

1. Interim Income Statement
2. Cash Summary
3. Investments
4. Fifth Third Investment Account Reconciliation

C. WEBSITE MAINTENANCE AND DEVELOPMENT

**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 Gravity Works Design for website maintenance and development services, to commence April 1, 2021, for a three-year (3-year) term through March 31, 2024, with the option to renew for one (1) additional two-year (2-year) term, not to exceed the approved annual Operating Budget for such services as the Board Chair and the Chief Executive Officer deem necessary.

D. PURCHASE OF SUPPORT VEHICLES

**PROPOSED MOTION:** That the CATA Board of Directors authorizes the Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to approve the purchase of up to five (5) hybrid-electric support vehicles in an amount not to exceed a total purchase price of \$156,235.00, on such terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

E. INFORMATION TECHNOLOGY MAINTENANCE SERVICES UPDATE

**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 Infodev Electronic Designers International, to provide maintenance for APC equipment in an amount not to exceed a total price of \$30,000 for both years over the course of two (2) years.

F. APPOINTMENT TO LOCAL ADVISORY COMMITTEE

**PROPOSED MOTION:** That the CATA Board of Directors approves the recommendation of the Local Advisory Committee to appoint Erin Shannon to a three-year (3-year) term through February 2024.

Jennie Gies inquired about CATA's reasoning behind outsourcing the website maintenance.

Bradley Funkhouser stated that CATA has always used an outside service and that managing the website is a large task.

Derek Melot motioned to approve the Consent Agenda and Robin Lewis supported the motion.

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

**OLD BUSINESS:**

None

**NEW BUSINESS:**

None

**PUBLIC COMMENT:**

None

**EXECUTIVE SESSION REGARDING UNION LABOR AGREEMENT  
NEGOTIATIONS**

**PROPOSED MOTION:** That this Board meeting go into closed session, pursuant to MCL 15.268(c), for a strategy session in connection with negotiation of a collective bargaining agreement with the Union, ATU, Division 1039, and that following such closed session, this Board meeting return to open session for completion of the Agenda.

**MOTION:**

Dusty Fancher motioned to go into closed session and Doug Lecato supported the motion.

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

**ADJOURNMENT**

There was no further business Chair Triplett adjourned meeting at 4:46 p.m.

Respectfully Submitted,

Shanna Draheim  
Secretary/Treasurer

Tina Orlando  
Recording Secretary

**Capital Area Transportation Authority  
INTERIM INCOME STATEMENT  
For The Month Ending January 31, 2021**

	January Actual	January Budget	Variance	% Variance	FY 2021 Actual YTD	FY 2021 Budget YTD	Variance	% Variance	FY 2021 BUDGET	<u>% of Fiscal Year Completed</u> 33%	<u>% Annual Budget Revenues/Expense</u>
<b>REVENUES</b>											
Farebox	\$ 121,273	\$ 208,333	\$ ( 87,061 )	-41.8%	\$ 461,010	\$ 833,333	\$ ( 372,323 )	-44.7%	\$ 2,500,000		18.4%
Contracted Services	\$ 150,333	\$ 291,667	\$ ( 141,334 )	-48.5%	\$ 557,372	\$ 1,166,667	\$ ( 609,295 )	-52.2%	\$ 3,500,000		15.9%
Property Tax	\$ 1,950,589	\$ 1,918,083	\$ 32,506	1.7%	\$ 7,713,930	\$ 7,672,333	\$ 41,597	0.5%	\$ 23,017,000		33.5%
State Revenue	\$ 1,343,058	\$ 1,618,333	\$ ( 275,275 )	-17.0%	\$ 5,146,959	\$ 6,473,333	\$ ( 1,326,374 )	-20.5%	\$ 19,420,000		26.5%
Federal Revenue	\$ 453,925	\$ 318,772	\$ 135,153	42.4%	\$ 453,925	\$ 1,275,090	\$ ( 821,164 )	-64.4%	\$ 3,825,269		11.9%
Other Revenue	\$ 41,201	\$ 71,750	\$ ( 30,549 )	-42.6%	\$ 158,395	\$ 287,000	\$ ( 128,605 )	-44.8%	\$ 861,000		18.4%
<b>TOTAL REVENUES</b>	<b>\$ 4,060,379</b>	<b>\$ 4,426,939</b>	<b>\$ ( 366,560 )</b>	<b>-8.3%</b>	<b>\$ 14,491,592</b>	<b>\$ 17,707,756</b>	<b>\$ ( 3,216,165 )</b>	<b>-18.2%</b>	<b>\$ 53,123,269</b>		<b>27.3%</b>
<b>EXPENSES</b>											
Labor	\$ 1,552,848	\$ 1,791,583	\$ 238,735	13.3%	\$ 6,127,181	\$ 7,166,333	\$ 1,039,153	14.5%	\$ 22,049,000		27.8%
Fringe Benefits	\$ 791,427	\$ 1,042,097	\$ 250,670	24.1%	\$ 3,623,904	\$ 4,168,390	\$ 544,486	13.1%	\$ 11,967,169		30.3%
Services	\$ 208,597	\$ 259,042	\$ 50,445	19.5%	\$ 1,188,851	\$ 1,036,167	\$ ( 152,685 )	-14.7%	\$ 3,476,600		34.2%
Materials & Supplies	\$ 369,662	\$ 360,108	\$ ( 9,553 )	-2.7%	\$ 1,146,698	\$ 1,440,433	\$ 293,735	20.4%	\$ 4,320,300		26.5%
Utilities	\$ 56,701	\$ 69,975	\$ 13,274	19.0%	\$ 242,287	\$ 279,900	\$ 37,613	13.4%	\$ 839,700		28.9%
Casualty & Liability	\$ 91,430	\$ 83,333	\$ ( 8,097 )	-9.7%	\$ 335,615	\$ 333,333	\$ ( 2,282 )	-0.7%	\$ 1,000,000		33.6%
Purch. Transportation	\$ 704,877	\$ 751,667	\$ 46,789	6.2%	\$ 2,719,737	\$ 3,006,667	\$ 286,930	9.5%	\$ 9,020,000		30.2%
Miscellaneous	\$ 82,231	\$ 68,883	\$ ( 13,347 )	-19.4%	\$ 214,506	\$ 275,533	\$ 61,027	22.1%	\$ 450,500		47.6%
Interest Expense	\$ 91	\$ 250	\$ 159	63.5%	\$ 424	\$ 1,000	\$ 576	57.6%	\$ -		0.0%
Depreciation	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	0.0%	\$ -		0.0%
<b>TOTAL EXPENSES</b>	<b>\$ 3,857,865</b>	<b>\$ 4,426,939</b>	<b>\$ 569,075</b>	<b>12.9%</b>	<b>\$ 15,599,202</b>	<b>\$ 17,707,756</b>	<b>\$ 2,108,554</b>	<b>11.9%</b>	<b>\$ 53,123,269</b>		<b>29.4%</b>
<b>NET INCOME (LOSS)</b>	<b>\$ 202,515</b>	<b>\$ 0</b>	<b>\$ 202,515</b>		<b>\$ ( 1,107,610 )</b>	<b>\$ 0</b>	<b>\$ ( 1,107,610 )</b>		<b>\$ -</b>		

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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**01/01/2021 - 01/31/2021**

<b>Cash Balance -01/01/2021</b>	<b>\$ 2,331,791</b>
Disbursements	\$ (6,906,147)
Receipts	\$ 13,379,272
Adjustments	\$ -
<b>Cash Balance - 01/31/2021</b>	<b>\$ 8,804,916</b>

**Disbursements:**

Cash Disbursements Register	\$ (4,863,885)
Payroll	(1,653,081.62)
Healthcare (BlueCross Blue Shield)	(381,097.13)
Transfers To the ASU Claims Account	\$ (8,084)
Transfers To the Investment Account	\$ -
<b>Total Cash Disbursements</b>	<b>\$ (6,906,147)</b>

**Receipts:**

Cash Receipt Register	\$ 8,379,272
Transfers From the Investment Account	5,000,000
<b>Total Cash Receipts</b>	<b>\$ 13,379,272</b>

**Adjustments:**

Misc. Items	\$ -
<b>Total Cash Adjustments</b>	<b>\$ -</b>

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

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**01/01/2021 - 01/31/2021**

CASH & INVESTMENT BALANCES	PORTFOLIO BALANCE	% OF TOTAL
<b>CASH &amp; CASH EQUIVALENTS</b>		
FIFTH THIRD BANK - General Account	8,804,916	46.86%
FIFTH THIRD BANK - ASU Claims Account	24,852	0.13%
<b>FIXED INCOME INVESTMENTS</b>		
FIFTH THIRD BANK	9,959,953	53.01%
<b>TOTAL</b>	<b>\$ 18,789,721</b>	<b>100.00%</b>

INTEREST EARNED	INTEREST
<b>INCOME EARNED ON INVESTMENTS:</b>	
FIFTH THIRD BANK (Net of Expenses/Accrued Interest)	\$ 60,418
OTHER BANKS	-
<b>TOTAL</b>	<b>\$ 60,418</b>
<b>Monthly Average Rate of Return</b>	0.3215%
<b>Annual Average Rate of Return</b>	3.859%

Interim statements are subject to adjustments and year-end audit

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

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01/01/2021 - 01/31/2021

<b>Market Value at the Beginning of the Period - 01/01/2021</b>			\$ 14,956,964
<b>Portfolio Activity:</b>			
<b><u>Transfers (To) or From General Checking</u></b>			(5,000,000)
<b><u>Net Income/(Loss) &amp; Expenditures</u></b>			
Interest Earned	\$	61,825	
Accrued Interest Paid	\$	(143)	
Administrative Expenditures	\$	(1,264)	
<b>Total Net Income/Loss &amp; Expenditures</b>			\$ 60,418
<b><u>Realized Gains or (Loss) From Sales</u></b>			\$ (43,005)
<b><u>Market Appreciation</u></b>			
End of Period	\$	15,631	
Beginning of Period	\$	14,177	
<b>Unrealized Gain/(Loss) from Market Appreciation</b>			\$ 29,809
<b><u>Change in Value From Accrued Income</u></b>			
Previous Accrued Income (-)	\$	(68,129)	
Current Accrued Income (+)	\$	23,897	
<b>Net Change from Accrued Income</b>			<u>(44,233)</u>
<b>Market Value at the End of the Period - 01/31/2021</b>			<u><u>\$9,959,953</u></u>

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 – PURCHASE OF SMALL BUSES**

CATA currently has a contract with Hoekstra Transportation of Grand Rapids to purchase buses over a five year period through September 14, 2023. Additional buses are requested to replace our aging fleet.

CATA currently purchases two different floor plans, known as "A" and "B" for use on specific paratransit services. Floor plan "A" is designated for Spec-Tran service. The per bus price for floor plan "A" is \$70,628.40. Floor plan "B" is used for all other services including Redi-Rides, Connectors and Rural Service. Floor plan "B" models also include a two-place bike rack. The per bus price for floor plan "B" is \$74,722.64. These buses will have efficient gasoline engines, which we are currently running in our fleet with much success.

Based on current replacement needs and available federal and state grant funding, Staff is requesting the purchase of up to eight (8) buses which would include four (4) floor plan "A" models and four (4) floor plan "B" models for a total purchase price of \$581,404.16.

In addition to Board approval, the purchase of these vehicles is also pending successful completion of both Buy America Pre-Award and Post-Delivery audits, as required by the FTA.

Staff recommends that the Board adopt the proposed motion set forth below.

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute a purchase option on its contract with Hoekstra Transportation of Grand Rapids, MI for eight (8) gasoline engine cutaway buses of which there will be four (4) floor plan "A" models and four (4) floor plan "B" models at prices not to exceed \$581,404.16 and pending successful completion of necessary Buy America audits on such terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

**ACTION ITEM - FISCAL YEAR 2019-2020 FINANCIAL STATEMENTS  
AND AUDIT REPORT**

The audit firm Plante Moran conducted an audit of CATA's Financial Statements and Report on Federal Awards for Fiscal Year 2019-2020 and the Communication to those Charged with Governance and Management of CATA as of and for the Year Ended September 30, 2020.

On March 4, 2021, the Board Audit Committee met with Plante Moran to review the audit as provided in the description of duties for the Board Audit Committee.

The Board Audit Committee consisting of Chair Derek Melot, Robin Lewis, Phil Deschaine, Nathan Triplett and Brad Funkhouser, Chief Executive Officer, recommend adoption of the motion set forth below.

**PROPOSED MOTION:** That the CATA Board of Directors accepts CATA's Financial Statements and Report on Federal Awards for Fiscal Year 2019-2020 and the Communication to those Charged with Governance and Management of CATA.

**INFORMATION ITEMS**

**MARCH 17, 2021**

1. JANUARY RIDERSHIP REPORT
2. JANUARY RIDERSHIP GRAPH YEAR-TO-DATE
3. FUEL PURCHASE FOR FEBRUARY 2021
4. TRANSDEV CONTRACT RENEWAL

**JANUARY 2021 RIDERSHIP REPORT**

<u>Total system rides – January:</u>	<u>196,159</u>
Average weekday system ridership	7,800
Average weekday system ridership change 01/21 to 01/20	-52,400

	<u>01/21 v. 01/20</u>	
	<u>Percentage</u>	<u>Ridership</u>
	<u>Change</u>	<u>Change</u>
Monthly total system ridership	-86.0%	-1,208,400
Monthly Urban Fixed-Route change	-68.7%	-339,610
Monthly MSU campus ridership change	-99.4%	-707,353
Monthly Spec-Tran ridership change	-51.3%	-15,440
Monthly Total Paratransit ridership change	-56.5%	-22,892

Note: On August 31, CATA implemented a reduced regular fixed route fall service. Alterations were made to Routes 12 and 26, while service was suspended on Routes 17 (Grab and Go) and MSU Routes 30,31,33,38, and 39. In place of regular weekday service on the MSU campus, weekend Routes 34, 35, and 36 were used.

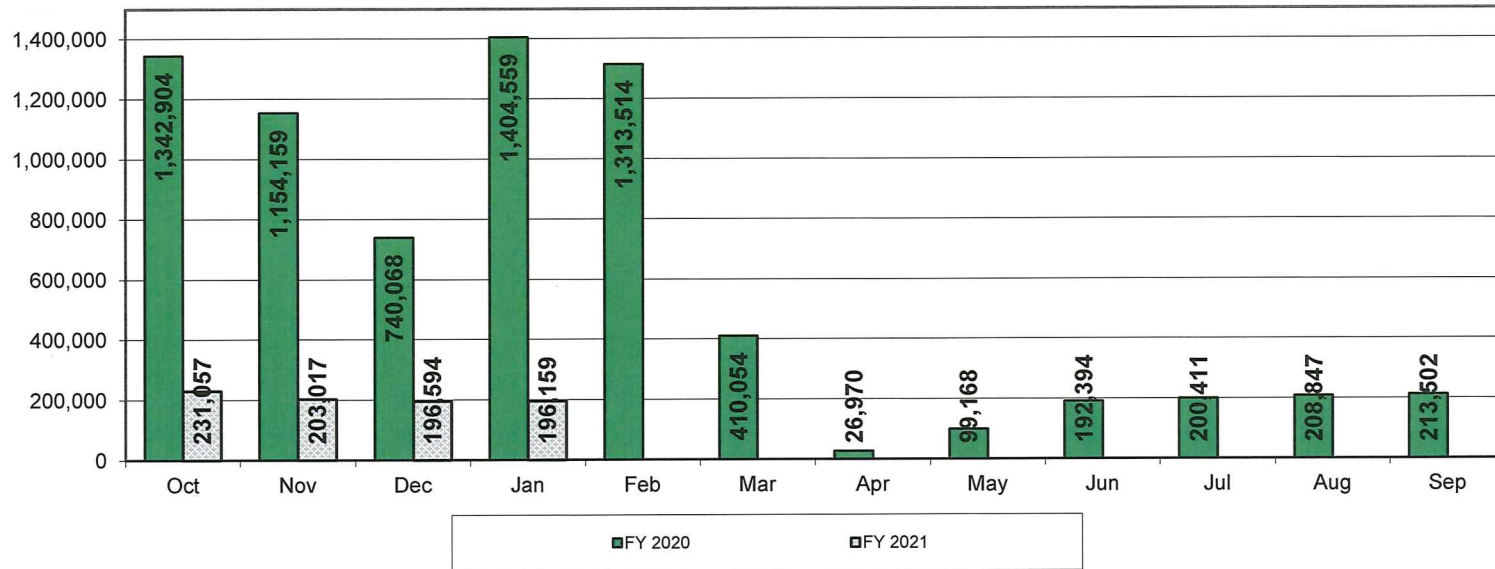
**FY 2021 YEAR-TO-DATE RIDERSHIP**

<u>Total system rides – FY 2021:</u>	<u>826,827</u>
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	<u>FY 2021 vs. FY 2020</u>	
	<u>Percentage</u>	<u>Ridership</u>
	<u>Change</u>	<u>Change</u>
Total system rides change	-82.2%	-3,814,863
Year-to-Date Spec-Tran ridership change	-50.3%	-59,453
Year-to-Date Total Paratransit ridership change	-55.1%	-86,345

Note: CATA began reducing fixed route service on March 18. On March 23, CATA suspended all fixed route service and went to demand response only service. Fixed route and regular paratransit service began on a limited basis beginning May 4. A more robust service began on May 26. On June 15, CATA implemented regular fixed route summer service with the exception of Route 32. Fare free service was in place from March 18 to June 14. Fares were reinstated on June 15. On August 31, CATA implemented a reduced regular fixed route fall service. Alterations were made to Routes 12 and 26, while service was suspended on Routes 17 (Grab and Go) and MSU Routes 30,31,33,38, and 39. In place of regular weekday service on the MSU campus, weekend Routes 34, 35, and 36 were used. Ridership substantially impacted by COVID-19 pandemic.

### CATA's Monthly Ridership: FY 2020 & FY 2021



**INFORMATION ITEM - FUEL PURCHASE FOR FEBRUARY 2021**

The following lists our prices for diesel fuel for February 2021

<u>Date of Delivery</u>	<u>Price Per Gallon</u>
2/02/2021	\$1.7570
2/08/2021	\$1.8170
2/16/2021	\$1.9415
2/19/2021	\$1.9830
2/25/2021	\$2.0520

FY 2020 Current average per gallon fuel cost	\$1.91
FY 2021 Budget per gallon fuel cost	\$2.35

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**ONE-YEAR EXTENSION OF THE PARATRANSIT SERVICES AGREEMENT WITH TRANSDEV SERVICES, INC.**

Transdev Services, Inc. currently operates much of Spec-Tran and all CATA Rural Service, including two (2) Connectors and the Mason Redi-Ride. Their service has been very satisfactory with consistently-high on-time performance, strong customer service, and quality vehicle maintenance.

CATA entered into the Paratransit Services Agreement between CATA and Transdev Services, Inc. (RFP 2017-137) in 2018. The initial Agreement was effective from April 1, 2018 through March 31, 2021 and allowed for two, one-year extension options.

Based on the work performance conducted by Transdev over the first three (3) years of the contract, CATA is exercising its first one-year extension option of the current Agreement for a term to commence on April 1, 2021 and run through March 31, 2022.

We look forward to extending our successful partnership with Transdev for another year.