



**MASS TRANSPORTATION AUTHORITY
MINUTES OF APRIL 24, 2008 BOARD MEETING**

- PRESENT:** Paul Newman, Chairman, Darryl Buchanan, Richard Abrams, Paul Luttenbacher, Mike Zelle, John Northrup, Carolyn Sims, Rose Bogardus
- STAFF:** Robert Foy, Suzanne Shepherd, Lynn McLean, Ed Benning, Gerold Latsch, Terry Jurens, Charlene Kowalski, Laurie Mitchell
- GUEST:** Allen Honeycutt, Terry Soweri, Securitas Security, Yuliye Gaydeyenko, Jewish Community Services, Joe Cozart, Teachout Security

Chairman Newman called the meeting to order at 8:03 A.M.

Comments of the Public

Terry Soweri, Securitas Security stated that he was in attendance in case the Board had any questions for him in regards to Resolution #08-25, Board Agenda Item #2.

Minutes of the March 13, 2008 Board Meeting

Mr. Northrup moved, supported by Mr. Abrams to approve the minutes of the March 13, 2008 Board Meeting. Motion passed unanimously.

Chairman Newman stated that there was going to be a slight change in the order of business. Because of a schedule problem with the Executive Director of Jewish Community Services we are going to ask that item number eight on the agenda be moved up and be discussed at this time.

Resolution #08-35 authorizing the General Manager to enter into an agreement with Jewish Community Services, in an amount not to exceed \$47,000.00, for a period of one (1) year, to provide bilingual transportation services.

Mr. Foy stated that for many years we have had a relationship with Jewish Community Services in two areas. One area is specialized service. MTA is a public transportation body, which means we must provide open door service. There are some needs within the community that are best served by not having open door service. We entered into an agreement with the State some years ago to provide us money each year to deal specifically for this purpose. The funds are used to provide partial assistance for transportation services to specialized groups within the community. We have fourteen organizations at the present time that receive money from this program.

The other area is that we enter into contractual services to provide open door service that can be done more cost effectively than we are able to do in house. With the Jewish Community Services they have been providing the Highway to Health Program, which provides transportation outside of Genesee County for medical purposes to places like Ann Arbor, Ford Hospital and Saginaw Veterans Hospital. We have been providing specialized services funding in the amount of \$17,083, for 2008. As time has gone on, this program has been very successful and an asset to the community.

Unfortunately what is happening to many of the private non-profit organizations in the community, money is becoming very difficult to get to keep the programs operating. We have been requested to provide additional funding for their specialized service program because they can no longer fund the program with the partial funding that we have been providing in the past. Jewish Community Services is requesting that we provide an additional \$47,000 for this purpose. We are requesting the authority to move this from a specialized service program into a public transportation program.

Yuliye Gaydeyenko, Executive Director Jewish Community Services stated that they have been providing bilingual immigrant services historically because they settle refugees. The majority of the elderly and disabled do not learn English to the degree where they can operate in the community. At first they were servicing just the Russian speaking population. Then they started expanding their service because of a larger immigrant population. There are huge gaps in services in very many areas. Jewish Community Services has been trying to provide access to transportation and access to health. They use bilingual interpreters, schedule transportation, do case work coordination for basically, right now, two populations, plus whomever comes into their door. They have some Spanish clients and Arabic clients. They work closely with catholic charities and the Spanish speaking information center. They also coordinate their services with the Arabic American Heritage Council. There is a huge demand for the bilingual services.

Jewish Community Services used to receive funding from the Community Foundation of Greater Flint, C S Mott Foundation, Ruth Mott Foundation, etc. That was how they funded the program for the last fifteen years. Unfortunately the foundations don't want to fund the same programs for over three years. Jewish Community Services was lucky to get funds from the Community Foundation for six years and from the Ruth Mott Foundation. They are now basically telling them that there will be no more funding. They want to fund new programs. This is why Jewish Community Services have come to the MTA. There is a gap that needs to be bridged or otherwise these people will be homebound and isolated.

Mr. Foy stated that \$36,000 of the \$64,000 that we would be putting into the program would be for local public transportation. \$35,000 would be for bilingual transportation support. Because we would be providing transportation for seniors who are eligible under the Senior Millage for transportation, we would be applying to get reimbursed for the transportation from the Senior Millage Program.

Ms. Gaydeyenko stated that they have a very limited capacity. They are talking about one bus, two interpreters and two caseworkers. It's a first come first serve and they always have an open door policy but they have a limited amount of languages and limited capacity for the transportation. There is a larger need, other populations that they are unable to serve at this point.

Mr. Foy stated that what we are requesting at this time is to fund an existing need that is in a threat to go out of business if they don't get some financial help. We will be discussing with the Board and Jewish Community Services about perhaps expanding this capability and putting more money into it in the next fiscal year. We have some work to do in finding out what exactly are the needs of the community.

Ms. Bogardus moved, supported by Mr. Abrams to approve Resolution #08-35. Mr. Luttenbacher voted no. Motion carried.

Resolution #08-25 authorizing the General Manager to enter into an agreement with Securitas Security Services, to provide Security Services for a total cost not to exceed \$415,334.40.

Mr. Foy stated that this item has been brought to the Board on two separate occasions. It deals with the issue of providing security services that do not include carrying a weapon for the Mass Transportation Authority. We put the Request for Proposal on the street and what we brought to the Board was three responses. One was from our current provider who has been with us for many years and the second was the lowest, responsive, responsible bidder Securitas Security. There is a difference of about \$35,000 over a two-year period of the contract. We are recommending that we give it to the lowest responsive, responsive bidder.

Mr. Abrams moved, supported by Mr. Northrup to approve Resolution #08-25.

Ms. Sims stated that if everyone read the minutes from the last meeting, the minutes were quite succinct in the comments she made at the last meeting. At that time she did support postponing until we had a full Board so we could vote. Her comments from the previous month still stand.

Mr. Abrams wanted to reconfirm that State money might be in jeopardy if the Board did not reward the contract to the lowest bidder.

Ms. Bogardus stated that she thought that with a difference of \$17,000 per year, there is a very good argument for not changing people who are familiar with the area. Therefore she would be voting against the resolution.

Mr. Buchanan stated that he is a strong advocate of keeping dollars in the Flint community so he would also be voting no.

Mr. Northrup asked what the sources of funds were for providing the service.

Mr. Foy stated that the funds come out of our local millage; farebox revenue and the State operating assistance grant that we receive. Our procurement procedure that the Board has approved indicates that we are to give it to the lowest, responsible, responsive bidder. State directives in terms of procurement also require that we give it to the lowest, responsible, responsive bidder. Exclusive right, because of geographical location, is not mentioned in either case but it can be a very difficult issue when you're using State dollars.

Terry Soweri, Securitas Security stated that they currently function in Genesee County. They have over 400 employees that are actually employed in the branch office here in Flint. Roughly 228 of these officers actually work in Genesee County. They will also offer the opportunity for the current incumbent officers to apply. If they meet their hiring standards, they would hire them, provided they have had good performance at the MTA. There was a concern about training issues fifteen years ago. A lot of things have changed since that time. Securitas has one of the best training programs in the industry and they stand behind it.

Joe Cozart, Teachout Security stated that they have just over 400 employees that are spread out between Genesee County, Saginaw, Lansing and Southfield. The officers of Teachout sign non-competes. It doesn't mean that they cannot go to work for Securitas, they just can't work at the MTA facility.

Roll Call was taken to determine the vote. Paul Newman, John Northrup, Richard Abrams, Mike Zelley, Paul Luttenbacher voted yes. Rose Bogardus, Carolyn Sims and Darryl Buchanan voted no.

Chairman Newman stated that the vote indicates that the Resolution is approved by the vote of 5 to 3.

Resolution #08-29 by the Mass Transportation Authority of Directors to adopt the "Cash and Investment Policy" as required by the Public Acts adopted by the State of Michigan and the Michigan Department of Transportation Revenue and Expense Manual.

Mr. Foy stated that things that have been happening with the operation of business units today, has resulted in the implementation of requirements at the State level to try to insure that the management of cash and assets are being properly dealt with. We have been in the situation for the last thirty-five years where we have been putting all of our money into services for the public. We did not carry a fund balance of any significance. Now that we have a reasonable fund balance that we want to maintain, it now becomes necessary for us to have a Board policy in regard to cash and investments. At the present time we have over \$1 million invested. We have it in a cash account where we are getting the minimum amount of interest. What we are establishing here is a formal Board adopted investment policy. We will then establish an investment committee and we will move forward.

Mr. Luttenbacher moved, supported by Mr. Zelley to approve Resolution #08-29.

Chairman Newman indicated that this item, along with the rest of items on the agenda were reviewed by the Finance Committee and moved to the full Board.

Motion passed unanimously.

Resolution #08-30 by the Mass Transportation Authority Board of Directors to adopt the "Credit Card Policy" as required by the Public Acts of the State of Michigan and the Michigan Department of Transportation Revenue and Expense Manual.

Mr. Foy stated that this follows the same public acts of the State of Michigan with the regard to the implementation of a credit card policy. We have a very limited use of credit cards. This merely documents what is taking place at the present time. The General Manager is the only one that would be responsible for overseeing the use of a credit card and any payments would be with his personal approval. All payments on credit cards would be completely paid off within 60 days. The only place we use credit cards is for traveling purposes and most of that is for training purposes.

Mr. Northrup moved, supported by Mr. Buchanan to approve Resolution #08-30. Motion passed unanimously.

Resolution #08-31 authorizing the General Manager to enter into an Exclusive Agency Listing Agreement-For Leasing commercial space at the Downtown Transfer/Service Center for a period expiring April 2, 2009 at a commission of 6% of the net rent for the full term of the lease(s) up to five (5) years.

Mr. Northrup moved, supported by Mr. Abrams to approve Resolution #08-31. Motion passed unanimously.

Resolution #08-32 authorizing the General manager to enter into an agreement with Hi-Tech Protection, LLC to provide Security Officers with arrest authority, for a period of two years, in an amount not to exceed \$224,640.00.

Mr. Foy stated that there are two ways that we provide for security. One is dealing with officers without arrest powers and the second is officers with arrest powers. We put out a Request for Proposal and we received three bids back. Previously the Downtown Development Authority had provided us this service. The lowest, responsive, responsible bidder came in at \$27.00 an hour vs. the next lowest bid of \$30.00 an hour. We are recommending, since all three are qualified to perform the service and in all cases they are hiring off duty police officers, to go with the lowest bidder Hi-Tech Protection.

Mr. Northrup moved, supported by Mr. Abrams to approve Resolution #08-32.

Mr. Buchanan stated that due to his position with the City of Flint and this resolution dealing with off duty police officers he would be abstaining from the vote.

Motion passed.

Resolution #08-33 authorizing the General Manager to purchase furniture for the Downtown Transfer Center, from Space, Inc., in an amount not to exceed \$12,659.99.

Mr. Foy stated that in the transfer of the downtown facility from a transportation center to more of a community activity center we have a conference room that will hold approximately sixty people for a meeting. It is also the room that will be used for the museum. This is a request to buy tables and chairs only in order to use that room as a community meeting room.

Mr. Northrup moved, supported by Mr. Abrams to approve Resolution #08-33. Motion passed unanimously.

Resolution #08-36 approving amendment Number Two (2) to the Flint Mass Transportation Authority's Revenue and Expense Budget for FY 2008.

Mr. Foy stated that the proposed amended budget calls for an increase in revenue of \$1,493,000. We have the grants and the other money laid out now. We are asking that we increase some of the services. All areas are providing increase ridership and they are asking for more transportation. We are asking for the additional expenses of \$1,285,773, which will increase our expense budget from \$23,531,000 up to \$24,817,000. The proposed budget that we are asking for will allow for a \$1,407,000 contribution to equity this year.

Mr. Abrams moved, supported by Mr. Buchanan to approve Resolution #08-36. Motion passed unanimously.

Mr. Northrup and Mr. Buchanan left the meeting at 8:55 A.M.

Smart Commute Day

Ed Benning, MTA Assistant General Manager-Services stated that the University of Michigan-Flint campus is taking on an effort for the community to bring a group together for Smart Commute Day. This will take place on May 16th. The purpose of Smart Commute Day is to ask individuals to leave their car at home and ride public transportation. Perhaps put your bike on the front of our bus and use your bike for the day and also use the trails in Genesee County. This is a rather large group of individuals that have come together for this purpose. They originally asked us to open up our bus service for one hour in the morning and one hour in the afternoon for free service to everyone in the community. After talking with them they have now reconsidered and are now asking that we provide twenty-five two punch passes that will be given out to individuals who fully intend to be a part of this activity in the community.

Mr. Zellely stated that all of these organizations are part of the Complete Streets Initiative also and he thinks it would be a great idea if our Board members could participate by riding the bus.

General Manager's Report

Mr. Foy stated that the General Manager's Report would stand as written. A couple of things he did want to point out was that at the Federal and State level the level of activity is pretty low. They are just gathering information for FY 2009.

We have been deeply involved in our diesel electric hybrid program. At the present time, Transtecq, who is the private sector partner that we have with Michigan State and Kettering University, is on sight making the transition of our first diesel electric hybrid 40-foot vehicle. This will then become the baseline vehicle. We will have it on the street operating in a configuration that should provide between 15 and 20 percent improvement over the amount of fuel we would be using. This fall we will go onto the conversion with the advanced hybrid. That should be done by the early part of 2009. This will be run against the baseline vehicle to show and document the advantages of hybrid technology.

Mr. Foy also stated that the House Transportation Sub-Committee of the Appropriations Committee elected to come to the MTA for the purpose of gathering information with regard to the new technology that is becoming available within the transportation industry and what we are doing to try to conserve energy. They also wanted to know what we are doing in order to deal with the fact that there is a growing need for public transportation but there is not going to be an increase in dollars to support it and how we are going to deal with that dilemma. It was a very interesting meeting.

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

March, 2008 Income/Expense Statement

Mr. Foy stated that year-to-date the budgeted revenue is \$12,374,469. Our actual revenue is \$16,680,250 for about \$4 million ahead of budget. A lot of this will straighten itself out. We are just receiving the money early. Expenses to date are on the opposite side. The actual expenses are running about \$1.3 million over the budget. This is directly related to the additional services we are being asked to provide and the cost of fuel. In this budget the fuel is budgeted at \$3.20 a gallon. In the new budget that was just approved, it is budgeted at \$3.80 a gallon. We are looking at having a \$1.5 million contribution to equity at the end of the year.

Chairman Newman ruled that the March, 2008 Income/Expense Statement be received and filed.

March, 2008 Ridership Statistic Report

Mr. Benning stated that the ridership for the month of March was 523,870 passengers for an 8% increase over the prior year. Year-to-date we have ridership of 3,042,152 for a 14% increase over the prior year. On fixed routes we had a ridership of 410,854 for a 10% increase. Peak period service, which is primarily students in the area, had a ridership of 38,798 for a 40% increase. Regional routes had a ridership of 14,810 passengers for a 7% increase. The demand for additional regional transportation continues to come forward. Curb-to-Curb had a ridership of 59,408 for an 11% decrease. This decrease is due mostly to the move of the student activity over to peak period service. Presently curb-to-curb is providing work related trips 24 hours per day and the ridership is increasing.

Chairman Newman ruled that the March, 2008 Ridership Statistic Report be received and filed.

March, 2008 Complaint Statistic Report

Mr. Benning stated that for the month of March we had 33 complaints. The complaints are spread over a number of areas. The rate of complaints for 523,870 passengers is not a high ratio but any complaint is too much. We follow up on each of these complaints by inspection to see what is happening on the road.

Chairman Newman ruled that the March, 2008 Complaint Statistic Report be received and filed.

FY 2008 2nd Quarter Mass Transportation Authority Performance Indicators

Mr. Foy stated that each quarter we bring the performance indicators to the Board to see how we are doing against our targets that we have established. Several items we are doing much better than we had anticipated and in other areas we are not where we would like to be. We continue to work on these items during the year.

Chairman Newman ruled that the FY 2008 Quarter Mass Transportation Authority Performance Indicators be received and filed.

Comments of Board Members

Ms. Sims stated that she did not think that the preliminary design that the artist has created for the Rosa Parks statue looked like Rosa Parks. Mr. Abrams agreed.

Mr. Foy stated that he would contact Greg Fiedler to set up a meeting to discuss and see if changes could be made before the statue was made into bronze.

Adjournment

The meeting was adjourned at 9:22 A.M.
