

# INTERURBAN TRANSIT PARTNERSHIP BOARD

DECEMBER 10, 2008

## ATTENDANCE

### Board Members Present

Charis Austin  
Randy Gelderloos  
Bing Goei  
Lisa Haynes  
Jack Hoffman  
Barbara Holt  
Don Lawless  
Rick Morris  
Terry Schweitzer  
Rob VerHeulen

### Staff

Peter Varga, Executive Director  
Kathy Anderson  
Robin Crothers  
Judy Devries  
Meegan Joyce  
Jennifer Kalczuk  
Brian Pouget  
Liz Schelling  
Conrad Venema

### Board Members Absent

George Heartwell  
Steve Maas  
Richard Root  
Barbara VanDuren  
James White

### Others Present

David Bulkowski, Disability Advocates  
Laurie Hurley, NTH Consultants  
Watchdog Miller, Citizen  
Dean Peterson, MDOT  
Christine Schumaker, ATU Local 836

**MINUTES OF**  
**INTERURBAN TRANSIT PARTNERSHIP BOARD**  
**AS RECORDED ON DECEMBER 10, 2008**

Commencing at 4:00p.m., Mr. Lawless called the regular meeting of the Interurban Transit Partnership Board to order.

**PUBLIC COMMENT ON AGENDA ITEMS**

Mr. Lawless noted that at the last meeting Mr. Miller's comments migrated into a personal attack against Mr. Varga and noted that this would not be tolerated moving forward. Mr. Miller commented that he would like us to rescind the October fare increase now that fuel costs have decreased. He noted that we are engaging in gas price gauging and eventually would face litigation. The gathering in Grand Rapids Township was probably an illegal meeting. He noted that Mr. Varga cannot be trusted. He commented that Mr. Varga continues to lie about record ridership. Mr. Miller claims that it is the same company with six or so name changes with the same assets. He claimed that reported record ridership is not accurate and there was higher ridership in 1915. Mr. Miller started to comment that Mr. Varga stole . . . . and Mr. Lawless stopped Mr. Miller pointing out that he is being grossly negligent calling someone a liar and accusing them of stealing with no foundation. He explained to Mr. Miller that he can address issues or lose his privilege to make comments at the meetings. Mr. Miller reported that Mr. Varga has physically taken his map of the Rapids Racist Runaround of the west side. He noted that the public has the right to make comments about Mr. Varga when he is using public funds and the United States mail, which could be mail fraud.

1. Annual Meeting-Election of Officers:

A nomination for Barbara Holt for Board Vice-Chair was entered by Schweitzer, supported by Hoffman. No other nominations were entered. Motion passed unanimously.

A nomination for Don Lawless for Board Chair was entered by VerHeulen, supported by Haynes. No other nominations were entered. Motion passed unanimously.

2. Minutes of September 24, 2008 Board Meeting:

A motion was made by Holt, supported by Gelderloos, to approve the minutes of the September 24, 2008 Board Meeting as written. Motion passed unanimously.

## CONSENT AGENDA

A motion was made by Hoffman, supported by VerHeulen, to approve Consent Agenda items 3-9. Motion passed unanimously.

## REGULAR AGENDA

### Performance Oversight Committee

#### 10. September 2008 Ridership and Productivity Report:

Mr. Schweitzer reported that September ridership numbers contributed to the 9 million riders for the year, which is another milestone in ridership history. The recent fare increase appeared to have had no impact on ridership and paratransit numbers are increasing as well.

A motion was made by Schweitzer, supported by Holt, to approve the September 2008 Ridership and Productivity Report. Motion passed unanimously.

#### 11. FY 2008 Fourth Quarter and Annual Report Cards - Fixed Route:

Mr. Schweitzer reported that he would cover the Fourth Quarter and Annual Reports for fixed route and rideshare.

Mr. Schweitzer noted that fixed route is performing very well. He reported that staff would be advising the committee on standards for FY 2009 in order to keep them current and at the highest level.

Mr. Morris mentioned that road improvements continue to be a challenge for on-time performance. He noted that we should take this into account when we review and set standards. There will always be some sort of construction to get around.

Mr. Schweitzer commented that the biggest challenge for individual riders, when the bus is not on time, is having the patience to make a transfer at the downtown station. As route frequency increases this becomes less of an inconvenience for riders.

Mr. Varga agreed with Mr. Schweitzer that frequency does make a difference. Anyone who takes a trip with detours or in the winter weather usually starts the trip earlier than usual. With scheduled service you have to catch an earlier bus to get to your destination on time; the more frequent the service, the easier this is to do. Frequency improvements do help this issue.

Ms. Holt mentioned that we put these reports on the regular agenda to highlight the positive numbers and performance.

A motion was made by Schewitzer, supported by Morris, to approve the FY 2008 Fourth Quarter and Annual Report Cards for Fixed Route and the FY 2008 Fourth Quarter and Annual Rideshare Report. Motion passed unanimously.

12. FY 2008 Fourth Quarter and Annual Rideshare Report:

Approved under item #11.

13. CEO Authority Level:

Mr. Schweitzer explained that the authority level for the CEO was increased from \$10,000 to \$25,000 at the May 23, 2001 Board meeting. With the increase in the cost of living over the past seven years and the growth of the agency, many of the more routine procurements are falling within the \$25,000-\$100,000 range.

The Governance Committee reviewed the CEO's authority level at their meeting on November 19, 2008. They discussed the possibility of increasing the level and suggested \$75,000, but indicated that it should be taken to the Performance Oversight Committee for their consideration and recommendation to the Board.

At their meeting on December 3, 2008, the Performance Oversight Committee discussed this issue and recommended that the CEO's authority level be increased from \$25,000 to \$100,000. The Federal Transit Administration allows signature authority up to \$100,000. Currently, the CEO's at the Ann Arbor Transportation Authority, SMART and DDOT have a \$100,000 authority level.

He noted that a report will be provided to the Performance Oversight Committee on a monthly basis that shows all procurements between \$25,000 and \$100,000, similar to the report that has been provided for the last several years showing procurements between \$5,000 and \$25,000.

Mr. Schweitzer noted that the recommendation is to raise the CEO authority level from \$25,000 to \$100,000 for budgeted procurements. He mentioned that the budgeted procurements language was discussed at the Committee. If it is a budgeted item and is \$100,000 or less, it would be within the recommended authority for the CEO to authorize. There may occasionally be a segment of purchases that would be up to \$100,000 but may not be budgeted and would not be included in this recommendation.

Mr. Varga noted that his explanation of a budgeted procurement would be an item called for in the annual budget as part of the budget process. He noted that we have grant funds that run a three year cycle. He considers items included in the grant to be funded because they are matched by federal and state grant funds and would be included within budgeted procurements. Grant funds are included in the capital budget not the operating budget. If the procurement is not included in the operating or capital budget it would be an emergency procurement and would have to be approved by the Board. He noted that the Board or the Governance Committee could approve an emergency procurement.

Mr. Lawless noted that the CEO would still have authority for procurements up to \$25,000.

Mr. Varga explained that an emergency purchase not in an annual operating budget or three year capital plan over \$25,000 would have to go to the Board for approval. He suggested amending the resolution to say an annual operating budget or a three year capital plan.

Mayor VerHeulen would like the minutes to reflect that an emergency purchase over \$25,000 that is not in the operating or capital budget would have to go to the full Board for approval.

A motion was made by VerHeulen, supported by Holt, to approve the CEO Authority Level to increase from \$25,000 to \$100,000 for procurements already funded within an annual operating budget or three year capital grant. Motion passed unanimously.

#### Strategic Planning Committee

#### 14. Streetcar 9-Step Plan:

Mayor VerHeulen reported that under guidance by the Strategic Planning Committee and the Public Transportation for Tomorrow (PTT) Taskforce, staff is requesting adoption of the 9-step plan to implement the streetcar project. The Governance Committee and the CEO are requested to put together a joint committee composed of ITP Board and PTT Taskforce members to begin formation of a non-profit corporation for the pursuit of public and private funding for a streetcar project.

Mr. Morris noted that the public should know that we have funding to start this process. Mr. Varga noted that we have \$490,000 in grants to do additional analysis work and we will approach foundations for additional funding for the public education process.

Mr. Varga noted that the agreement between the ITP Board and the non-profit Board should be one that clearly states what the fiduciary is going to do. It should identify how they will accumulate funds and when they will transfer assets over to the authority to operate in order to avoid confusion as to who is operating the streetcar system.

He commented that the Governance Committee will appoint members of the ITP Board and PTT Taskforce to a joint committee to begin engaging in the process. The Governance Committee will be a part of the design and creation of the non-profit corporation.

He suggested setting a target date to have the BRT opening coincide with the streetcar.

A motion was made by VerHeulen, supported by Goei, to approve the Streetcar 9-Step Plan. Motion passed unanimously.

## Governance Committee

### 15. Meeting Schedule for 2009:

Mr. Lawless noted the meeting schedule for 2009. He commented on the dates of the special meetings and asked members to review the schedule and look for any major conflicts.

Mr. Varga noted that items for special meetings do not include a vote and would come back to the Board for formal approval.

A motion was made by Haynes, supported by Gelderloos, to approve the meeting schedule for 2009. Motion passed unanimously.

## External Relations Committee

### 16. Support for TF2 Recommendations:

Ms. Haynes reported that the External Relations Committee is asking the Board to endorse the Transportation Funding Task Force Report and support the recommendation to increase the state's transportation funding to support a "good" level of investment. This would mean increased funding for all transportation modes.

Mr. Varga noted that the Transportation Funding Task Force (TF2) approved their proposal to get transportation to the "good" level. The Transportation Funding Task Force released its findings last month. The report calls for doubling the state's current investment in transportation to prevent a loss of up to \$1 billion in federal funds each year and to adequately maintain Michigan's highways, roads, bridges, public transportation, freight transportation, and aviation systems. Investments at this level will bring the infrastructure to a "good" state. The TF2 unanimously agreed that doing nothing, or leaving the investment at its current level, was not an option.

The report also says that investing in transportation will create jobs and economic activity, attract business, increase revenue, and provide better transportation services to Michigan taxpayers. TF2 members looked at more than 100 different ways to raise revenue for all modes of transportation in Michigan, including roads, public transit, and aviation to help prevent a looming funding shortfall the state faces under the current system.

He noted that the Michigan Infrastructure and Transportation Association (MITA) has created an infrastructure investment plan which is a first step toward significantly increasing funding for Michigan's roads, bridges, and transit infrastructure and will lead to an economic turnaround for the State of Michigan. By achieving the "good" investment level proposed by the recent TF2 Report, the state could sustain more than 126,000 Michigan jobs, attract new business and yield nearly \$41 billion in other economic benefits for Michigan's economy.

Ms. Haynes noted that accepting the recommendation proposed by the Transportation Task Force would allow us to move forward with the funding model. The MITA proposal is an option to fund half of the investment, however, we would still need to fund the second half to get to the “good” level.

A motion was made by Haynes, supported by Austin, to endorse the findings of the Governor’s Transportation Funding Task Force and support the recommendations for increased investment in infrastructure so that we can match federal dollars that are brought forward. Motion passed unanimously.

A motion was made by Hoffman, supported by Holt, to support the proposed MITA investment plan.

Mr. Lawless asked Ms. Kalczuk to communicate our support for the proposed MITA Investment Plan.

Ms. Holt inquired if there are any other endorsements for the MITA plan. Mr. Varga noted that Oakland County Transit, Michigan Municipal League, Grand Valley Metropolitan Council Policy Committee and many area chambers have already endorsed the MITA Investment Plan.

Mr. Morris inquired if by supporting this plan we would jeopardize other funding alternatives. He questioned if there are other alternatives and is concerned with supporting this when it only gets a portion of the funds and feels we should request the entire amount needed.

Mr. Varga noted that the Board’s intent is to support the MITA proposal, but still instruct staff to pursue the TF2 goals in every way possible. Obtaining the entire amount of funds would be the main objective. We could let people know that MITA gets us part of the way there and we endorse that, however, it does not solve the entire problem.

Mr. Varga noted that by supporting the proposal we help move the agenda forward and have a clear understanding that we have to push for more state solutions.

An amended motion was made by Hoffman, supported by Holt, to state that the ITP Board supports the MITA proposal with the understanding that we consider this to be a partial solution and support additional statewide funding proposals to bring total state funding up to the TF2 recommendation. We feel that funding is not sufficient to fulfill the TF2 state funding requirements and encourage the Legislature to increase funding up to the TF2 proposals. Motion passed unanimously.

## CEO's REPORT

### 17. Wellness Plan Update:

Mr. Varga reported that in June the Board approved a contract with The McCahill Group to develop and conduct a wellness program for *The Rapid* employees. In doing so, a request was made for an update every 6 months.

He noted that the long-term hopes are that the wellness program could improve insurance costs. We are currently in labor negotiations regarding healthcare. The goal is to include wellness issues into negotiations and have a holistic program for the entire agency.

### 18. CEO Monthly Report:

Mr. Varga noted that Grand Valley Metro Council hosted a charette regarding BRT stations in Kentwood/Wyoming that was very successful. This was an excellent way to obtain community input.

He noted that we were awarded the AdWheel Award from APTA at the Annual meeting this past October.

He noted that we have hired a Director of Planning and Program Development who will start in January.

## CHAIR'S REPORT

Mr. Lawless thanked Mr. Goei for his service on the ITP Board.

He congratulated Ms. Kalczuk and staff on winning the AdWheel Award.

## BOARD MEMBER COMMENTS

Mr. Morris reminded the Board about the retreat at 7:30 a.m. on January 9 and to add an extra 5 minutes for traffic in the area.

Mr. Morris asked Sergeant Moore how security efforts are going at Central Station. Sergeant Moore replied that things are going well. Most of the passengers have reacted well to the security placement at Rapid Central Station.

## ADVISORY COMMITTEE REPORTS

No report.

INFORMATION ITEMS:

There was no discussion on the following information items.

- A. Minutes of 10-15-08 and 11-19-08 Governance Committee Meeting
- B. Minutes of 10-22-08 and 12-3-08 Performance Oversight Committee Meeting
- C. Minutes of 12-3-08 Strategic Planning Committee Meeting
- D. Minutes of 12-4-08 External Relations Committee Meeting
- E. Communications

PUBLIC COMMENT ON NON-AGENDA ITEMS

Mr. Miller noted that the City of Grand Rapids allows the public three minutes on each agenda item. PTT Taskforce does not allow the public to attend. He feels they are planning some sort of public brainwashing. He commented that charettes are useless. He made comments regarding routes that need improvement. He requested the meeting schedule for the PTT Taskforce and noted he would address issues with them if the meetings are made public.

The meeting was adjourned at 5:20 p.m.

Respectfully submitted,

---

Robin Crothers, ITP Board Secretary