

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, NOVEMBER 15, 2023
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

AGENDA

I. CALL TO ORDER

II. PUBLIC COMMENTS ON AGENDA ITEMS

*Members of the public are welcome to speak to the Board on any agenda subject. Anyone wishing to comment on any matter **not** on the agenda may do so immediately prior to adjournment.*

III. CHAIR'S COMMENTS

IV. CHIEF EXECUTIVE OFFICER'S REPORT

V. ACTION ITEMS – PROPOSED CONSENT AGENDA

A. APPROVAL OF MINUTES OF OCTOBER 18, 2023, BOARD MEETING

B. APPROVAL OF TREASURER'S REPORT FOR SEPTEMBER 2023

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

C. AWARD OF CONTRACT FOR HUMAN RESOURCES CONSULTANT SERVICES

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 People Matters, LLC, for consulting services at a cost not to exceed \$397,000, plus additional fees for recruiting services as needed, using operating funds for an initial two-year contract and an option for a two-year extension on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

D. "EXPERIENCE THE MAGIC OF THE SEASON" HOLIDAY FREE-FARE MARKETING 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 "Experience the Magic of the Season" Holiday Free-Fare marketing campaign, effective November 24, 2023, through January 12, 2024, as proposed by Staff.

E. 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, 2023, through November 30, 2024.

VI. ACTION ITEM - DISCUSSION AGENDA

A. PURCHASE OF ONE (1) BATTERY ELECTRIC 40-FOOT BUS 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 one (1) battery-electric, 40-foot transit bus from New Flyer, a subsidiary of NFI Group, Inc., using the State of Washington, cooperative bus procurement contract #06719, at a price not to exceed \$1,300,000 of federal and state grant funds, including the aforementioned grant above, for the vehicle 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.

B. PURCHASE OF ONE (1) BATTERY ELECTRIC 40-FOOT BUS FROM GILLIG, LLC

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 one (1) battery-electric, 40-foot transit bus from Gillig, LLC, of Livermore, CA, using the State of Washington, cooperative bus procurement master contract #06719, at a price not to exceed \$1,300,000 of federal and state grant funds, including the aforementioned grant above, for the vehicles 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.

VII. OLD BUSINESS

VIII. NEW BUSINESS

- Presentation - Meridian Township Corridor Improvement Authority

IX. PUBLIC COMMENT

Members of the public are welcome to speak to the Board on any CATA subject.

XII. ADJOURNMENT

CAPITAL AREA TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING

WEDNESDAY, OCTOBER 18, 2023
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM
333 E. MICHIGAN AVENUE, LANSING, MI 48933

PRESENT: Nathan Triplett, Chair
Dusty Fancher, Vice Chair
Mark Grebner
Derek Melot

Phil Deschaine
Jack Schmitt
John Prush

CALL TO ORDER:

Chair Triplett called the meeting to order at 4:00 p.m.

ROLL CALL: Phil Deschaine, Dusty Fancher, Mark Grebner, Derek Melot, John Prush, Jack Schmitt, and Nathan Triplett were all present.

LATE: Jennie Gies

ABSENT: Shanna Draheim, Secretary/Treasurer, Doug Lecato, Maggie Sanders, Phyllis Vaughn, 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:

- Appointment of Committees

Chair Triplett announced the committee appointments for fiscal year 2024.

MOTION:

Derek Melot motioned to approve the committee appointments for fiscal year 2024 and Phil Deschaine supported the motion.

VOTE: The motion carried unanimously.

CHIEF EXECUTIVE OFFICER’S REPORT

Holiday Service

Bradley Funkhouser stated that along with the help of the Union, CATA will be providing holiday service during Thanksgiving and Christmas. He thanked Steve Soliz, ATU President, Local 1039, Board members, and the public for their input and support.

New Operator Class

Bradley Funkhouser reported that a new operator’s class of twenty-four will begin training on October 30, and continue through December 15.

New Mechanic

Bradley Funkhouser stated that CATA hired a new First Class Mechanic to fill the open position in the Maintenance Department. Mr. Funkhouser expressed his gratitude for those involved in the process including Andrew Brieschke, Deputy CEO; Lolo Robison, Director of Marketing, Customer Experience, and Public Information; and Marshea Brown, Director of Human Resources.

EATRAN

Bradley Funkhouser stated that he will have more details pertaining to the EATRAN Survey and the Route 3 extension at the November Board meeting.

Mark Grebner requested more details on CATA’s holiday service.

Bradley Funkhouser explained that CATA’s holiday service will start this year and run curb to curb. He also noted that CATA is being cautious about providing new services and wants to make sure that there are enough operators to fulfill requested rides. Mr. Funkhouser further shared that CATA is looking at possibly expanding the holiday service to include line-haul routes at some point in the future.

Phil Deschaine requested the current number of CATA operators.

Bradley Funkhouser stated that CATA has approximately 250 operators, yet the goal is to have 289 operators.

ACTION ITEMS – PROPOSED CONSENT AGENDA

- A. APPROVAL OF MINUTES OF SEPTEMBER 20, 2023, BOARD MEETING
- B. APPROVAL OF TREASURER’S REPORT FOR AUGUST 2023
 - 1. Interim Income Statement
 - 2. Cash Summary
 - 3. Investments
 - 4. Fifth Third Investment Account Reconciliation

C. APPROVAL OF AMENDED LOCAL ADVISORY COMMITTEE (LAC) BYLAWS

PROPOSED MOTION: That the CATA Board of Directors approves the amended bylaws for the LAC which were approved by the LAC at their meeting held on August 2, 2023.

D. AWARD OF CONTRACT FOR TOWING SERVICES

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute a three-year contract for towing services from December 1, 2023, through November 30, 2026, with Shroyer Towing of Lansing, Michigan, based on its quote, and on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

E. AWARD OF CONTRACT FOR BUS TIRE LEASE

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett and Chief Executive Officer, Bradley T. Funkhouser, to execute a five-year contract with Bridgestone Americas Tire Operations LLC, Nashville, TN for the purpose of leasing large bus tires based on the original and retread per tire mile as provided by Bridgestone, and will not exceed the approved annual Operating Budget on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

F. AWARD OF CONTRACT FOR MARKETING AND ADVERTISING SERVICES AGENCY

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 InVerve Marketing, Inc. for Marketing and Advertising Services at a cost not to exceed \$1,520,000 of operating funds for an initial three (3) year contract and an option for one (1) two (2) year extension on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

G. MDOT RESOLUTION OF INTENT

PROPOSED MOTION: That the CATA Board of Directors adopts the Resolution of Intent set forth below:

FISCAL YEAR 2025 RESOLUTION OF INTENT

The approved Resolution of Intent to apply for state formula operating assistance for fiscal year 2025 under Act 51 of the Public Acts of 1951, as amended.

WHEREAS, pursuant to Act 51 of the Public Acts of 1951, as amended ("Act 51"), it is necessary for Capital Area Transportation Authority (hereby known as THE APPLICANT), established under 1963 PA 55, to provide a local transportation program for the state fiscal year of 2025 and, therefore, apply for state financial assistance under provisions of Act 51; and

WHEREAS, it is necessary for the governing body to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51; and

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and

WHEREAS, the performance indicators have been reviewed and approved by the governing body; and

WHEREAS, THE APPLICANT has reviewed and approved the proposed balance budget, and funding sources for FY 2025 are estimated to include the following: federal funds of \$14,887,000, state funds of \$16,497,000, local funds of \$25,500,000, farebox funds of \$1,900,000, and other funds of \$7,000,000. Total expenses are estimated to be \$62,300,000. THE APPLICANT'S budget for its local transportation program for FY 2025 reflects a surplus of \$1,587,000.

NOW THEREFORE, be it resolved that THE APPLICANT hereby makes its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51; and

HEREBY, appoints THE APPLICANT'S Chief Executive Officer, Bradley T. Funkhouser or his designee, as the Transportation Coordinator, for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2025.

H. MICHIGAN PUBLIC SAFETY COMMUNICATION SYSTEM (MPSCS) INTEGRATION AND CO-LOCATION AGREEMENT

PROPOSED MOTION: That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to enter into an integration agreement and co-location agreement with the MPSCS to connect CATA's radio system with the MPSCS.

Jennie Gies arrived at 4:08 p.m.

MOTION:

Derek Melot motioned to approve the Consent Agenda and Jack Schmitt supported the motion.

VOTE: The motion carried unanimously.

ACTION ITEM - DISCUSSION AGENDA

A. AWARD OF CONTRACT FOR CONTACTLESS FARE PAYMENT SYSTEM

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 Masabi, LLC to provide a contactless fare payment system for CATA at a cost not to exceed \$1,200,000 plus 3.75 percent of contactless fare revenue. The cost will be funded using state and federal funds for an initial three (3) year term and an option for one (1) two (2) year extension on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

MOTION:

Jennie Gies motioned to approve the Discussion Agenda and Jack Schmitt supported the motion.

DISCUSSION:

Bradley Funkhouser deferred to Dan Goodemoot, Director of Information Technology.

Dan Goodemoot gave an update on CATA's contactless fare payment system. Mr. Goodemoot explained that in addition to cash and token fare payments, CATA will be adding mobile apps, credit cards and Michigan State University (MSU) student identification cards as ways of providing forms of payment.

Dusty Fancher inquired whether CATA will accept high school identification cards.

Chair Triplett inquired whether Lansing Community College (LCC) student identification cards will be accepted.

Dan Goodemoot stated that CATA will work with high schools and LCC as well as any other organization that requests to have their IDs work with CATA's contactless payment system.

Jennie Gies inquired about CATA still having a cash option.

Dan Goodemoot confirmed that CATA will still accept cash as fare payment and noted that CATA's intension is not to take away any forms of payment that already exist, but to add additional fare options to riders. He also stated that there will be ticket vending machines around for riders to add money to their contactless forms of payment.

Derek Melot inquired about the transaction location for CATA's contactless fare payment system.

Dan Goodemoot replied that the transaction location for CATA's contactless fare payment system will occur at the front of the bus where riders enter.

VOTE: The motion carried unanimously.

Chair Triplett expressed his excitement for CATA's contactless payment system and thanked Mr. Goodemoot for his work on this project.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT

Deb Wiese acknowledged the CATA Board's approval of recommendation for CATA's Local Advisory Council (LAC) members. Ms. Wiese stated that she was recently approved by the CATA Board for another year where she serves as Chair of the LAC. She also noted that the current LAC has a full council of members including ten out of twelve members being seniors and/or seniors with disabilities. Ms. Wiese shared that the LAC members are very diversified and serve various groups within the community. She encouraged anyone needing information on Spec-Tran to contact CATA's Paratransit Department. Lastly, she expressed her appreciation for CATA's community support services that they provide to the area including free-fare rides for vaccinations, voting, veterans, and the families that are part of the Davies Project.

Deb Parrish inquired about the number of new drivers that are still employed at CATA. She also commented on the number of bus-related incidents that have occurred and the need to have better operator training.

Brenda Council, Spec-Tran rider for over 20 years, expressed her frustration with Transdev and their service. Ms. Council stated that the operators are very kind and helpful and she hopes that their service will improve.

Dennis Kowalski, former CATA Safety Supervisor, commented on an incident that occurred at the CTC. Mr. Kowalski expressed his disappointment with how the situation was handled, which resulted in him leaving his position.

Krista Abdallah inquired about CATA's holiday service schedule and requested the times for Spec-Tran rides.

Bradley Funkhouser stated that the times for CATA's holiday service have not been determined yet, but will be posted on CATA's website soon.

ADJOURNMENT

There being no further business, Chair Triplett adjourned the meeting at 4:28 p.m.

Respectfully Submitted,

Shanna Draheim
Secretary/Treasurer

Tina Orlando
Recording Secretary

**Capital Area Transportation Authority
INTERIM INCOME STATEMENT
For The Month Ending September 30, 2023**

	September Actual	September Budget	Variance	% Variance	FY 2023 Actual YTD	FY 2023 Budget YTD	Variance	% Variance	FY 2023 BUDGET	% of Fiscal Year Completed 100%	% Annual Budget Revenues/Expense
REVENUES											
Farebox	\$ 137,229	\$ 151,222	\$ (13,993)	-9.3%	\$ 2,352,559	\$ 1,839,864	\$ 512,695	27.9%	\$ 1,839,864		127.9%
Contracted Services	\$ 384,822	\$ 319,438	\$ 65,384	20.5%	\$ 3,491,251	\$ 3,886,496	\$ (395,245)	-10.2%	\$ 3,886,496		89.8%
Property Tax	\$ 744,985	\$ 2,010,657	\$ (1,265,672)	-62.9%	\$ 24,816,172	\$ 24,463,000	\$ 353,172	1.4%	\$ 24,463,000		101.4%
State Revenue	\$ 1,163,377	\$ 1,317,238	\$ (153,861)	-11.7%	\$ 17,812,084	\$ 16,026,396	\$ 1,785,688	11.1%	\$ 16,026,396		111.1%
Federal Revenue	\$ 4,106,181	\$ 1,125,699	\$ 2,980,482	264.8%	\$ 16,305,446	\$ 13,695,996	\$ 2,609,450	19.1%	\$ 13,695,996		119.1%
Other Revenue	\$ 385,037	\$ 39,731	\$ 345,306	869.1%	\$ 1,441,209	\$ 483,405	\$ 957,804	198.1%	\$ 483,405		298.1%
TOTAL REVENUES	\$ 6,921,631	\$ 4,963,985	\$ 1,957,646	39.4%	\$ 66,218,721	\$ 60,395,157	\$ 5,823,564	9.6%	\$ 60,395,157		109.6%
EXPENSES											
Labor	\$ 1,982,753	\$ 2,022,952	\$ 40,199	2.0%	\$ 23,090,743	\$ 24,612,582	\$ 1,521,839	6.2%	\$ 24,612,582		93.8%
Fringe Benefits	\$ 4,443,431	\$ 1,319,985	\$ (3,123,446)	-236.6%	\$ 17,218,257	\$ 16,059,818	\$ (1,158,439)	-7.2%	\$ 16,059,818		107.2%
Services	\$ 490,502	\$ 356,704	\$ (133,798)	-37.5%	\$ 4,498,490	\$ 4,339,900	\$ (158,590)	-3.7%	\$ 4,339,900		103.7%
Materials & Supplies	\$ 400,609	\$ 400,770	\$ 161	0.0%	\$ 5,307,508	\$ 4,876,031	\$ (431,477)	-8.8%	\$ 4,876,031		108.8%
Utilities	\$ 96,270	\$ 76,251	\$ (20,019)	-26.3%	\$ 808,807	\$ 927,720	\$ 118,913	12.8%	\$ 927,720		87.2%
Casualty & Liability	\$ (68,231)	\$ 87,781	\$ 156,012	177.7%	\$ 1,221,470	\$ 1,068,000	\$ (153,470)	-14.4%	\$ 1,068,000		114.4%
Purch. Transportation	\$ 778,125	\$ 739,726	\$ (38,399)	-5.2%	\$ 9,192,008	\$ 9,000,000	\$ (192,008)	-2.1%	\$ 9,000,000		102.1%
Miscellaneous	\$ 270,479	\$ 99,043	\$ (171,436)	-173.1%	\$ 1,814,177	\$ 1,205,024	\$ (609,153)	-50.6%	\$ 1,205,024		150.6%
TOTAL EXPENSES	8,393,938	5,103,212	(3,290,726)	-64.5%	63,151,460	62,089,075	(1,062,385)	-1.7%	\$ 62,089,075		101.7%
NET INCOME (LOSS)	\$ (1,472,307)	\$ (139,227)	\$ (1,333,080)		\$ 3,067,261	\$ (1,693,918)	\$ 4,761,179		\$ (1,693,918)		

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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09/01/2023-09/30/2023

Cash Balance - 09/01/2023	\$ 4,114,432
Disbursements	\$ (7,582,742)
Receipts	\$ 5,905,930
Adjustments	\$ -
Cash Balance - 09/30/2023	\$ 2,437,620

Disbursements:

Cash Disbursements Register	\$ (4,993,269)
Payroll	\$ (2,105,001)
Healthcare (BlueCross Blue Shield)	\$ (452,252)
Transfers To the ASU Claims Account	\$ (32,220)
Transfers To Fifth Third Savings Account	\$ -
Transfers To the Investment Account	\$ -
Total Cash Disbursements	\$ (7,582,742)

Receipts:

Cash Receipt Register	\$ 2,905,930
Transfers From the Investment Accounts	3,000,000
Total Cash Receipts	\$ 5,905,930

Adjustments:

Misc. Items	\$ -
Total Cash Adjustments	\$ -

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

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09/01/2023-09/30/2023

CASH & INVESTMENT BALANCES	PORTFOLIO BALANCE	% OF TOTAL
<u>CASH & CASH EQUIVALENTS</u>		
FIFTH THIRD BANK - General Account	2,437,620	8.23%
FIFTH THIRD BANK - ASU Claims Account	38,851	0.13%
FIFTH THIRD BANK - Savings	1,015,450	3.43%
MSUFCU CD and Savings	255,486	0.86%
CASE Credit Union CD and Savings	256,183	0.86%
<u>FIXED INCOME INVESTMENTS</u>		
FIFTH THIRD BANK	25,624,234	86.49%
TOTAL	\$ 29,627,824	100.00%

INTEREST EARNED	INTEREST
INCOME EARNED ON INVESTMENTS:	
FIFTH THIRD BANK (Net of Expenses/Accrued Interest)	\$ 93,671
OTHER BANKS	5,864
TOTAL	\$ 99,535
Monthly Average Rate of Return	0.3360%
Annual Average Rate of Return	4.031%

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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09/01/2023-09/30/2023

Market Value at the Beginning of the Period - 09/01/2023		\$ 27,613,343
Portfolio Activity:		
<u>Transfers (To) or From General Checking</u>		(2,000,000)
<u>Net Income/(Loss) & Expenditures</u>		
Interest Earned	\$ 100,137	
Accrued Interest Paid	(4,402)	
Administrative Expenditures	(2,064)	
Total Net Income/Loss & Expenditures		93,671
<u>Realized Gains or (Loss) From Sales</u>		(68,197)
<u>Market Appreciation</u>		
End of Period	\$ (680,662)	
Beginning of Period	692,669	
Unrealized Gain/(Loss) from Market Appreciation		12,007
<u>Change in Value From Accrued Income</u>		
Previous Accrued Income (-)	\$ (174,436)	
Current Accrued Income (+)	147,846	
Net Change from Accrued Income		(26,590)
Market Value at the End of the Period - 09/30/2023		<u><u>\$25,624,234</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 – AWARD OF CONTRACT FOR HUMAN RESOURCES CONSULTANT SERVICES

Request for Proposal (“RFP”) No. 2023-146 was issued on July 17, 2023, to provide the Human Resources Department with support staff required to complete special projects. The RFP was posted on CATA’s website and Transit Talent and was sent to five (5) vendors. Proposals were due by 11:00 a.m. on September 13, 2023.

The following five (5) agencies submitted proposals:

- People Matters, LLC, Michigan
- Rehmann Robson LLC, Michigan
- Eisner Advisory Group LLC, New York
- Beazco Industries, LLC DBA Baezco Learning, Florida
- Tranquil Multi Dynamic Advisory LLC (TMDA), Virginia

CATA currently contracts with People Matters LLC, for Human Resources Consultant Services.

CATA’s evaluation committee reviewed all submitted proposals against the RFP based on the following selection criteria: 1) Project Understanding and Approach 2) Qualifications of the Firm/Organization and Staff 3) Price/Cost 4) Experience of the Firm and Similar Projects 5) Completeness and Responsiveness of Proposal to RFP. The committee met virtually on two (2) separate occasions, September 21, 2023, and October 4, 2023.

The incumbent agency, People Matters, LLC, was considered the most qualified agency, meeting or exceeding the requirements of the RFP. People Matters’ proposal stood out as a top contender early in the evaluation process. Their comprehensive proposal not only showcased a profound understanding of the scope of work outlined in the RFP but also provided a multitude of detailed examples for each requested work sample which was above and beyond what was expected. The proposal was thorough, easy to understand, visually appealing and outlined the strategic approach the agency takes with project management. People Matters impressively outlined the qualifications of both their organization and staff.

Below are the tables showing each bidder’s cost:

People Matters, LLC

	Estimated Annual Hours	Hourly Rate	Annual Total
Year 1	576	\$168	\$96,768
Year 2	576	\$168	\$96,768
Year 3	576	\$168	\$96,768
Year 4	576	\$185	\$106,560
GRAND TOTAL:			\$396,864

	Project	Project Total / Each
Year 1	Recruitment Services / Each	\$18,750 managers \$22,500 directors
Year 2	Recruitment Services / Each	\$18,750 managers \$22,500 directors
Year 3	Recruitment Services / Each	\$18,750 managers \$22,500 directors
Year 4	Recruitment Services / Each	\$20,500 managers \$25,000 directors

Rehmann Robson LLC

	Estimated Annual Hours	Hourly Rate	Annual Total
Year 1	576	\$150	\$86,400
Year 2	576	\$156	\$89,856
Year 3	576	\$163	\$93,888
Year 4	576	\$171	\$98,496
GRAND TOTAL:			\$368,640

	Project	Project Total / Each
Year 1	Recruitment Services / Each	\$14,500
Year 2	Recruitment Services / Each	\$15,000
Year 3	Recruitment Services / Each	\$15,750
Year 4	Recruitment Services / Each	\$16,500

Eisner Advisory Group, LLC

	Estimated Annual Hours	Hourly Rate	Annual Total
Year 1	576	\$325	\$187,200
Year 2	576	\$355	\$204,480
Year 3	576	\$390	\$224,640
Year 4	576	\$430	\$247,680
GRAND TOTAL:			\$864,000

	Project	Project Total / Each
Year 1	Recruitment Services / Each	\$275 / hour
Year 2	Recruitment Services / Each	\$300 / hour
Year 3	Recruitment Services / Each	\$330 / hour
Year 4	Recruitment Services / Each	\$365 / hour

Baezco Industries, LLC DBA Baezco Learning

	Estimated Annual Hours	Hourly Rate	Annual Total
Year 1	576	\$120	\$69,120
Year 2	576	\$130	\$74,880
Year 3	576	\$140	\$80,640
Year 4	576	\$150	\$86,400
GRAND TOTAL:			\$311,040

	Project	Project Total / Each
Year 1	Recruitment Services / Each	\$6,500
Year 2	Recruitment Services / Each	\$7,000
Year 3	Recruitment Services / Each	\$7,200
Year 4	Recruitment Services / Each	\$7,500

Tranquil Multi Dynamic Advisory LLC (TMDA)

	Estimated Annual Hours	Hourly Rate	Annual Total
Year 1	576	\$100	\$57,600
Year 2	576	\$103	\$59,328
Year 3	576	\$106.09	\$61,107.84
Year 4	576	\$109.27	\$62,941.08
GRAND TOTAL:			\$240,976.92

	Project	Project Total / Each
Year 1	Recruitment Services / Each	15% of base salary
Year 2	Recruitment Services / Each	15% of base salary
Year 3	Recruitment Services / Each	15% of base salary
Year 4	Recruitment Services / Each	15% of base salary

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 contract with People Matters, LLC for consulting services at a cost not to exceed \$397,000, plus additional fees for recruiting services as needed, using operating funds for an initial two-year contract and an option for a two-year extension on such other terms and conditions as the Board Chair and The Chief Executive Officer deem necessary.

ACTION ITEM – “EXPERIENCE THE MAGIC OF THE SEASON” HOLIDAY FREE-FARE MARKETING CAMPAIGN

In December 1986, CATA launched its first Santa Free Rides campaign. For a period of two weeks before Christmas – whenever Santa was behind the wheel – riders were treated to a free trip and a candy cane. The program generated its highest ridership in 2007 with 7,415 trips. CATA continued this holiday tradition through December 2016. Budget cuts in 2017 forced Staff to retire the program.

Staff considered a variety of inclusive ridership concepts that would effectively spread seasonal cheer and delight riders. However, due to staffing shortages among some of our contractors, the *Dear Rider Postcard Campaign* launched in March 2023 and remained in place through August 2023. For the duration of the campaign, CATA generated 82,847 free rides aboard four (4) 40-foot fixed-route buses and 2,440 free paratransit trips aboard three Spec-Tran buses, for a total of 85,287 free trips.

This holiday season, Staff proposes a winter-themed bus wrap on two (2) 40-foot buses and two (2) cutaways, one (1) for Spec-Tran; another for other paratransit services. Buses will randomly serve various CATA routes, effective November 24 through January 12. When riders board a “Magic of the Season” bus, they’ll receive a free ride. Service will be distributed to ensure that established routes in underserved neighborhoods within our service region are equitably included.

During this ridership campaign, CATA may forego approximately \$11,200 in fixed-route and Spec-Tran fare revenue, while gaining extraordinary goodwill among riders and the taxpaying public.

The proposed campaign supports CATA’s strategic goals to achieve customer experience excellence, community partnership and regional mobility.

Staff recommends adoption of 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 approve fare-free boardings for riders participating in the “Experience the Magic of the Season” Holiday Free-Fare marketing campaign, effective November 24, 2023, through January 12, 2024, as proposed by Staff.

ACTION ITEM – INSURANCE RENEWALS

Effective December 1, 2023, a number of our insurance policies will be expiring and are in need of renewal or replacement. On March 1, 2022, CATA renewed its agreement with Epic Insurance Brokers (EPIC) for insurance brokerage and consulting services for the next three (3) years. As part of their obligations pursuant to the award, EPIC has sought quotes from various carriers for our insurance needs. The motion below is based upon EPIC’s recommendations for coverages for the coming year.

Line of Coverage	Effective	Carrier	2023 Expiring Premium	2024 Premium
Property	12/1/2022-2023	CNA	\$95,134	\$133,114
General Liability	12/1/2022-2023	Safety National	\$78,449	\$83,634
Automobile	12/1/2022-2023	Safety National	\$460,108	\$499,858
Public Officials & Employment Practices	12/1/2022-2023	Safety National	\$69,394	\$74,252
Excess Liability 1	12/1/2022-2023	Safety National	\$110,953	\$116,501
Excess Liability 2	12/1/2022-2023	Hallmark	\$126,793	\$135,669
Crime	12/1/2022-2023	Cincinnati	\$1,550	\$3,543
Cyber	12/1/2022-2023	Cincinnati	\$11,162	\$16,114
Fiduciary Liability	12/1/2022-2023	Travelers	\$6,910	\$7,195
TOTAL:			\$960,453	\$1,069,880

Additionally, EPIC recommends that CATA continue utilizing the services of ASU of Okemos, MI to act as CATA’s third-party administrator relative to vehicle liability claims. ASU’s proposal is based upon a pre-defined rate per claim. CATA’s financial staff estimates the payment for these services during fiscal 2024 to be approximately \$43,000.

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

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, 2023, through November 30, 2024.

ACTION ITEM – PURCHASE OF ONE (1) BATTERY ELECTRIC 40-FOOT BUS FROM NEW FLYER

In conjunction with the CATA Board's initiative to move CATA's fleet to zero emission vehicles by 2035, as approved by the Board on April 20, 2022, Staff have been evaluating new technologies with respect to low and zero emission vehicles to replace our aging fleet. CATA would now like to proceed with testing new, battery-electric, fixed route buses.

Back in August 2021, CATA was awarded Grant #MI-2021-034-00 in the amount of \$2,464,014 (\$1,971,211 federal, \$492,803 State of Michigan) and seeks to use these funds to purchase electric buses. The federal portion of this grant expires in 2026. One prominent manufacturer of heavy-duty transit vehicles is New Flyer, a subsidiary of NFI Group, Inc. Our current fixed route fleet consists of 58 New Flyer buses, consisting of clean diesel and diesel-electric hybrid models. We have a vast amount of experience with New Flyer products and support and now seek to add one of their battery-electric, 40-foot models to our fleet.

The current lead time for order and delivery of an electric bus is between 20 to 24 months. In the interest of time and efficiency, Staff recommends moving forward with this purchase using the State of Washington, cooperative procurement master contract #06719, which allows for transit agencies in other states to purchase new transit buses, including the model we are seeking from New Flyer. As of this writing, Staff continue to work with New Flyer to finalize the price of this vehicle; however, based on current pricing, it is estimated that the vehicle will not exceed \$1,300,000.

In addition to the estimated price of the vehicle, additional funds for the purchase may be requested to support additional required accessories and possible minor price changes due to the ever-changing supply chain issues and fluctuating market adjustments.

Following Board approval, the purchase of this vehicle 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 of one (1), battery-electric, 40-foot transit bus from New Flyer, a subsidiary of NFI Group, Inc., using the State of Washington, cooperative bus procurement contract #06719, at a price not to exceed \$1,300,000 of federal and state grant funds, including the aforementioned grant above, for the vehicle 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.

ACTION ITEM – PURCHASE OF ONE (1) BATTERY ELECTRIC 40-FOOT BUS FROM GILLIG, LLC

In conjunction with the CATA Board's initiative to move CATA's fleet to zero emission vehicles by 2035, as approved by the Board on April 20, 2022, Staff have been evaluating new technologies with respect to low and zero emission vehicles to replace our aging fleet. CATA would now like to proceed with testing new, battery-electric, fixed route buses.

Back in August 2021, CATA was awarded Grant #MI-2021-034-00 in the amount of \$2,464,014 (\$1,971,211 federal, \$492,803 State of Michigan) and seeks to use these funds to purchase electric buses. The federal portion of this grant expires in 2026. One prominent manufacturer of heavy-duty transit vehicles is Gillig, LLC, of Livermore, California. Over the last three years, CATA has had the opportunity on two separate occasions to demonstrate the 40-foot electric bus from Gillig as well as operate three, non-electric Gillig buses in our current fleet. Their products largely receive acclaim from our front-line employees.

The current lead time for order and delivery of an electric bus is between 20 to 24 months. In the interest of time and efficiency, Staff recommends moving forward with this purchase using the State of Washington, cooperative procurement master contract #06719, which allows for transit agencies in other states to purchase new transit buses, including the model we are seeking from Gillig. As of this writing, Staff continue to work with Gillig to finalize the price of this vehicle; however, based on current pricing, it is estimated that the vehicle will not exceed \$1,300,000.

In addition to the estimated price of the vehicle, additional funds for the purchase may be requested to support additional required accessories and possible minor price changes due to the ever-changing supply chain issues and fluctuating market adjustments.

Following Board approval, the purchase of this vehicle 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 of one (1), battery-electric, 40-foot transit bus from Gillig, LLC, of Livermore, CA, using the State of Washington, cooperative bus procurement master contract #06719, at a price not to exceed \$1,300,000 of federal and state grant funds, including the aforementioned grant above, for the vehicle 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.

INFORMATION ITEMS

NOVEMBER 15, 2023

1. SEPTEMBER RIDERSHIP REPORT
2. SEPTEMBER RIDERSHIP GRAPH YEAR-TO-DATE
3. FUEL PURCHASE FOR OCTOBER 2023
4. DEI TASK FORCE UPDATE

SEPTEMBER 2023 RIDERSHIP REPORT

<u>Total system rides – September:</u>	<u>935,978</u>
Average weekday system ridership	40,600
Average weekday system ridership change September 2023 to September 2022	+7,000

	<u>September 2023 v. September 2022</u>	
	<u>Percentage Change</u>	<u>Ridership Change</u>
Monthly total system ridership	+18.1%	+143,188
Monthly Urban Fixed-Route change	+15.7%	+54,695
Monthly MSU campus ridership change	+19.6%	+60,529
Monthly Spec-Tran ridership change	+16.4%	+3,259
Monthly Total Paratransit ridership change	+14.9%	+3,817

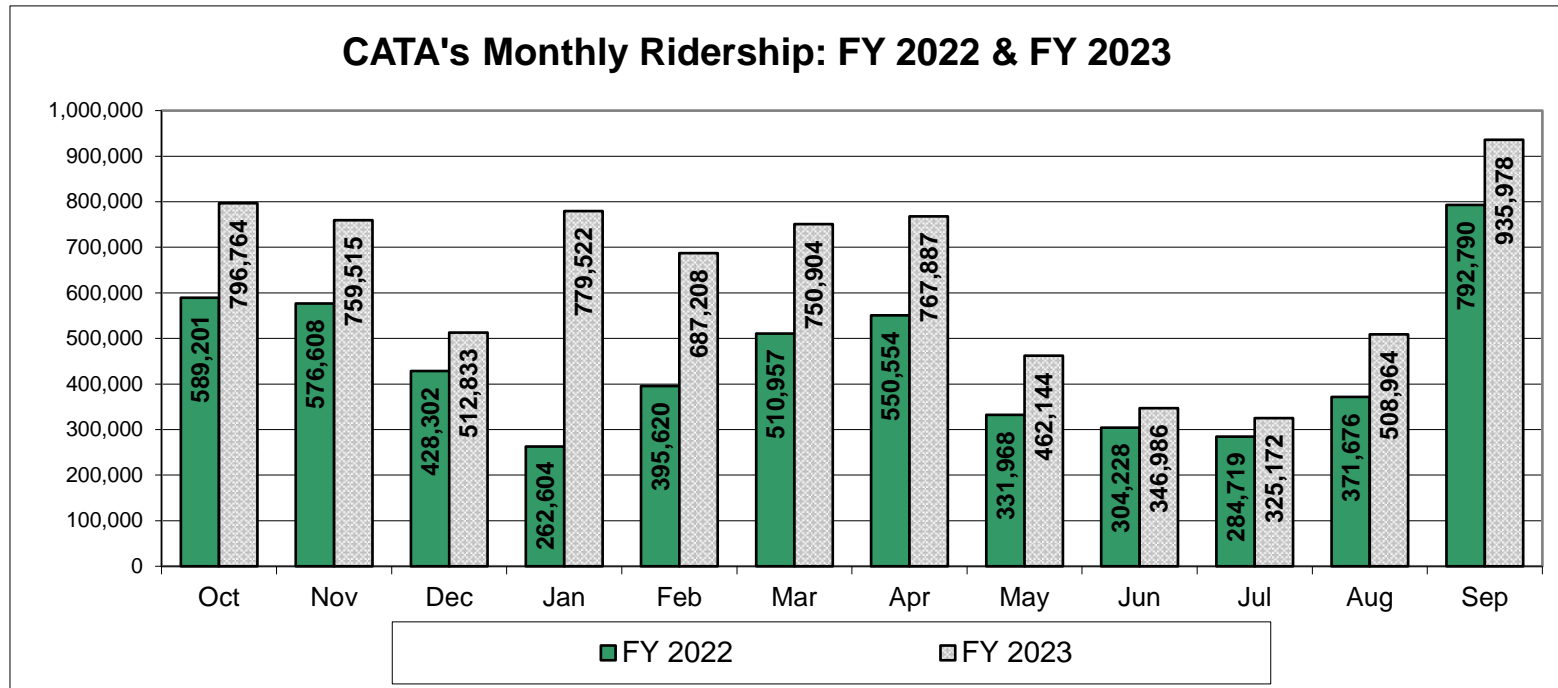
Note: Service on Routes 1, 3, 5, 8, 9, and 18 has been reduced as of 12/20/2021. Ridership has been substantially impacted by the COVID-19 pandemic.

FY 2023 YEAR-TO-DATE RIDERSHIP

<u>Total system rides – FY 2023:</u>	<u>7,633,877</u>
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	<u>FY 2023 vs. FY 2022</u>	
	<u>Percentage Change</u>	<u>Ridership Change</u>
Total system rides change	+41.4%	+2,234,650
Year-to-Date Spec-Tran ridership change	+5.7%	+13,549
Year-to-Date Total Paratransit ridership change	+6.3%	+19,108

Note: Service on Routes 1, 3, 5, 8, 9, and 18 has been reduced as of 12/20/2021. MSU Service levels have increased for Spring 2023 compared with Spring 2022. MSU Service started one week earlier in Academic Year 2023-2024. Classes on the MSU campus were suspended from February 14, 2023 to February 17, 2023. Ridership has been substantially impacted by the COVID-19 pandemic.



INFORMATION ITEM - FUEL PURCHASE FOR OCTOBER 2023

The following lists our prices for diesel fuel for October 2023

<u>Date of Delivery</u>	<u>Price Per Gallon</u>
10/02/2023	\$3.1590
10/06/2023	\$2.6550
10/11/2023	\$2.7995
10/16/2023	\$3.0150
10/20/2023	\$3.1330
10/25/2023	\$3.0070
FY 2023 Current average per gallon fuel cost	\$2.96
FY 2023 Budget per gallon fuel cost	\$2.35

**Diversity Equity & Inclusion Task Force
Meeting Summary
October 20, 2023**

Topic of Discussion: Diversity, Equity, Inclusion & Belonging in the Workplace

The meeting was an opportunity for the members to connect and get to know one another. We invited members to join us for lunch to discuss DEI topics they felt were important.

The meeting focused on the SHRM Workplace Convo & Coffee Start a Conversation cards. Some of the topics are listed below:

- Work Life Balance
- Equality vs Equity
- Mental Health in the Workplace
- Workplace Culture

Respectfully submitted,

Marshea Brown
Co-Chair, DEI Task Force
Director of Human Resources

Lolo Robison
Co-Chair, DEI Task Force
Director of Marketing, CX & PIO

