

CAPITAL AREA TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING

WEDNESDAY, SEPTEMBER 17, 2025  
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM  
333 E. MICHIGAN AVENUE, LANSING, MI 48933

AGENDA

I. CALL TO ORDER – ROLL CALL

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 AUGUST 20, 2025, BOARD MEETING

B. APPROVAL OF MINUTES OF AUGUST 20, 2025, CLOSED SESSION

C. TREASURER'S REPORT FOR JULY 2025

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

D. CATA BOARD MEETING SCHEDULE FOR FISCAL YEAR 2026

**PROPOSED MOTION:** That the proposed CATA Board Meeting Schedule for Fiscal Year 2026 be adopted as presented.

E. LEGAL COUNSEL RECOMMENDATION

**PROPOSED MOTION:** That the CATA Board of Directors approve the following law firms to represent CATA during Fiscal Year 2026: Murphy & Spagnuolo, P.C.; Miller, Canfield, Paddock, and Stone, P.L.C.; Butzel Long, P.C.; and Fraser Trebilcock, P.C..

F. TWELFTH AMENDMENT OF AGREEMENT WITH INGHAM COUNTY TO PROVIDE FUNDING FOR CATA RURAL AND SPEC-TRAN SERVICES

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute Amendment No. 12 to the Agreement between the County of Ingham and Capital Area Transportation Authority for October 1, 2025, through September 30, 2026, and begin work on a new, base Agreement that will commence on January 1, 2026, on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

G. PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) 2026 TARGETS

**PROPOSED MOTION:** That the CATA Board of Directors approves the Public Transportation Agency Safety Plan 2026 Safety Performance Targets to meet compliance with the FTA.

H. CELLULAR SERVICES FOR FISCAL YEAR 2026

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute the expenditure of up to \$162,000 to Verizon and/or AT&T/FirstNet for cellular service and ancillaries during the Fiscal Year 2026 budget period, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

I. ACTION ITEMS – PROPOSED DISCUSSION AGENDA

A. FIRST AMENDMENT TO CONTRACT OF EMPLOYMENT

**PROPOSED MOTION:** That the CATA Board of Directors approves the First Amendment to Contract of Employment between CATA and the Eaton County Transportation Authority (EATRAN) and authorizes Chief Executive Officer Bradley T. Funkhouser, to continue to serve as the EATRAN Executive Director on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

The CATA Board of Directors further authorizes the participation of a non-voting representative representing Eaton County on the CATA Board, as provided for in Section 1.11 of the CATA Bylaws, upon execution of the First Amendment and during the term of such contract.

II. OLD BUSINESS

### III. NEW BUSINESS

#### A. ELECTION OF OFFICERS

**PROPOSED MOTION:** That the CATA Board of Directors approves the recommendation of the Nominating Committee and elects the following Board members to the offices set opposite their names, effective October 1, 2025, for a one (1) year term expiring September 30, 2026, pursuant to Board Policy #400, Section 1.03:

Nathan Triplett - Chairperson  
Shanna Draheim - Vice Chairperson  
Phil Deschaine - Secretary/Treasurer

#### IV. PUBLIC COMMENT

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

#### VI. CLOSED SESSION REGARDING UNION LABOR AGREEMENT NEGOTIATIONS – ROLL CALL VOTE

**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 returns to open session for completion of the Agenda.

#### VII. ADJOURNMENT

CAPITAL AREA TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING

WEDNESDAY, AUGUST 20, 2025  
4:00 P.M. – LANSING CENTER GOVERNOR'S ROOM  
333 E. MICHIGAN AVENUE, LANSING, MI 48933

**PRESENT:** Nathan Triplett, Chair  
Shanna Draheim, Vice Chair  
Mark Grebner  
Kellie Blackwell via Zoom  
Steve Vagnozzi  
Derek Melot  
Ed Rodgers  
Chelsea Dowler

**CALL TO ORDER:**

Chair Triplett called the meeting to order at 4:03 p.m.

**ROLL CALL:** Chelsea Dowler, Shanna Draheim, Mark Grebner, Derek Melot, Ed Rodgers, Nathan Triplett, and Steve Vagnozzi were all present.

**ABSENT:** Keith Barber, Phil Deschaine, John Prush, and Jack Schmitt

**LATE:** Eric Tans

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

**PUBLIC COMMENTS:**

None

**PUBLIC HEARING**

On August 20, 2025, at 4:05 p.m., Chair Triplett opened the public hearing regarding CATA's proposed FY 2026 Budget and proposed 2025 Property Tax Levy.

Notice of this hearing was published on the CATA website on July 18, 2025; posted at CATA's Administrative Building, the downtown CATA Transportation Center (CTC), MSU-CTC and the Capital Area Multimodal Gateway on July 18, 2025; distributed through CATA's social-media networks on Facebook, Instagram, LinkedIn and Twitter @rideCATA on July 18, July 25, August 1, August 5, August 13, August 18, and August 20, 2025, at various times; mailed via United States Postal Service to 160 organizations including private transit agencies, human services organizations, and organizations that prioritize disadvantaged and underserved populations on July 18, 2025; emailed to 34 private agencies, human services organizations, and organizations that prioritize disadvantaged and underserved populations on July 18, 2025; emailed on July 18, 2025, to the Cities of Lansing and East Lansing; and the Townships of Delhi, Lansing and Meridian; emailed to the Ingham County Board of Commissioners and Michigan State University on July 18, 2025; emailed to the

EATRAN Board of Directors and Eaton County Board of Commissioners on July 18, 2025; published in the Lansing City Pulse on July 16, 2025, and July 23, 2025, as well as online at [lansingcitypulse.com](http://lansingcitypulse.com) on July 16, 2025, through August 20, 2025; published in the Lansing State Journal on July 20, 2025, and July 27, 2025, as well as the Lansing State Journal online at [lsj.com](http://lsj.com) on July 20, 2025, through August 20, 2025; published in The Chronicle in its August 1, 2025, and August 15, 2025, issues as well as online at [thechroniclenews.com](http://thechroniclenews.com) on August 1, 2025, through August 15, 2025; published in the New Citizens Press in its August 1, 2025, through August 16, 2025, issue.

Chair Triplett stated that the proposed FY 2026 Budget would establish an operating budget of \$70,736,470. The proposed 2025 Property Tax Levy of 3.007 mills is to support the operating budget.

Chair Triplett asked if Chief Executive Officer, Bradley T. Funkhouser and/or Staff had received any comments.

Chief Executive Officer, Bradley T. Funkhouser stated that CATA received one (1) email from Zachary Eggleton. Mr. Funkhouser then read the email out loud.

Eric Tans arrived at 4:08 p.m.

Chair Triplett then opened the meeting for public comment regarding the proposed FY 2026 Budget or the proposed 2025 Property Tax Levy. Chair Triplett stated he would call on those who wish to make comments and asked them to state their name and address for the record. Comments would be limited to five (5) minutes.

**PUBLIC COMMENT:**

Deb Parrish commented on CATA's contract with Transdev and inquired whether they are transporting more customers. She also inquired on the cost for having CATA's Board meetings at the Lansing Center and whether CATA owns the training center on Long Boulevard.

Chair Triplett closed the Public Hearing on CATA's proposed FY 2026 Budget and 2025 Property Tax Levy at 4:11 p.m.

**CHAIR'S COMMENTS:**

Chair Triplett requested a motion to excuse Phil Deschaine, John Prush, and Jack Schmitt.

**MOTION:**

Shanna Draheim motioned to excuse Phil Deschaine, John Prush and Jack Schmitt. Eric Tans supported the motion.

**VOTE:** The motion carried unanimously.

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

### **Budget**

Bradley Funkhouser commented on CATA's budget. Mr. Funkhouser stated that he attended the Lansing City Council, Committee of the Whole meeting on Monday, August 11, 2025, where he gave a presentation. He also attended the Michigan Public Transportation Association (MPTA) Conference on Monday, August 18, 2025, where transit funding was the focus. Mr. Funkhouser noted that MPTA just issued a press release about funding cuts threatening public transit across Michigan. He further explained that without a change in state and federal funding, transit will face a large shortfall in a year.

### **Electric Charging Stations**

Bradley Funkhouser stated that CATA will not only be receiving electric vehicles but charging stations as well. He noted that CATA will be installing four (4) electric charging stations at CATA's Tranter location in the next 30 days.

### **CATA Rydz**

Bradley Funkhouser stated that the CATA Rydz pilot has been expanded into the existing Delta Township and Lansing Zones. He noted that the expansion also included the launch of the CATA Rydz Late-Night to provide the transportation service needed to third-shift and late-evening workers.

### **Lansing School District (LSD)**

Bradley Funkhouser stated that CATA is getting ready for the school year to begin next week. He explained that CATA will continue their partnership with LSD and recruit "ambassadors" to assist students while they use CATA buses.

### **Michigan State University (MSU) Service**

Bradley Funkhouser stated that buses are also getting ready for MSU to be back in session. He noted that CATA Guides start next week and will be on campus to assist students with transportation needs.

Mark Grebner inquired about the marginal cost of a ride on CATA Rydz.

Bradley Funkhouser stated that he will get that information to Mr. Grebner.

Steve Vagnozzi stated that the figures for CATA's FY 2025 demand response service are close to half of CATA's total ridership which he believes is very positive and an indication of a well-run service.

Shanna Draheim inquired whether CATA has met with MSU to discuss budget issues.

Bradley Funkhouser stated that CATA has not met with MSU to discuss budget issues since the issues expand beyond the state and are nationwide.

Eric Tans commended CATA on their partnership with LSD. He also inquired whether students could use their IDs to ride CATA's buses.

Bradley Funkhouser explained that CATA does not have a contract with LSD. CATA provides bus passes for LSD to distribute to their students so they can ride. He noted that some transit agencies have migrated to a contract; however, CATA's service is open to the public.

**ACTION ITEMS – PROPOSED CONSENT AGENDA**

- A. APPROVAL OF MINUTES OF JULY 2025, BOARD MEETING
- B. TREASURER'S REPORT FOR JUNE 2025
  - 1. Interim Income Statement
  - 2. Cash Summary
  - 3. Investments
  - 4. Fifth Third Investment Account Reconciliation
- C. PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) 2026 TARGETS

**PROPOSED MOTION:** That the CATA Board of Directors approves the Public Transportation Agency Safety Plan 2026 Safety Performance Targets to meet compliance with the FTA.

- D. ARCHITECTURAL AND ENGINEERING SERVICES AT 420 S. GRAND AVENUE

**PROPOSED MOTION:** That the CATA Board of Directors authorizes Board Chair, Nathan Triplett, and Chief Executive Officer, Bradley T. Funkhouser, to execute Task Order 2025AE-6 with Progressive AE, Grand Rapids, Michigan, for architectural and engineering services at 420 S. Grand Avenue, at a cost not to exceed \$177,473 of grant funds, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

**MOTION:**

Derek Melot motioned to approve the Consent Agenda with Action Item C, Public Transportation Agency Safety Plan (PTASP) 2026 Targets removed from the Agenda. Steve Vagnozzi supported the motion.

**VOTE:** The motion carried unanimously.

ACTION ITEM - DISCUSSION AGENDA

A. 2025 PROPERTY TAX LEVY

**PROPOSED MOTION:** That the CATA Board of Directors authorizes the levy of ad valorem property taxes for the year 2025 of 3.007 mills. The Board of Directors further directs staff to file the required Form L-4029 with the appropriate jurisdictions.

**MOTION:**

Ed Rodgers motioned to approve Discussion Item A, 2025 Property Tax Levy and Mark Grebner supported the motion.

**DISCUSSION:**

Jim Frenndt, Director of Finance, commented on the 2025 property tax levy.

Mark Grebner stated that CATA receives the highest transit tax levy and Ingham County has the highest average in the state. He expressed that CATA has been fortunate to have a public that supports public service and a millage.

Chelsea Dowler stated that CATA has a lot of support in Ingham County. She also stated that it is important to make sure that Ingham County residents continue to receive the exceptional service they deserve.

Chair Triplett stated that CATA has one of the most significant tax levies in the state and takes the responsibility seriously. He noted that the conversation at today's Board meeting is different than other transit agencies due to the support that CATA receives and the money they have saved from past years.

**VOTE:** The motion carried unanimously.

B. FISCAL YEAR 2026 BUDGET APPROVAL

**PROPOSED MOTION:** That the CATA Board of Directors, as its general appropriations act, adopts the following resolutions:

1. The proposed Operating and Capital Budget for Fiscal Year 2026, upon which public hearing was held at a regular meeting of the Board on August 20, 2025, is adopted as the general appropriation of total revenues of the Authority to defray expenditures and meet the liabilities of the Authority for its Fiscal Year 2026 (October 1, 2025, through and including September 30, 2026).

2. In accordance with the Truth in Budgeting Act, the Board states that the Authority's levy for 2025 of 3.007 mills of ad valorem property taxes as provided for in the Budget and authorized by resolution adopted on August 20, 2025, are for the purpose of defraying the expenditures and meeting the liabilities of the Authority in providing public transportation.
3. The CEO/Executive Director shall have authority within the overall budget to manage operations and the capital program, as well as to make transfers to and from invested funds, to facilitate daily operations and meet cash flow needs without further approval of the Board.
4. The annual goals and objectives and the organization charts as presented with the budget for Fiscal Year 2026 are approved.

**MOTION:**

Derek Melot motioned to approve Discussion Item B, FY 2026 Budget Approval and Ed Rodgers supported the motion.

**DISCUSSION:**

Mark Grebner stated that CATA is very fortunate to have this amount of public support. Mr. Grebner expressed his hope that with funding for transit decreasing next year, CATA will look at providing more efficient service.

Shanna Draheim agreed with Mr. Grebner and expressed her belief that CATA needs to continue to be frugal. She also expressed her appreciation for CATA trying new routes, services and partnerships.

Mark Grebner stated that CATA needs to continue to provide service that is easy to use and access.

Chelsea Dowler appreciated Mr. Grebner's comments. She expressed her excitement for CATA's Comprehensive Operational Analysis (COA) and being able to provide more efficient service.

Steve Vagnozzi stated that CATA has a wide portfolio of transit options. He also stated that CATA may have to make adjustments and offer certain types of service in certain areas based on the public's needs.

Chair Triplett commented on not cutting CATA's service even with lack of funding. He stated that it is important to look at next year while making it clear to representatives that transit will be affected by state and federal cuts to transit funding. Chair Triplett also stated that CATA has been able to recover from the pandemic with ridership continuing to increase toward pre-pandemic levels. CATA will continue to update the Board on this topic as new information is shared. He thanked Staff and the Board for their hard work and patience.

**VOTE:** The motion carried unanimously.

**OLD BUSINESS**

None

**NEW BUSINESS**

Chair Triplett introduced the Nominating Committee Report. Chair Triplett stated that Policy 411 requires the Board of Directors to appoint the committee in July with recommendations presented in August, hold an election in September and for new officers to take seats in October. Chair Triplett thanked Derek Melot, Jack Schmitt, and Kellie Blackwell for serving on the committee.

Nominating Committee Chair Melot reported that committee members discussed nominations. They received requests from Nathan Triplett, Shanna Draheim, and Phil Deschaine. The Committee recommended that Nathan Triplett serve as Chair, Shanna Draheim as Vice Chair, and Phil Deschaine as Secretary/Treasurer. He also thanked Jack Schmitt, and Kellie Blackwell for serving on the committee.

**PUBLIC COMMENT**

Deb Parrish stated that a lot of people, including herself, cannot afford a car. She expressed her appreciation for CATA's service and the public's support of a millage. Ms. Parrish also shared an incident that happened on Spec-Tran and expressed her concern over the treatment of some riders.

Daniel Black reminded Board members to speak into their microphones to help those who might have hearing challenges. He also suggested that perhaps an extension device could be attached to the microphones.

**CLOSED SESSION:**

Chair Triplett requested a motion for the CATA Board to go into Closed Session.

**MOTION:**

Shanna Draheim motioned that the CATA Board go into Closed Session and Eric Tans supported the motion.

**ROLL CALL VOTE:** Chelsea Dowler, aye; Shanna Draheim, aye; Mark Grebner, aye; Derek Melot, aye; Ed Rodgers, aye; Eric Tans, aye; Nathan Triplett, aye; and Steve Vagnozzi, aye.

8 Ayes

0 Nays

The Closed Session began at 4:56 p.m. and adjourned at 5:15 p.m.

**ADJOURNMENT**

There being no further business, Chair Triplett adjourned the Board meeting at 5:15 p.m.

Respectfully Submitted,

Phil Deschaine  
Secretary/Treasurer

Tina Orlando  
Recording Secretary

**Capital Area Transportation Authority  
INTERIM INCOME STATEMENT  
For The Month Ending July 31, 2025**

	July Actual	July Budget	Variance	% Variance	FY 2025 Actual YTD	FY 2025 Budget YTD	Variance	% Variance	FY 2025 BUDGET	% of Fiscal Year Completed 83%	% Annual Budget Revenues/Expense
<b>REVENUES</b>											
Farebox	\$ 186,160	\$ 200,075	\$ ( 13,915 )	-7.0%	\$ 2,017,932	\$ 2,000,750	\$ 17,182	0.9%	\$ 2,400,900		84.0%
Contracted Services	\$ 268,285	\$ 336,500	\$ ( 68,215 )	-20.3%	\$ 4,286,340	\$ 3,365,000	\$ 921,340	27.4%	\$ 4,038,000		106.2%
Property Tax	\$ 1,054,622	\$ 2,199,000	\$ ( 1,144,378 )	-52.0%	\$ 27,077,632	\$ 21,990,000	\$ 5,087,632	23.1%	\$ 26,388,000		102.6%
State Revenue	\$ 1,578,093	\$ 1,807,000	\$ ( 228,907 )	-12.7%	\$ 17,078,817	\$ 18,070,000	\$ ( 991,183 )	-5.5%	\$ 21,684,000		78.8%
Federal Revenue	\$ 22,837	\$ 1,315,000	\$ ( 1,292,163 )	-98.3%	\$ 12,621,122	\$ 13,150,000	\$ ( 528,878 )	-4.0%	\$ 15,780,000		80.0%
Other Revenue	\$ 82,570	\$ 140,542	\$ ( 57,972 )	-41.2%	\$ 1,452,960	\$ 1,405,420	\$ 47,540	3.4%	\$ 1,686,500		86.2%
<b>TOTAL REVENUES</b>	<b>\$ 3,192,567</b>	<b>\$ 5,998,117</b>	<b>\$ ( 2,805,550 )</b>	<b>-46.8%</b>	<b>\$ 64,534,803</b>	<b>\$ 59,981,170</b>	<b>\$ 4,553,633</b>	<b>7.6%</b>	<b>\$ 71,977,400</b>		<b>89.7%</b>
<b>EXPENSES</b>											
Labor	\$ 2,117,976	\$ 2,147,633	\$ 29,657	1.4%	\$ 21,760,957	\$ 21,476,330	\$ ( 284,627 )	-1.3%	\$ 25,771,600		84.4%
Fringe Benefits	\$ 1,921,538	\$ 1,337,468	\$ ( 584,070 )	-43.7%	\$ 13,767,732	\$ 13,374,691	\$ ( 393,041 )	-2.9%	\$ 16,049,640		85.8%
Services	\$ 417,097	\$ 434,783	\$ 17,686	4.1%	\$ 4,340,150	\$ 4,340,327	\$ 177	0.0%	\$ 5,210,400		83.3%
Materials & Supplies	\$ 452,645	\$ 490,895	\$ 38,250	7.8%	\$ 4,354,371	\$ 4,906,947	\$ 552,576	11.3%	\$ 5,888,240		74.0%
Utilities	\$ 172,217	\$ 76,725	\$ ( 95,492 )	-124.5%	\$ 853,781	\$ 767,250	\$ ( 86,531 )	-11.3%	\$ 920,700		92.7%
Casualty & Liability	\$ 127,777	\$ 114,000	\$ ( 13,777 )	-12.1%	\$ 1,263,255	\$ 1,140,000	\$ ( 123,255 )	-10.8%	\$ 1,368,000		92.3%
Purch. Transportation	\$ 1,041,205	\$ 1,077,775	\$ 36,570	3.4%	\$ 10,033,052	\$ 10,777,750	\$ 744,698	6.9%	\$ 12,933,300		77.6%
Miscellaneous	\$ 164,645	\$ 148,964	\$ ( 15,681 )	-10.5%	\$ 1,241,866	\$ 1,489,683	\$ 247,817	16.6%	\$ 1,787,620		69.5%
<b>TOTAL EXPENSES</b>	<b>6,415,100</b>	<b>5,828,243</b>	<b>( 586,857 )</b>	<b>-10.1%</b>	<b>57,615,164</b>	<b>58,272,978</b>	<b>657,814</b>	<b>1.1%</b>	<b>\$ 69,929,500</b>		<b>82.4%</b>
<b>NET INCOME (LOSS)</b>	<b>\$ ( 3,222,533 )</b>	<b>\$ 169,874</b>	<b>\$ ( 3,392,407 )</b>		<b>\$ 6,919,639</b>	<b>\$ 1,708,192</b>	<b>\$ 5,211,447</b>		<b>\$ 2,047,900</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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**07/01/2025-07/31/2025**

<b>Cash Balance - 07/01/2025</b>	<b>\$ 3,047,006</b>
Disbursements	\$ (11,441,320)
Receipts	\$ 11,776,119
Adjustments	\$ -
<b>Cash Balance - 07/31/2025</b>	<b>\$ 3,381,805</b>

**Disbursements:**

Cash Disbursements Register	\$ (4,255,719)
Payroll	\$ (2,662,720)
Healthcare (BlueCross Blue Shield)	\$ (501,423)
Transfers To the ASU Claims Account	\$ (21,458)
Transfers To the Investment Account	\$ (4,000,000)
<b>Total Cash Disbursements</b>	<b>\$ (11,441,320)</b>

**Receipts:**

Cash Receipt Register	\$ 11,776,119
Transfers From the Investment Account	-
<b>Total Cash Receipts</b>	<b>\$ 11,776,119</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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**07/01/2025-07/31/2025**

<b>CASH &amp; INVESTMENT BALANCES</b>	<b>PORTFOLIO BALANCE</b>	<b>% OF TOTAL</b>
<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
FIFTH THIRD BANK - General Account	3,381,805	7.69%
FIFTH THIRD BANK - ASU Claims Account	37,897	0.09%
FIFTH THIRD BANK - Savings	550,991	1.25%
MSUFCU CD and Savings	276,144	0.63%
CASE Credit Union CD and Savings	279,287	0.64%
<b><u>FIXED INCOME INVESTMENTS</u></b>		
FIFTH THIRD BANK	<u>39,450,125</u>	89.71%
<b>TOTAL</b>	<b><u>\$ 43,976,249</u></b>	<b>100.00%</b>

<b>INTEREST EARNED</b>	<b>INTEREST</b>
<b>INCOME EARNED ON INVESTMENTS:</b>	
FIFTH THIRD BANK (Net of Expenses/Accrued Interest)	\$ 131,705
OTHER BANKS	<u>2,093</u>
<b>TOTAL</b>	<b><u>\$ 133,798</u></b>
<b>Monthly Average Rate of Return</b>	0.3043%
<b>Annual Average Rate of Return</b>	3.651%

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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**07/01/2025-07/31/2025**

**Market Value at the Beginning of the Period - 07/01/2025** \$ 35,414,009

**Portfolio Activity:**

**Transfers (To) or From General Checking** 4,000,000

**Net Income/(Loss) & Expenditures**

Interest Earned	\$	159,691
Accrued Interest Paid		(25,558)
Administrative Expenditures		(2,428)
		(2,428)

**Total Net Income/Loss & Expenditures** 131,705

**Realized Gains or (Loss) From Sales** 20,770

**Market Appreciation**

End of Period	\$	94,253
Beginning of Period		(223,320)
		(223,320)

**Unrealized Gain/(Loss) from Market Appreciation** (129,067)

**Change in Value From Accrued Income**

Previous Accrued Income (-)	\$	(364,008)
Current Accrued Income (+)		376,716
		376,716

**Net Change from Accrued Income** 12,708

**Market Value at the End of the Period - 07/31/2025** \$39,450,125

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.*

## **SCHEDULE FOR FISCAL YEAR 2026**

Under CATA's Articles of Incorporation, Article IV, Section 6, and Policy #400, Bylaws, Section 2.02, the Board, at its annual organization meeting, is to establish the times and places of its regular meetings.

In the Board meeting schedule presented below, all CATA Board meetings will be held on the third Wednesday of each month at 4:00 p.m. at the Lansing Center Governor's Room, 333 E. Michigan Avenue, Lansing, Michigan 48933, unless specifically scheduled otherwise.

### **Fiscal Year 2026 CATA Board Meeting Schedule**

**Wednesday, October 15, 2025, (Lansing Center, Meeting Room 201)**

**Wednesday, November 19, 2025, (Location-TBD)**

Wednesday, December 17, 2025

Wednesday, January 21, 2026 - The Board meeting will be held at 4:00 p.m. at the Lansing Center Governor's Room, 333 E. Michigan Avenue, Lansing, Michigan 48933. **Board Retreat** following Board meeting at the same location.

Wednesday, February 18, 2026

Wednesday, March 18, 2026

**Wednesday, April 15, 2026, (Location-TBD)**

Wednesday, May 20, 2026

Wednesday, June 17, 2026

Wednesday, July 15, 2026

Wednesday, August 19, 2026

Wednesday, September 16, 2026

**PROPOSED MOTION:** That the proposed CATA Board Meeting Schedule for Fiscal Year 2026 be adopted as presented.

## **ACTION ITEM – LEGAL COUNSEL RECOMMENDATION**

Board Policy #405 states that the Board of Directors shall approve, at the annual organization meeting, a recommended list of law firms that will provide legal counsel to CATA in the coming fiscal year. Here is the list of firms being recommended for Fiscal Year 2026:

*Murphy & Spagnuolo, P.C.*, is the firm working on several issues of insurance and security litigation and environmental issues. This firm has also begun assisting with other legal matters including labor relations, disciplinary matters, procurement and FTA and MDOT contracting matters. This firm also advises us on millage election requirements, as needed. We recommend this firm as a resource for millage-related questions.

*Miller, Canfield, Paddock, and Stone, P.L.C.*, is the firm assisting us with various legal matters including labor relations, disciplinary matters, FTA, and MDOT-related work.

*Butzel Long, P.C.*, is a firm working on several areas related to CATA's defined benefit retirement plans, including revisions to the plan documents and benefits administration.

*Fraser Trebilcock, P.C.*, is a real estate firm that assisted CATA in the purchase of a new facility located in downtown Lansing, Michigan. They may be used in the coming fiscal year to assist with potential land zoning and use issues.

Staff strongly recommends that the Board approve CATA's continued relationship with all four (4) law firms. We have been very impressed with the quality of work they have done for us over the years, which has been the key to preventing further litigation. Each firm has done their part to make sure we cover all our bases.

**PROPOSED MOTION:** That the CATA Board of Directors approve the following law firms to represent CATA during Fiscal Year 2026: Murphy & Spagnuolo, P.C.; Miller, Canfield, Paddock, and Stone, P.L.C.; Butzel Long, P.C.; and Fraser Trebilcock, P.C..

**ACTION ITEM – TWELFTH AMENDMENT OF AGREEMENT WITH INGHAM COUNTY TO PROVIDE FUNDING FOR CATA RURAL AND SPEC-TRAN SERVICES**

CATA has been providing CATA Rural Services and county-wide paratransit service for seniors and persons with disabilities in Ingham County for decades. A major source of funding for these services has been a millage levied by the County of Ingham in the amount of 0.60 mills. To apply this funding, the County and CATA have entered into a series of base contracts with annual amendments for the scope of services. The current base contract term is January 1, 2021, through December 31, 2025.

Ingham County has proposed Amendment No. 12, Scope of Services for October 1, 2025, through September 30, 2026, which includes continued Spec-Tran service at a minimum level of what was in effect on October 1, 1988, and CATA Rural Service of at least 79 hours per day, which includes the Mason Redi-Ride, Mason Connector, and the Williamston-Webberville Connector. CATA's services will exceed the minimum contract levels for Spec-Tran and CATA Rural Service. Amendment No. 12 also states that both parties agree to work on a new, base Agreement that will commence on January 1, 2026, using the amounts listed in this Amendment through September 30, 2026.

Ingham County is projecting tax revenue of \$5,891,148 in Fiscal Year 2026 from the Special Transportation Millage which is allocated at \$2,465,411 for CATA Rural Services and \$3,425,737 for Spec-Tran services.

Amendment No. 12 was taken to the Ingham County Human Services Committee on September 15, 2025, and will be taken to the Finance Committee on September 17, 2025, before going to the full Board of Commissioners on September 23, 2025, for approval.

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 Amendment No. 12 to the Agreement between the County of Ingham and Capital Area Transportation Authority for October 1, 2025, through September 30, 2026, and begin work on a new, base Agreement that will commence on January 1, 2026, on such other terms and conditions as the Board Chair and the Chief Executive Officer deem necessary.

**ACTION ITEM – PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP)  
 2026 TARGETS**

In compliance with the Federal Transit Administration (FTA) PTASP, Safety Performance Targets (SPT’s) must be provided to the Tri-County Regional Planning Commission by October 1, annually. These targets are based on a three-year rolling average of the four (4) measurements that CATA is required to report. The four (4) measurements are fatalities, injuries, safety events\*, and system reliability\*.

**\*Safety Event:** An unexpected outcome resulting in injury or death; damage to or loss of the facilities, equipment, rolling stock, or infrastructure of a public transportation system; or damage to the environment.

**\*System Reliability:** A failure of some mechanical element of the revenue vehicle that prevents the vehicle from completing a scheduled revenue trip or from starting the next scheduled revenue trip because actual movement is limited or because of safety concerns.

The four (4) measurements are calculated in Vehicle Revenue Miles (VRM’s) and CATA uses 100,000 as the benchmark measurement of VRM’s (see attached).

The data is compiled throughout the PTASP fiscal year (July through June) and is based on reporting through the National Transit Database (NTD) as required by the FTA. Annually, the SPT’s must be updated along with any changes in the structure of the plan. The 2025 amendments to the plan are as follows.

Amendment	Comments	Compliance Date
2026 Safety Performance Targets	Binder #2 Attachment	10.01.2025
Capital Area Transportation Authority structure	Binder #1 Attachment	12.31.2025
PTASP Joint Labor-Management Safety Committee description	Binder #1 Attachment	12.31.2025
Training and Communication description	Binder #1 Attachment	12.31.2025
Risk Management Program description	Binder #1 Attachment	12.31.2025
Skills Improvement Training description	Binder #1 Attachment	12.31.2025
ATU appointing letter - A. Olson replaces B. Gould	Binder #1 Attachment	12.31.2025
Contractors – Description of Arrangements	Binder #1 Attachment	12.31.2025
Remove T. Chambers as Training Supervisor	Binder #1-page 12	12.31.2025
Add H. Liggett as Training Specialist	Binder #1-page 12	12.31.2025
PTASP Organizational chart	Binder #2 Attachment	12.31.2025
Assault awareness training	Binder #2 Attachment	12.31.2025

Compliance with the plan means CATA will continue to be eligible to receive Section 5307 Urbanized Area Formula Grant Program funding, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program funding, and Section 5311 Formula Grants for Rural Areas Program funding.

The 2026 SPT's have been established and agreed upon by CATA's PTASP Joint Labor – Management Safety Committee and are attached.

**PROPOSED MOTION:** That the CATA Board of Directors approves the Public Transportation Agency Safety Plan 2026 Safety Performance Targets to meet compliance with the FTA.

2025 PTASP Performance Indicators and 2026 Performance Targets for Tri-County							
2025 Annual Revenue Mileage							
Fixed Route (MB DO)	Demand Response-Directly Operated (DR DO)		Demand Response-Contracted (DR PT) Transdev		Direct Response-Contracted (DR TN) VIA		
3,518,987	819,349		2,046,401		10,827		
Safety Performance Indicators 2025 (based on performance measures)							
July 1, 2024 - June 30, 2025	Fatalities Reported to NTD		Injuries Reported to NTD		Safety Events Reports to NTD		Mean Distance Between Mechanical Failures
	Total	Rate per 100,000 VRM*	Total	Rate per 100,000 VRM*	Total	Rate per 100,000 VRM*	
Fixed Route (MB DO)	0	0.00	5	0.14	14	0.39	9,511
Demand Response - Directly Operated (DR DO)	0	0.00	3	0.36	1	0.12	23,410
Demand Response - Contracted (DR PT)	1	0.04	4	0.19	6	0.29	2,046,401
Direct Response - Contracted (DR TN)	0	0.00	0	0.00	0	0.00	0
Safety Performance Targets 2026 (based on 3 Year Rolling Average)							
July 1, 2025 - June 30, 2026	Fatalities Reported to NTD		Injuries Reported to NTD		Safety Events Reports to NTD		Mean Distance Between Mechanical Failures
	Total	Rate per 100,000 VRM*	Total	Rate per 100,000 VRM*	Total	Rate per 100,000 VRM*	
Fixed Route (MB DO)	0	0.00	< 5.3	.15	< 10	.28	> 10,541
Demand Response - Directly Operated (DR DO)	0	0.00	< 5.6	.75	< 3	.40	> 28,895
Demand Response - Contracted (DR PT)	< .3	.01	< 2	.10	< 5.6	.29	> 1,046,495
Direct Response - Contracted (DR TN)	0	0.00	0	0.00	0	0.00	0

## **ACTION ITEM – CELLULAR SERVICES FOR FISCAL YEAR 2026**

CATA has hundreds of devices that rely on cellular service, including smart phones used by Staff, on-board tablets for paratransit buses, and fixed-route modems. Based upon competitive published pricing, CATA will continue to choose to procure services from Verizon or AT&T/FirstNet.

CATA anticipates spending approximately \$162,000 of operating funds per year on cellular service during Fiscal Year 2026, which was approved for the Fiscal Year 2026 budget. Staff is requesting Board approval to purchase from these companies, based upon their currently published price lists.

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 the expenditure of up to \$162,000 to Verizon and/or AT&T/FirstNet for cellular service and ancillaries during the Fiscal Year 2026 budget period, on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

**ACTION ITEM – APPROVAL OF FIRST AMENDMENT TO CONTRACT OF EMPLOYMENT**

**PROPOSED MOTION:** That the CATA Board of Directors approves the First Amendment to Contract of Employment between CATA and the Eaton County Transportation Authority (EATRAN) and authorizes Chief Executive Officer Bradley T. Funkhouser, to continue to serve as the EATRAN Executive Director on such other terms and conditions as the Board Chair and Chief Executive Officer deem necessary.

The CATA Board of Directors further authorizes the participation of a non-voting representative representing Eaton County on the CATA Board, as provided for in Section 1.11 of the CATA Bylaws, upon execution of the First Amendment and during the term of such contract.

**FIRST AMENDMENT TO CONTRACT OF EMPLOYMENT**

This First Amendment to Contract of Employment is effective September \_\_\_\_, 2025, by and between the EATRAN and Bradley T. Funkhouser.

**WHEREAS,**

- The parties entered into a Contract of Employment beginning on October 1, 2022 for Mr. Funkhouser to serve as Executive Director, attached hereto as Exhibit A;
- The Contract of Employment is set to expire September 31, 2025;
- EATRAN and Mr. Funkhouser have been in negotiations over the terms of his continued employment; and
- The parties desire to extend the Contract of Employment to allow time to complete these negotiations;

**THEREFORE,** the parties agree to amend the Contract of Employment as follows:

1. The parties mutually agree the Term of Employment (Section 1) shall be extended through December 31, 2025 under the terms and conditions set forth in the 2022 Contract of Employment.
2. All remaining terms of the Contract of Employment stay the same and remain in full force and effect through the new term of December 31, 2025.

By signing below I signify I have read and understood the terms of this First Amendment to Contract of Employment and agree to be bound thereby:

**EATON COUNTY TRANSPORTATION AUTHORITY ("EATRAN") "EMPLOYER"**

By: \_\_\_\_\_ By: \_\_\_\_\_

Its: \_\_\_\_\_ Its: \_\_\_\_\_

**EATRAN EXECUTIVE DIRECTOR "EMPLOYEE"**

By: \_\_\_\_\_  
Bradley T. Funkhouser, Executive Director

**INFORMATION ITEMS**

**SEPTEMBER 17, 2025**

1. JULY RIDERSHIP REPORT
2. JULY RIDERSHIP GRAPH YEAR-TO-DATE
3. FUEL PURCHASE FOR AUGUST 2025
4. DEI TASK FORCE UPDATE

**JULY 2025 RIDERSHIP REPORT**

<u>Total system rides – July:</u>	<u>394,796</u>
Average weekday system ridership	15,200
Average weekday system ridership change from July 2025 to July 2024	+ 2.2%

	<u>July 2025 vs. July 2024</u>	
	<u>Percentage Change</u>	<u>Ridership Change</u>
Monthly total system ridership	+1.6%	+6,295
Monthly Urban Fixed-Route change	+0.4%	+1,215
Monthly MSU campus ridership change	+71.3%	+645
Monthly Spec-Tran ridership change	+10.8%	+2,634
Monthly Total Paratransit ridership change	+4.9%	+1,484

Notes: None

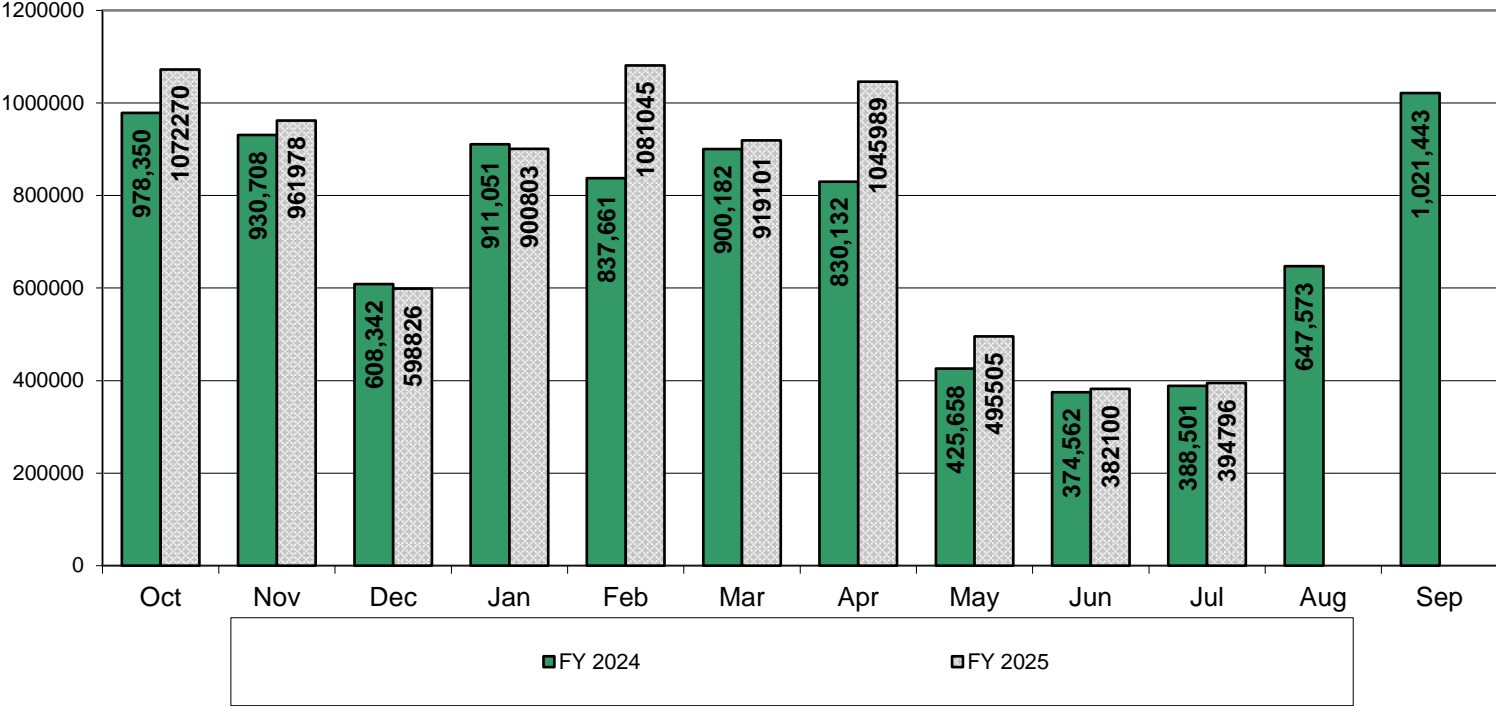
**FY 2025 YEAR-TO-DATE RIDERSHIP**

<u>Total system rides – FY 2025:</u>	<u>7,852,413</u>
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	<u>FY 2025 vs. FY 2024</u>	
	<u>Percentage Change</u>	<u>Ridership Change</u>
Total system rides change	+9.3%	+667,265
Year-to-Date Spec-Tran ridership change	+8.6%	+20,983
Year-to-Date Total Paratransit ridership change	+4.8%	+15,049

Note: None

### CATA's Monthly Ridership: FY 2024 & FY 2025



**INFORMATION ITEM - FUEL PURCHASE FOR AUGUST 2025**

The following lists our prices for diesel fuel for August 2025

<u>Date of Delivery</u>	<u>Price Per Gallon</u>
08/01/2025	\$2.5225
08/06/2025	\$2.3835
08/12/2025	\$2.4080
08/15/2025	\$2.3485
08/20/2025	\$2.4310
08/25/2025	\$2.4310
08/29/2025	\$2.4115
FY 2025 Current average per gallon fuel cost	\$2.42
FY 2025 Budget per gallon fuel cost	\$2.35

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## **DIVERSITY, EQUITY, AND INCLUSION TASK FORCE MEETING SUMMARY**

### **Volunteerism**

In lieu of a task force meeting, the committee volunteered at the Greater Lansing Food Bank (GLFB). GLFB and its network of more than 140+ partner organizations help any individual or family in need of food in Clare, Clinton, Eaton, Gratiot, Ingham, Isabella or Shiawassee Counties.

Committee members prepared 440 weekend survival kits (WSK) for children in need. All kits contain food that is kid-friendly, non-perishable and easy for a child to prepare or help prepare.

The committee's time at the GLFB was both meaningful and impactful. This hands-on effort reflects the committee's ongoing commitment to serving the community and addressing basic needs with compassion and teamwork.

Respectfully submitted,

Marshea Brown  
Chair, DEI Task Force  
Director of Human Resources

