

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