

# INTERURBAN TRANSIT PARTNERSHIP BOARD

APRIL 23, 2008

## ATTENDANCE

### Board Members Present

Don Lawless, Chair  
Charis Austin  
Bing Goei  
Lisa Haynes  
George Heartwell  
Jack Hoffman  
Rick Morris  
Richard Root  
Terry Schweitzer

### Board Members Absent

Barbara Holt  
Steve Maas  
Barbara VanDuren  
Rob VerHeulen  
Jim White

### Others Present

Jeff Ammon, Miller Johnson  
Watchdog Miller, Citizen  
Dean Peterson, MDOT  
Thad Smith, Genuine Parts Co.

### Staff

Peter Varga, Executive Director  
Kathy Anderson  
Robin Crothers  
Mark Fedorowicz  
Jim Fetzer  
Jennifer Kalczuk  
Brian Pouget  
Liz Schelling  
Conrad Venema  
Scott Walsh  
Kevin Wisselink

**MINUTES OF  
INTERURBAN TRANSIT PARTNERSHIP BOARD  
AS RECORDED ON APRIL 23, 2008**

Commencing at 4:03p.m. Mr. Lawless called the regular meeting of the Interurban Transit Partnership Board to order.

**PUBLIC COMMENT ON AGENDA ITEMS**

No comments.

**BOARD MEMBER RETIREMENT - Ira Hart**

Mr. Lawless noted that Mr. Hart is retiring from the ITP Board and thanked him for his service.

Mr. Varga thanked Mr. Hart for his many years of service on the ITP Board. He noted that Mr. Hart's service has been outstanding and would be greatly missed.

Mr. Hart remarked that he has enjoyed his years on the ITP Board and has enjoyed watching the growth in community involvement regarding transit that has developed over the years.

Mr. Lawless welcomed new Board member Charis Austin.

1. Minutes of the March 26, 2008 Board Meeting:

Mr. Lawless noted that Mr. Varga has followed up with Hydrochem regarding the appeals process for the bus wash rack system item from the previous meeting's agenda.

A motion was made by Haynes, supported by Goei, to approve the minutes of the March 26, 2008 Board meeting as written. Motion passed unanimously.

**CONSENT AGENDA**

A motion was made by Heartwell, supported by Schweitzer, to approve items 2-9 as consent agenda items. Motion passed unanimously.

## REGULAR AGENDA

### 10. Spectrum Health Employee Bus Pass Program:

Mr. Schweitzer reported that authorization is requested to approve a contract with Spectrum Health for an employee bus pass program. Under the contract Spectrum Health will be charged a monthly fee that will allow Spectrum Health employees to ride on *The Rapid* fixed route buses for free. The contract will run through September 2008, and will be revised annually with rate adjustments based on usage and *The Rapid's* average fare.

He commented that in August 2007, the Board approved a six-month Spectrum Health employee bus pass pilot project. The purpose of the project was to provide commuting alternatives to Spectrum Health employees and evaluate what the fixed rate for the program should be. The program proved to be successful with healthy participation by Spectrum employees.

The contract will require Spectrum Health to reimburse *The Rapid* on a monthly basis for the free rides taken by Spectrum employees. The rate is based on ridership trends observed during the trial period. The monthly rate will be calculated by multiplying the average ridership by the average *Rapid* fare, which is \$0.85.

Mayor Heartwell questioned if Spectrum would only pay for work-related rides and if drivers have to keep manual count of the rides. Mr. Venema noted that the rides could be to any destination.

Mr. Varga noted that when the final phase of the ITS program is implemented we would have the capacity to use proximity cards or employee ID cards and grow this type of program to other entities.

Mayor Heartwell questioned if Spectrum is promoting this program or if this is our responsibility. Mr. Wisselink noted that Spectrum promotes the program through employee communication.

Mr. Hoffman inquired if the expense to Spectrum Health is a deductible employee expense. Mr. Varga noted that there could be a tax savings if employees partner with the employer.

A motion was made by Schweitzer, supported by Heartwell, to execute a contract for the Spectrum Health employee bus pass program. Motion passed unanimously.

## CEO's REPORT

### 11. Climate Change Legislation:

Ms. Kalczuk reported that legislation is soon to come before the U.S. Senate that will establish caps on carbon emissions from power plants and other stationary sources over a forty-year period and establish credits that will be traded as

commodities. She explained that this market will generate revenues for the allocations that are then parceled out to activities to reduce emissions or to benefit sectors impacted by rising greenhouse gases or energy prices. An amendment has been offered and approved in committee that would provide one percent for transit from the allocations to offset the impact of rising energy costs.

She noted that supporters of the amendment are seeking to develop a broad coalition to support more funding for transit and local government activities associated with the programs and projects identified above.

The ITP Board is asked to consider supporting the efforts to address Vehicle Miles Traveled (VMT) through increased funding for public transportation and local governments. She explained that the Board is also asked to consider endorsing the concept of climate change legislation, assuming that the final bill meets the following criteria: 1) funding specifically for public transportation as a means to reduce VMT is identified, and 2) this funding is available to any qualifying agency.

She noted that if approved, staff would work with the existing coalition, our Michigan senators and other committee members to support the amendment, monitor the legislation, and support the final bill if it meets the endorsement criteria.

Mr. Varga noted that the first issue is getting the proper use of public transit and how it reduces vehicles miles introduced into legislation and the second concept is using federal money for climate change to stimulate a transit investment. He noted that these are concepts we would like to promote.

Mr. Lawless commented that this is funding to public transit for vehicles miles traveled reduced, subsequently impacting the environment. This is the only proposition we are being asked to endorse.

Mayor Heartwell inquired where the funds come from if this is a trading system. Mr. Varga noted that they are proposing a method where funding would be raised to improve the climate environment. He explained that the initial program reserved funding for transit, however, an amendment was added that more funding should go to transit because it reduces vehicle miles traveled and carbon emissions. We are still tracking how this will actually work.

Mayor Heartwell questioned if we would also be responsible for the penalty if the cap is exceeded.

Mr. Lawless noted that this is still in the developmental stage and we are not endorsing the final bill at this point.

Mr. Varga noted that this endorsement does not authorize us to enter into the cap and trade system.

A motion was made by Morris, supported by Hoffman, to support the concept of transit funding related to reduced vehicle miles traveled within the climate change legislation. Motion passed unanimously.

12. Monthly Report:

Mr. Varga reported that the Transportation Funding Task Force had its second meeting at Rapid Central Station on April 21. The meeting included a presentation from Grand Valley Metro Council and a review of the funding status in Michigan for all modes. MDOT asked members to review a Finance Technical Report as part of the State Long Range Transportation Plan.

The PTT Taskforce is meeting on April 24. They will go on a mobile workshop of the corridor. A hybrid electric bus will be used to tour the entire corridor and examine aspects of potential development in line with the market study, as well as view the potential stopping points of the streetcar. He noted that the PTT members would be issued a draft report in order to get feedback to help develop the final report.

He noted that he gave a presentation to the Michigan Municipal League's Capital Conference in Lansing on our BRT project. The session was well attended.

On April 26, Senator Hardiman has scheduled the Senate Appropriations Subcommittee meeting at Rapid Central Station. The hearing will be at 10:30 a.m. All Board members are invited to attend.

He reported that he and Mr. Fetzer met with MDOT Director Kirk Steudle, Deputy Director Jackie Shinn and Tim Hoeffner, Administrator of the Multimodal Policy Division, to discuss potential solutions to the funding requirements of our BRT project. MDOT clearly understands our dilemma regarding securing funding and will examine potential solutions to move the project forward.

He noted that in his monthly report it states that he is scheduled to do our annual presentation to the Kent County Board of Commissioners, however, the County did not have his presentation on the agenda. It has been rescheduled for July 24 at 8:30 a.m.

Mr. Hoffman noted that the simple solution seems to be to raise the gas tax, but asked for insight as to why this would not work. Mr. Varga noted that an increase in gas tax would help offset the funding shortfalls in the transportation sectors. The problem with the gas tax is even with an increase the revenues remain static over time and there is no indexing. As transit costs increase, the revenues to support the investment are not there. The other issue comes from the Revenue Commission Report saying that gas tax as a funding source for transit long-term is not sustainable. It notes that other sources of revenue need to be considered for transit funding long-term.

Mr. Morris thanked staff for the updated BRT talking points but believes that the economic development point needs to be strengthened.

CHAIR'S REPORT

Mr. Lawless thanked Mr. Varga for his participation on the State Task Force despite his busy schedule.

He noted that members should have received the agenda for the planning retreat. He encourages everyone to attend.

He congratulated Mr. Goei on his Junior Achievement Business Hall of Fame Award.

#### ADVISORY COMMITTEE REPORTS

No report.

#### INFORMATION ITEMS:

There was no discussion on the following information items.

- A. RideLink Update
- B. Minutes of 4-2-08 Governance Committee Meeting
- C. Minutes of 4-16-08 Performance Oversight Committee Meeting
- D. Minutes of 4-16-08 Strategic Planning Committee Meeting
- E. Communications

#### Board Member Comments

No comments.

#### CEO Comments

Mr. Varga asked Board members to inform him if they are planning to attend the senate appropriations meeting on Friday.

#### PUBLIC COMMENT ON NON-AGENDA ITEMS

Watchdog Miller noted that the dates and notification for the Task Force meeting and Senate Appropriations Committee were not in the paper as public notice. He stated that at the last Board meeting he requested a public hearing should be held regarding the purchase of buses and the green roof. The planning retreat is also a public meeting with legal obligations to post a public notice.

Mr. Varga noted that all meetings that we are responsible for are posted for the public. Meetings held by other entities follow their process for notifying the public.

The meeting was adjourned at 5:03 p.m.

Respectfully submitted,

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Robin Crothers, ITP Board Secretary