



**MASS TRANSPORTATION AUTHORITY  
MINUTES OF THE FEBRUARY 23, 2009 BOARD MEETING**

**PRESENT:** John Northrup, Acting Chairman, Richard Abrams, Mike Zelle, Duane Miller, Sheldon Neeley

**STAFF:** Robert Foy, Suzanne Shepherd, Ed Benning, Jerry Ragsdale, Lynn McLean

**GUEST:** Greg Mason, CHMP, Inc.

**ABSENT:** Paul Newman, Paul Luttenbacher, Ted Henry

Acting Chairman Northrup called the meeting to order at 7:42 A.M.

**Comments of the Public** None

**Minutes of the January 22, 2009 Regular Board Meeting**

**Minutes of the January 20, 2009 Finance Committee Meeting**

Mr. Zelle moved, supported by Mr. Abrams to approve the minutes of the January 22, 2009 Regular Board Meeting and the minutes of the January 20, 2009 Finance Committee Meeting. Motion passed unanimously.

**Resolution #09-23 authorizing Robert J. Foy, General Manager to renew its investment and membership dues for 2009, in an amount not to exceed \$11,635.00, to the Genesee Regional Chamber of Commerce.**

Mr. Abrams stated that the Finance Committee has reviewed this and moved to recommend approval by the full Board, therefore Mr. Abrams moved Resolution #09-23. Mr. Zelle supported.

Mr. Foy stated that this is the regular membership dues we have for the Regional Chamber of Commerce. We have been a member and we recommend that we continue our membership.

Motion passed unanimously.

**Resolution #09-24 authorizing Robert J. Foy, General Manager to renew, for a period of five (5) years, from May 31, 2009 through May 30, 2014, the lease agreement, and Amendment Number One (1) with Amtrak, to occupy a certain area within the Intermodal Center located at 1401 South Dort Highway, Flint, Mi 48503.**

Mr. Abrams stated that the Finance Committee has reviewed this and recommends approval by the full Board, therefore Mr. Abrams moved Resolution #09-24. Mr. Neeley supported.

Mr. Foy stated that Amtrak leases from the MTA everything inside the fence back to the circle drive because we own that property. The MTA then has to lease part of the Canadian National property outside the fence, which Amtrak uses for the platform because it is not on our property. This cost is \$1500.00 a year.

Acting Chairman Northrup stated that our lease to Amtrak also contains the sublease?

Jerry Ragsdale, MTA Assistant General Manager-Administration stated that we lease the platform from Canadian National and then we pass that cost into the Amtrak lease to reimburse us for the \$1500.00 a year.

Motion passed unanimously.

**Resolution #09-25 making our 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 Robert J. Foy 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 2010.**

Mr. Foy stated that the Michigan Department of Transportation requires that we designate who will be the official representative in all transportation matters dealing with them. This is an annual requirement stating that the General Manager will be the official representative of the MTA on public transportation matters with the Michigan Department of Transportation.

Mr. Miller moved, supported by Mr. Neeley to approve Resolution #09-25. Motion passed unanimously.

**Resolution #09-26 authorizing the General Manager of the Flint Mass Transportation Authority to take the action necessary to request that the City of Flint call for an election and have a Flint Mass Transportation Authority Millage Renewal proposition submitted to a vote on the electorate of the City of Flint at the Election of May 5, 2009.**

Mr. Abrams moved, supported by Mr. Zellely to approve Resolution #09-26.

Mr. Foy stated that this is necessary for the Flint City Charter amendment. We are talking about 6/10 of a mill, which is only in the City of Flint. We anticipate going out for the renewal on May 5<sup>th</sup>. We are planning on going to the next Board meeting of the City Council for their approval.

Mr. Ragsdale stated that our Attorney, Mike Joliat has already made contact with the city attorney as well as the State Attorney General because it requires a charter amendment. Every five years we have to have a charter amendment in order to collect the taxes. We go a year in advance on each of our millages so that in case it fails we have an extra year to try and pass the millage again before it runs out.

Motion passed unanimously.

**Resolution #09-27 approving amendment Number One (1) to the Flint Mass Transportation Authority's Revenue and Expense Budget for FY 2009.**

Mr. Abrams stated that the Finance Committee has reviewed this and recommends approval by the full Board, therefore Mr. Abrams moved Resolution #09-27. Mr. Zelley supported.

Mr. Foy stated that we do not yet have the FY 2009 appropriations at the Federal level. We submit the budget fifteen months early for Board approval so that we have the time to go out and get the grants necessary for us to function. The Board approves the budget in the December, January timeframe for the next fiscal year. The budget we currently have for FY 2009 is one that we put together in January 2008. This update now gives us the information in a better prospectus even though we do not yet have a Federal appropriation.

Mr. Ragsdale stated that because of the increase in passengers and the fares we are able to project in the revised budget a projection of \$990,000 in additional fares. In the non-transportation revenue we are projecting \$50,000 in reimbursement for marketing senior care and we are negotiating with the county on that now. Part of the senior care covers our outreach and media work that we do, the rest actually goes into the farebox revenue. The dedicated tax revenue was projected starting out at \$10.3 million. In January the county treasurer did a revised projection and dropped down what we were expecting to \$9.6 million. To date we have a \$700,000 shortfall in our tax revenue when compared to FY 2008. In State cash grants the operating assistance-urban was originally projected at \$6.5 million but because of the reduction in the formula funds in urban grants we lost almost \$940,000. In the jobs program with discussions with the State of Michigan they are expecting to give us \$250,000 more to be used on our regional transportation. In the Federal cash grants we projected \$2.4 million in preventive maintenance for parts and supplies. Preventive Maintenance is in the 5307 Federal formula. It is capital dollars but we can use it for preventive maintenance activities so because of additional cost and reductions in other areas we are raising that to \$2.9 million. The net increase in total revenue between the 2009 adopted budget and our proposed budget is about \$150,000.

In the expenses we are projecting about \$1.1 million in additional labor cost. Part of this deals with the peak hour service and our expansion of our peak hour routes. We increased those routes by about 18 new routes. We also added the U of M shuttle and increased the Your Ride service. Material and supplies, which is primarily diesel fuel, we projected in the budget \$1.60 a gallon. Last week it was \$1.23 a gallon so we were able to reduce that by almost \$699,000. The total increase in expenses is about \$572,000. The change in the net income is about \$421,000 so where we projected in the 2009 adopted budget \$1.2 million contribution to equity, we are now projecting a little over \$800,000 to contribute to the equity at the end of this fiscal year.

After further discussion the motion passed unanimously.

**Resolution #09-28 approving the Flint Mass Transportation Authority's Revenue and Expense Budget for FY 2010.**

Mr. Abrams stated that the Finance Committee has reviewed this item and recommends approval to the full Board, therefore Mr. Abrams moved Resolution #09-28. Mr. Neeley supported. Motion passed unanimously.

**Resolution #09-29 authorizing the General Manager to enter into an agreement with CHMP, Inc. to provide Architectural and Engineering Services for the Construction of the Flushing Your Ride Service Center in an amount not to exceed \$167,550.00 and the Clio Your Ride Service Center in the amount not to exceed \$151,550.00, to include LEED Certification, for a total agreement not to exceed \$319,100.00.**

Mr. Abrams stated that the Finance Committee has reviewed this and recommends approval by the full Board, therefore Mr. Abrams moved Resolution #09-29. Mr. Northrup supported.

Mr. Foy stated that the Mass Transportation Authority embarked upon a program to become a countywide organization back in 1995. We leased facilities around the county. We have the support we need in the out county that warrants us to convert all of the lease facilities to facilities that we own. The lease facilities were inadequate to deal with the growth we have seen and they did not give us a proper place to store the vehicles. We started off with eleven service centers, of which three are in the City of Flint and eight are in the out county. We have completed four of the facilities in the out county. We have two more, one in Flushing and one in Clio, that we now what to move forward with. We entered into an agreement with CHMP to design and do the A&E work for all eight of the out county facilities. We were going to use the same design for all eight of the facilities. We now recommend that the next two buildings be built with the green technology and get LEED Certification. To do this, it is necessary to add additional engineering work. This is the request for the staff to add to the current contract that we have with CHMP for the purpose of providing the additional engineering that is going to be necessary because of site work and changes needed for the LEED Certification.

Greg Mason, CHMP, Inc. stated that he put together a price to go through and do the LEED Certification for both Flushing and Clio. The numbers are broken down by task. This would be an hourly service with a cap not to exceed. One of the items that they added to the base contract is to employ a LEED Advisory Consultant. This is an individual that is highly recommended by the Green Building Council that will actually help save money in the effort of certifying the building.

After further discussion the motion passed unanimously.

**General Manager's Report**

Mr. Foy stated that in the stimulus package there is going to be a lot of opportunities outside the formula allocation. We have been working over the last two years on developing an advanced hybrid. We are in the testing process right now. Our approved Business Plan calls that by late Fall of this year that we will start the transition of our New Flyer fleet to the advanced hybrid. There is a \$150 million program at the Federal level for us to go after some of the money that would be necessary to start this conversion. Over the next few months we will be looking for ways to expand projects that we currently have.

We have on our general projects the Intelligent Transportation System. We have programmed in for FY 2009 \$2 million from other grant funding. Now with the stimulus package we are going to use stimulus money, which will free up \$2 million that we will have available to do other things. We are going to be able to substantially improve the amount of money in our capital account by using stimulus money to take care of things that we had programmed to be funded in future program years.

There are very serious limitations with the State level in regards to funding for transportation in general. We have been very interested in following the efforts of Governor Granholm to develop the transportation package that she started in the last part of the last legislative session. She was not able to reach an accord with the legislature in terms of what she felt was a workable program but she has recommitted to rework that effort to get some enhanced money for transportation. The most critical part of the current situation is the capital match program. In the past they have used toll credits but by 2010 those toll credits are going to be gone. It is very important that the transportation fund shortfall be addressed.

Mr. Foy also stated that we are working on our plan for the millage renewal in the City of Flint only.

Acting Chairman Northrup ruled that the General Manager's Report be received and filed.

**Mass Transportation Authority's Quarterly Investment Report**

Mr. Foy stated that we have funds that we place into a reserve. The balance in the reserve fund is \$1,058,172 as of December 31, 2008. This is a report as of that period. The money is for the purpose of being able to fund our liability. We are self-insured, therefore we go through an evaluation each year to make a determination of what the anticipated amount is that we need to have in our reserve to make sure that we can cover all of the anticipated losses that we may have associated with accidents. Year-to-date income was \$26,661.64 in dividends.

Acting Chairman Northrup ruled that the Mass Transportation Authority's Quarterly Investment Report be received and filed.

**January, 2009 Income/Expense Statement**

Mr. Foy stated that this is the old budget, which shows that our revenue was \$3,054,978. At the present time we are \$955,000 ahead of budget in terms of the revenue side. On the expense side we had a budget of \$2,283,846 and the actual was \$2,215,255. Our expenses were under budget. In net income we are ahead of budget by \$1,023,591.

Mr. Ragsdale stated that we are behind about \$709,000 in tax collections for this year.

Acting Chairman Northrup ruled that the January 2009 Income/Expense Statement be received and filed.

**January, 2009 Ridership Statistic Report**

Ed Benning, MTA Assistant General Manager-Services stated that the ridership for January was 484,882, which is down by 6%. We had a different mix of weekdays. This year we had 21 weekdays where a year ago we had 22 weekdays. In our fixed routes we were down 9% with a ridership of 363,478. One route that we are tracking is the Miller/Linden route. If you go back to October, which was the beginning of this fiscal year, our ridership was about 40,000. Since that time we have seen a tremendous decrease in passengers on this route. We feel that the weather had an impact on our ridership in the month of January and the activity going out to Genesee Valley, even at Christmas time, was not like it was a year ago.

Peak period routes were up 15% with a ridership of 47,341. Regional routes are holding their own with 15, 311 passengers and curb-to-curb service is down 2% with a ridership of 58,752.

Mr. Benning pointed out that a year ago in March we started the new senior care service. The first month in March the ridership was 84 passengers. Today we are up to almost 3100 passengers and it continues to grow.

Acting Chairman Northrup ruled that the January 2009 Ridership Statistic Report be received and filed.

**January, 2009 Complaint Statistic Report**

Mr. Zelle stated that on the complaints, the complaints on driver conduct are going up. Mr. Zelle asked if this was a training issue?

Mr. Benning stated that it is. We continue to provide refresher training to our drivers and test them in order to try and approve the complaints. The other is the area of service complaints. We are making some changes to our trapeze software. They will go into effect this week and it should move us away from some of the service complaints that we received in January.

Acting Chairman Northrup ruled that the January 2009 Complaint Statistic Report be received and filed.

**Comments of Board Members**           None

**Adjournment**

Meeting was adjourned at 8:53 A.M.