

# INTERURBAN TRANSIT PARTNERSHIP BOARD

JUNE 25, 2008

## ATTENDANCE

### Board Members Present

Charis Austin  
Bing Goei  
George Heartwell  
Jack Hoffman  
Don Lawless  
Rick Morris  
Barbara VanDuren  
Rob VerHeulen  
Jim White

### Staff

Peter Varga, Executive Director  
Robin Crothers  
Meegan Joyce  
Jennifer Kalczuk  
Mary Mitchell  
Liz Schelling  
Conrad Venema

### Board Members Absent

Randy Gelderloos  
Lisa Haynes  
Barbara Holt  
Steve Maas  
Rick Root  
Terry Schweitzer

### Others Present

Jeff Ammon, Miller Johnson  
Anne Bond Emrich, Grand Rapids Business Journal  
John Logie, PTT Member  
Kimberly Miller, City of Grand Rapids  
Watchdog Miller, Citizen  
Devin Norris, Citizen  
Amy Poplaski, PTT Member  
Christine Schumaker, Bus Operator/Union Representative  
Thad Smith, GPC  
Clare Wade, Clare Wade Communications  
Tom Williams, DMJM Harris

**MINUTES OF**  
**INTERURBAN TRANSIT PARTNERSHIP BOARD**  
**AS RECORDED ON JUNE 25, 2008**

Commencing at 4:01 p.m. Mr. Lawless called the regular meeting of the Interurban Transit Partnership Board to order.

**PUBLIC COMMENT ON AGENDA ITEMS**

Watchdog Miller hopes that the Streetcar Feasibility Study will be subject to public comment and feels so far these meetings have been closed to the public.

1. Minutes of May 28, 2008 Board Meeting:

A motion was made by VerHeulen, supported by White, to approve the minutes of the May 28, 2008 Board meeting as written. Motion passed unanimously.

**CONSENT AGENDA**

A motion was made by Heartwell, supported by VanDuren, to approve consent agenda items 2-4. Motion passed unanimously.

**REGULAR AGENDA**

5. Implementation of Wellness Program:

Mr. Morris explained that authorization is requested to award and execute an agreement with The McCahill Group in an amount not to exceed \$33,000 for the first year, with two, one-year options possible to conduct a three-year Wellness Program at the ITP. The program is designed to reduce health care costs, short-term disability and worker's compensation costs to the ITP, as well as reducing absenteeism and improving overall health of our employees.

He explained that the Human Resource Department, along with a wellness committee made up of staff, drivers, and our insurance brokers, has been exploring ways to educate and encourage our employees to make healthier choices in both their life at home and work. The goal is to not only to improve our employees' health, but also to eventually reduce our insurance costs.

He noted that the Performance Oversight Committee discussed the merits of a Wellness Program. He noted that the Committee concurred that an incentive involving employee contribution should be explored and implemented soon.

Mayor Heartwell agrees with developing an incentive program and linking it to contributions.

Mr. Lawless noted that implementing the wellness program is a first step and feels this is a beneficial program.

Mr. Morris suggested updates on the program every 6 months. Mr. Varga noted that regular updates would be presented to the Committee.

A motion was made by Morris, supported by Hoffman, to approve the Implementation of a Wellness Program. Motion passed unanimously.

6. FY 2008 Budget Amendment:

Mayor VerHeulen reported that authorization is requested to amend the FY 2008 budget. He explained that State Operating Assistance has decreased and eligible expenses are being reimbursed at 30.62%. State Operating Assistance was budgeted at 31.5% resulting in a need for an additional \$188,181. Driver wages have increased to accommodate unanticipated overtime, student operator pay and increase in services to Grand Valley State and Davenport Universities. The largest area of concern is the increase in the fuel budget by \$874,520 to cover escalating and unprecedented diesel fuel prices. To date, we have paid an average of \$3.06 per gallon. The budget was calculated using \$2.30 per gallon. It is estimated that slightly over one million gallons of diesel fuel will be consumed this fiscal year. The increase will accommodate diesel fuel prices as high as \$4.00 per gallon for the remainder of the year.

Mayor Heartwell noted that the capital funds used to balance the budget would result in a delay of the Wealthy Street expansion. Mr. Varga explained that each year we are able to contribute up to \$1 million of preventive maintenance funds for capital projects, including the Wealthy expansion project. The funds needed to balance the budget will keep us from adding to the accumulated funds for the project.

Mr. Hoffman observed that we did not see an increase in fare revenue even though we have more riders. Mr. Varga explained that Grand Valley State University ridership is growing, however, this is a contract so we do not see fare revenue growth in this area. We are also seeing current riders increasing their usage opposed to new rider growth, but new rider growth is expected with future fuel price increases.

Mr. Morris commented that perhaps a fuel surcharge of \$.10 would cover the shortfall of funds. Mr. Lawless mentioned that analyzing fares would be included within our FY 2009 budget process.

A motion was made by VerHeulen, supported by Heartwell, to approve the FY 2008 Budget Amendment. Motion passed unanimously.

7. Streetcar Feasibility Study:

Mr. Lawless reported that at the June 11, 2008 Governance Committee meeting, the Committee reviewed and discussed the Streetcar Feasibility Study Report. In consideration of the general consensus expressed at the Board Retreat

regarding the content of the Report, the Governance Committee recommends that it be formally accepted and referred to the Strategic Planning Committee for further analysis and identification of the next steps in the process.

Mr. Logie was asked to make comments regarding the Streetcar and BRT systems. He mentioned the tour taken with FTA officials of the BRT route and noted the positive impact that both the BRT and streetcar systems will have on the community.

Mayor Heartwell mentioned that support for this item shows support for a vision for the future as a community. This is a step in rebuilding the local economy.

Mr. Hoffman supports the study and believes the timing is right to begin a project like this.

Mr. Morris noted that he is skeptical of the project and does not agree with the approved route alignment. He does support the overall concept, but wants to make sure the most beneficial route is selected.

Mr. Varga noted that the PTT Taskforce would continue to meet after the next steps have been developed. We have a \$480,000 grant to develop and build the next steps in this project.

Mr. Goei commented that he supports moving forward with the project, but feels we should scrutinize the initial route alignment and future route alignments to determine how this would best be used as a development tool for the economy.

Mr. Lawless commented that the streetcar system would create a lot of value to the community.

A motion was made by Heartwell, supported by VerHeulen, to approve the Streetcar Feasibility Study. Motion passed unanimously.

8. Michigan Senate Bill 1316:

Mr. White commented that SB1316 mandates that several performance measures be tied to state funding. Having reviewed the bill and the measures and finding much of it problematic, staff is recommending that the Board formally oppose this legislation.

He explained that *The Rapid* supports the idea of performance measures and has taken a proactive approach to identifying, tracking, and reporting on our performance. The measures outlined in the bill do not address the issue appropriately and have the potential to hurt systems and passengers across the state without any clear gain in the overall effectiveness of public transportation in Michigan.

He noted that staff is developing a one page summary stating our position on the bill for Board members.

Ms. Kalczuk noted that our response is that we support performance measures, however, they should be based on local needs and comparison to previous performance.

Mr. Lawless suggested staff put together our response of opposition, along with what we think is a fair way to measure performance.

A motion was made by White, supported by Goei, to approve opposition of the Michigan Senate Bill 1316. Motion passed unanimously.

## CEO's REPORT

### 9. Report on FY 2008 Priorities and Work Plan:

Mr. Varga noted one accomplishment included in the FY 2008 priorities and work plan is that we are the first in Michigan to be in the New Starts report for project development.

He explained that the work plan report details staff's goals and accomplishments. He mentioned that Board members receive a work plan at the beginning of the fiscal year with a report back at the end of the year.

Mr. Lawless noted that it is an informative report and is used in Mr. Varga's evaluation process.

### 10. June 2008 Monthly Report:

Mr. Varga noted that he attended a meeting with the Grand Valley Metro Council and South East Michigan Council of Governments to discuss the various fixed guideway projects in Michigan.

He noted that his monthly report is abbreviated due to his vacation time.

## CHAIR'S REPORT

Mr. Lawless thanked Board members for attending the Board Retreat. He mentioned that the FTA tour of the potential BRT route was successful and thanked everyone who took time to attend this function.

He noted that he and Mr. Morris would be presenting to the East Grand Rapids Commission on the BRT project.

## ADVISORY COMMITTEE REPORTS

No report.

## INFORMATION ITEMS:

There was no discussion on the following information items.

- A. Minutes of 6-11-08 Governance Committee Meeting
- B. Minutes of 6-18-08 Performance Oversight Committee Meeting
- C. Minutes of 6-18-08 Strategic Planning Committee Meeting
- D. Minutes of 6-19-08 External Relations Committee Meeting

Board Member Comments

No comments.

PUBLIC COMMENT ON NON-AGENDA ITEMS

Watchdog Miller commented that there was no public notice on the new service. He noted a few communications he has for service and feels that public comment should be extended to accommodate explanation of citizen's ideas for service.

Mr. Lawless noted that he does have a copy of Mr. Miller's communications and would forward to *The Rapid* staff.

Devin Norris feels that Route 18 needs to provide service to additional areas. He explained what he feels would be a better alignment for Route 9 as well. He would like to see a big impact with Phase II.

The meeting was adjourned at 5:15 p.m.

Respectfully submitted,

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Robin Crothers, ITP Board Secretary