



**MASS TRANSPORTATION AUTHORITY
MINUTES OF THE MAY 22, 2008 BOARD MEETING**

PRESENT: Paul Newman, Chairman, Rose Bogardus, Mike Zelle, Richard Abrams, Paul Luttenbacher, John Northrup, Carolyn Sims (Arrived at 8:06 A.M.)

STAFF: Robert Foy, Suzanne Shepherd, Charlene Kowalski, Gerold Latsch, Lynn McLean, Terry Jurrens, Ed Benning

ABSENT: Darryl Buchanan

Chairman Newman called the meeting to order at 8:01 A.M.

Minutes of the April 24, 2008 Regular Board Meeting

Mr. Abrams moved, supported by Ms Bogardus to approve the minutes of the April 24, 2008 Regular Board Meeting. Motion passed unanimously.

Minutes of the April 21, 2008 Finance Committee Meeting

Mr. Luttenbacher moved, supported by Mr. Northrup to approve the minutes of the April 21, 2008 Finance Committee Meeting. Motion passed unanimously.

Resolution #08-37 authorizing the General Manager to amend the contract with Siwek Construction, for the construction of a "Your Ride" Service Center in Swartz Creek, and issue Change Order Number One (1) in the amount of \$4,472.00 and Change Order Number Two (2) in the amount of \$10,475.63, for a total of \$14,947.63. The total contract is in an amount not to exceed \$1,565,947.63.

Mr. Abrams stated that the Finance Committee reviewed this item and recommends approval to the full Board, therefore Mr. Abrams moved Resolution #08-37. Mr. Luttenbacher supported.

Mr. Northrup asked if this was the resolution that the Finance Committee had questions on regarding the permits.

Mr. Abrams stated that the County Road Commission is not involved. The permit needs to come from the City of Swartz Creek.

Mr. Foy stated that this is a proposal for putting in the curbs. The proposal is for \$4,472.00. The construction company will have to get whatever permits are involved and we will be charged whatever the actual amount turns out to be. This piece of property that we purchased for the

Swartz Creek Service Center is really three separate residential properties. There were three driveways involved. In the original set of specifications we did not include replacing the curbs. The second part is when we added the purchase of the land for the driveway coming off of Dye Road we are required to have lights in the driveway. We had two but we need to add two more to meet the requirements.

Motion passed unanimously.

Resolution #08-38 authorizing the General Manager of the Mass Transportation Authority to sign and submit a grant application and sign, file and execute a contract with the Department of Transportation, United States of America, for grants under the Safe Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) amended, and the Congestion Mitigation and Air Quality (CMAQ) Program for Fiscal Years 2009 to 2011.

Mr. Northrup moved, supported by Mr. Abrams to approve Resolution #08-38. Motion passed unanimously.

Resolution #08-39 authorizing the General Manager to enter into a 24-month contract with Cintas Corporation to provide a Mechanic Uniform Rental Program, in an amount not to exceed \$171.08 per employee, per year.

Mr. Abrams stated that the Finance Committee has reviewed this item and recommends approval by the full Board, therefore Mr. Abrams moved Resolution #08-39. Mr. Luttenbacher supported. Motion passed unanimously.

Resolution #08-40 authorizing the General Manager to amend the contract with Sorensen Gross Construction Co., for the renovation of the Mass Transportation Authority Downtown Customer Service and Transfer Center, and issue Change Order Number Eighteen (18) in the amount of \$22,339.00. The total amended contract is in an amount not to exceed \$6,347,533.30.

Mr. Northrup moved, supported by Ms. Sims to approve Resolution #08-40.

Mr. Foy stated that we have placed a great deal of technology into the transfer center in downtown Flint. We have a consultant (IBI Group) that assisted us with all of the electronics in the building. IBI has made some recommendations for additional items that will help improve the security and provide telephones for passengers to use. Funds are available in the grant to complete these recommendations.

Motion passed unanimously.

General Manager's Report

Mr. Foy stated that he had pointed out in his report some financial issues such as the Gas Tax Holiday provision that they are attempting to move and also the movement of money in terms of the Highway Account.

A real concern that he has is a proposed policy change. The Federal Transit Administration is responsible for the administration of the policies that are established by Congress. One of the things that is in the appropriation language and has been for the last several years deals with the issue of providing school bus service. We may not provide school bus service. We may provide public transportation routes where the students are the primary rider but these routes must be open to the public. FTA is proposing and they have submitted in the Federal Register a proposed rule making that basically says they are going to redefine what is school bus service. If we have a route that is primarily serving students, even though the general public can ride on that bus, it will be considered school bus transportation and we would have to eliminate the route. All of our peak period routes are open to the general public but they are primarily serving students. This would place us into a position where we would have to eliminate all of our peak hour service to the community. We carry about 2300 students a day in support of the Charter Schools. This is a major concern that we have to respond to by June 18th.

Ms. Bogardus stated that she has been concerned for a very long time in that Charter Schools are receiving the same amount per pupil funding as the public schools and they are not providing bus service. She does not believe the general public, when they voted for the millage, intended for us to be subsidizing private and charter schools. Ms. Bogardus feels that this language would eliminate that unfair advantage.

Mr. Foy stated that this is strictly an issue of attempting to isolate public transportation from certain types of service. They would like to force us into a position where the private sector has the exclusive right to deal with student transportation.

Mr. Foy also stated that in FY 2007 we spent \$2.3 million for fuel. For about the same amount of fuel this year our budget is \$3.9 million. It is up about \$1.6 million. Right now we have been able to handle it by finding other grants and conserving as much fuel as possible. We are still working on some type of consortium to pull all transportation operators together to get into one contract to provide fuel.

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

April, 2008 Income/Expense Statement

Mr. Foy stated that in terms of revenue the budget to date is \$15,333,768. The revenue to date is \$18,111,022. We are up about \$2.7 million. Some of that is the movement of money in grants that are being moved to us early.

In expenses our budget is \$14,842,115 and our expenses are at \$14,917,671 so we are about \$75,000 over budget at the present time. Overall we are about \$2.7 million ahead at this point in time of our budget variance. We are still looking at having a \$1.4 million contribution to equity at the end of the year.

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

April, 2008 Ridership Statistic Report

Ed Benning, MTA Assistant General Manager-Service stated that ridership for April was 548,200 passengers for a 26% increase. Year-to-date we have a ridership of 3,590,352. It appears that we are well on our way to carrying 6 million passengers this year.

On our fixed routes we had ridership of 423,447 for a 22% increase. On the U of M shuttle route that is new we are up to 627 passengers and with the new student housing coming in we anticipate that it will continue to grow. Peak period routes had a ridership of 44,864 for 132% increase. Regional routes were up 19% with a ridership of 16,237 passengers. Curb-to-curb had a ridership for 63,652 for a 17% increase. The number of people using service after hours for work related and medical trips as well as the new senior care service continues to grow. In April we had 444 passengers for the senior care service.

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

April, 2008 Complaint Statistic Report

Mr. Benning stated that we had 43 complaints for the month of April. It appears that as the ridership grows the number of complaints go up. Some of that is happening in the area of scheduling as we go through some of the changes in the way we schedule our passengers. Sometimes that brings on complaints about the service.

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

2008 Consensus Revenue Estimate

Mr. Foy stated that the House of Representatives do an assessment twice a year on how the revenue is taking place at the State level because the intention is that they will have a balanced budget. If the revenue estimates are such as they are not going to meet the goal then there will be deficits. The revenue that they are forecasting for transportation shows that the actual we had for 2006-2007 was \$2 Billion One Hundred Nineteen Thousand. It looks like for 2007-2008 it is being forecasted at \$2 Billion One Hundred Thirty-four Thousand. They are looking at 2009 as it being \$2 Billion One Hundred Sixty-two Thousand. The problem we are dealing with is that it is an increase from last year to this year, however the estimate was considerably higher than that so there is a deficit that is going to have to be dealt with. We don't see any kind of solution for the Federal and State match dollars for capital. We are going to continue to see toll credits.

Mr. Foy also stated that there is a group of individuals who are putting together a coalition of what they call "Business for Better Transportation." It is primarily the business community responding to transportation problems such as road conditions, road congestion and transit needs. The idea is to provide ways for local options.

We would like them to come to a Board meeting and give the Board a briefing on this issue. It will require approval from the legislature to allow for local options. Some of the things they want to do is providing the ability to have sales tax at a local level, local options for gas and diesel taxes, local options for vehicle registration fees, local options for license fees and local

options for property transfer fees. The only way we can raise money today is by property tax. We haven't taken a position on this. What we would like to do is bring them here and give the Board a presentation.

After some discussion Ms. Bogardus stated that she would like to hear from all organizations on their opinion on this coalition.

Mr. Foy stated that there has to be some type of clear-cut indication that this is not going to substitute for the State funding. State funding must continue at current levels.

Comments of Board Members None

Adjournment

Meeting was adjourned at 9:03 A.M.