



Interurban Transit Partnership

Board Members

Mayor Gary Carey, Chair

Charis Austin
Mayor Katie Favale

Rick Baker
Steven Gilbert
Robert Postema

Mayor Rosalynn Bliss
Andy Guy
Terry Schweitzer

David Bilardello, Vice-Chair

Mayor Stephen Kepley
Jack Hoffman
Paul Troost

Tracie Coffman
Mayor Steve Maas

BOARD OF DIRECTORS MEETING

Wednesday, May 24, 2023 – 4:00 p.m.

Rapid Central Station Conference Room (250 Cesar E Chavez, SW)

AGENDA

	<u>PRESENTER</u>	<u>ACTION</u>
1. PUBLIC COMMENT		
2. MINUTES REVIEW – April 26, 2023	Mayor Carey	Approval
3. CEO’S REPORT	Deb Prato	Information
4. ACTION ITEMS		
a. HR Benefits – HNI	Kevin Wisselink	Approval
b. Certification of 2023 Public Transportation Millage Levy	Linda Medina	Approval
5. PERFORMANCE REPORTS		
a. Paratransit Route Ridership	Jason Prescott	Information
1. April 2023		
2. On-Demand		
b. Fixed Route Ridership	Max Dillivan	Information
1. March 2023		
2. April 2023		
c. Finance	Linda Medina	Information
1. Operating Statement – March 2023		
2. Professional Development and Travel Report		
a. March 2023		
3. Grant Statement		
6. INFORMATIONAL ITEMS		
a. TMP/HousingNext	Kilpatrick/Monoyios	Information
7. CHAIR’S REPORT	Mayor Carey	Information
8. COMMITTEE MEETING MINUTES		
a. Planning & Technology Committee May 8, 2023	Terry Schweitzer	Information
b. Present Performance & Service Committee March 21, 2023	David Bilardello	Information
c. Finance Committee April 19, 2023	Mayor Kepley	Information
9. ADJOURNMENT		

MISSION: *To create, offer and continuously improve a flexible network of public transportation options and mobility solutions.*



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BOARD OF DIRECTORS MEETING

Wednesday, April 26, 2023 – 4:00 p.m.

Rapid Central Station Conference Room (250 Caesar E Chavez SW)

ATTENDANCE:

Board Members Present:

Mayor Carey, Terry Schweitzer, Rick Baker, Mayor Maas, Charis Austin, Andy Guy, Steven Gilbert, Mayor Favale, Mayor Kepley, David Bilardello

Board Members Absent:

Mayor Bliss, Paul Troost, Jack Hoffman, Tracie Coffman, Robert Postema

Staff Attendees:

Max Dillivan, Michael Wieringa, Andy Prokopy, Kris Heald, Deb Prato, Steve Schipper, Kevin Wisselink, Linda Medina, Nancy Groendal, James Nguyen, Deron Kippen, Nick Monoyios, Jason Prescott, Steve Clapp, Steve Luther

Other Attendees:

Cassi Cooper, Tammy Dahn, Justin Hagel, Clover Brown (GVMC), Kevin Tracy (Mobile GR), Jeffrey King, Wardell Frazier, Melvin Turnbo, Simone Moore (Transdev), Michelle Hicks (Transdev), Raina Cook, Eric Vesely, Jerry Brown (Transdev), Homero Rodriguez, Sam Bakker, James White

Mayor Carey called the meeting to order at 4:04 p.m.

1. PUBLIC COMMENT

Speaker 1: Mr. Turnbo started his comments by noting that since the last board, he is pleased to report that he and Mr. Schipper have been talking and working together to find a way forward. He also thanked both Mr. Schipper and Ms. Prato and their respective staff for their leadership and commitment to corroborating with the Union, and they in return will do the same. Mr. Turnbo expressed his sincere thanks to the leadership of the Board as well.

Mr. Turnbo continued his comments by stating “The contours of their proposal are not uncertain. It is a simple request for fairness, and partnership, to assist in the process of resolving issues that affect members that are party to our collective bargaining agreement.

Speaker 2: Ms. Cook, a new Bus Operator, reminded the board she spoke at a previous board meeting regarding wages and inflation. Today she wished to expand on that theme and asked the Board if they consider The Rapid paying a ‘living’ wage. She shared some facts and figures related to the cost of living and asked the board “Do you feel that you are doing right by us?” She feels the value of her wage is significantly less than it was last year. She feels her wages are barely getting her by.

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Mr. James White has been a rider of The Rapid for over four years. He agrees with the bus operators and that they deserve a proper wage. He has heard their concerns and believes they are paid \$2 less than statewide bus operators. He sees The Rapid has hiring events coming up and was unaware of the events and he encourages The Rapid to advertise these events so more people are aware. He has also noticed that there is a noticeable ridership increase of 18%. He reviewed the operating budget status. He is hoping to see increased service up to midnight with the increase in ridership. He has asked if it is possible to replace the trash can at 28th Street and Clyde Park and he suggests the jail inmates take care of it. He is thankful that text messaging to customers regarding service delays has improved.

2. MINUTES REVIEW – March 29, 2023

Chairman Carey entertained a motion to approve the meeting minutes as submitted. Mr. Gilbert motioned to approve, and Mayor Favale supported it. The motion passed unanimously.

3. CEO'S REPORT

Ms. Prato started her report by thanking the three (3) speakers, and she appreciates their comments.

Ms. Prato returned last evening from the APTA Mobility Conference. Some of the experiences The Rapid is having are similar among all the transits. She feels The Rapid is excelling in areas where other larger systems with rail are not.

Monday, April 24th was the kickoff for open payments. Open Payment is where you can use any of your wireless contactless credit cards i.e., apple pay, google Pay to pay your fare when you board the bus. This option preserves our fare capping, and it will also be great for riders who are visiting who can use it easily without the purchase of a WAVE card.

A new class of Bus Operators started on Monday, April 24th with six (6) new operators in training. She called attention to hiring events coming up soon and noted Mr. White's comments regarding additional advertising to promote our hiring events.

The biggest event coming is the 'Roll with Us' hiring event on May 17th held on the platform. The City of Grand Rapids and the City of Kentwood, Corewell, and several employers on bus lines will be there. Thematically, anyone who can get to the hiring event on the platform will be able to get to any of these employers. There will also be food trucks on-site as well.

At the last board meeting, we talked about an apprenticeship program with GRCC. Both Mr. Erber and Mr. Clapp met with the federal Department of Labor and through the state Department of Labor/Michigan Works. The Rapid is registered as a **Registered Apprenticeship Partners Information Database** – the 'RAPID'.

Ms. Prato also noted The Rapid was notified earlier this month of our community project request, the Silver Line expansion and partnership with Trinity Health made the final fifteen (15) shortlist of projects advanced by Congresswoman Hillary Scholten. Ms. Prato said it is great to have a public/private partnership where we can expand services for our customers along the Silver Line as well as connectivity to Trinity Health's expanded services such as housing, grocery, and healthcare. The Rapid also submitted to Senators Stabenow and Peter's offices.

The Rapid has begun receiving EPA-Certified Renewal Natural Gas (RNG) from the City of Grand Rapids Biodigester, and this is a game changer for The Rapid. We have mandates for zero-emissions buses. While The Rapid had an interest in Hydrogen Fuel Cell buses, however, The Rapid will focus on what we have in our own backyard. We will be retiring twenty-two (22) diesel buses this year and we have two (2) Gillig CNG buses coming off the production line and we are waiting for a delivery on a New Flyer articulated sixty-foot bus for the Laker Line. Ms. Prato believes The Rapid made the right choice going in our current direction, as most agencies with electric buses are parking them due to battery and reliability issues.

Ms. Prato noted that we applied for a competitive FTA grant for eleven (11) new CNG Buses. If awarded the funding would offset current identified purchases in the capital budget.

Ms. Prato reminded the board on May 8th will start the summer pick which will include two (2) new trip deviations to Michigan Turkey. The Rapid is proud to be a new partner with them. Michigan Turkey will also be at our May 17th hiring event on the platform.

Ms. Prato gave a *Shout Out* to Mr. Asher Lockwood. It has been approximately a year since James Bunn passed, and Mr. Lockwood had to take on a majority of Mr. Bunn's responsibilities very quickly. Mr. Lockwood has done a phenomenal job with run-cutting and all aspects of the role with his tremendous knowledge of all our routes, he does a terrific job.

Ms. Prato reported that we had approximately forty (40) guests from the Michigan School of Business Officials on-site earlier this week and they toured our facility.

Ms. Prato feels where The Rapid currently excels is showing up differently in the community. We are thinking about how transit fits with employment, access, and as a value-added commodity for our six cities community.

Lastly, Ms. Prato noted that we helped the Grand Rapids Housing Commission with a bus for tours for their housing conference which was highly successful.

4. ACTION ITEMS

a. FY 23/24 Budget Guidelines

Ms. Medina stated as an initial part of the budget process, the Board approves the guidelines the team will use in the formulation of our operating budget. She asked that the board adopt and approve the FY 23/24 Budget Guidelines contained in the board packet.

Mr. Bilardello asked if these guidelines were discussed at the Finance Committee and if there had been any discussions.

Mayor Carey replied yes, the guidelines were discussed in the Finance Committee meeting and approved.

Mr. Schweitzer agrees with the bullet points we have within the presented guidelines. He raised the question; in the future, given some of The Rapid's prior experience with townships consider how to deal with that in terms of serving outside the six-city border. He feels this same issue may come up again.

Mr. Guy agrees with the basic guidelines. He is curious if there has been any conversation around revenue diversification. He recognizes The Rapid is growing and there are increasing demands coming; he is wondering about what conversations there have been about exploring other revenue opportunities, ideally independent of the standard government sources.

Chairman Carey entertained a motion for approval of the FY23/24 Budget Guidelines. Mayor Maas motioned to approve, and Mr. Guy supported it. The motion passed unanimously.

Ms. Medina noted that she will investigate those suggestions for next year's guidelines.

b. Employee Benefits Insurance Brokerage Services

Mr. Wisselink is requesting the board's approval to enter into a two (2) year contract with HNI Risk Services for Employee Benefits Insurance Brokerage Services at an annual cost of \$100,000, with three (3) one-year optional extensions.

Mr. Baker said the item that jumped out for him, was the lowest score of the three choices had the highest cost. He stated, "I know all these companies, and this gave me pause."

Mr. Wisselink clarified that HNI was the lowest score of the first round that made it through to the next round. Then we do a re-set to back to zero, and then we use the interview process to rank the proposers in the top three (3). After the interview process, HNI rose to the top of the list.

Mr. Bilardello asked, looking at the chart was there a scoring mechanism given for the second round? What put HNI over the top, and in full disclosure, Mr. Bilardello stated that he received a letter from one of the losing companies questioning this, and that is not how this board should run. Mr. Bilardello was under the impression that the email went to all the board members and now realizes it went to only two (2) of the board members. He apologized. The losing proposer was questioning a lot of the decision-making in this process. Mr. Bilardello sees what is presented in the board packet, and HNI scored the lowest and he wants to understand why HNI was chosen.

Mr. Wisselink explained the three (3) contenders are reset after the first round. Then five (5) reviewers ranked each of the proposers after their interview, from 1 – 3. It was a difficult decision however, HNI had the best score in the interview process. HNI was selected.

Mr. Baker added, in full disclosure, he too was copied on that same email.

Mr. Gilbert asked regarding the initial scoring, how big of a factor was cost alone?

Mr. Wisselink replied the cost factored at 20%. The cost was not the only factor the reviewers considered.

Mr. Bilardello added, “he was in this market approximately twelve (12) years ago when he was at Priority Health and spent twenty (20) years in the market”. He did not know who HNI was, and said, “It looks like they are new in the area, and they may be partners with Acrisure”. The other proposers have always been solid in the past.

Mr. Bilardello asked, do we need to decide now? Can we get more information or a chart that shows what happened in the interview? He would appreciate more information on this item.

Mr. Schipper, as a reviewer acknowledged The Rapid should have put the second round of scoring in the packet.

Mr. Baker feels it is not fair to ask the board to vote on this item as we have more questions.

Mayor Favale agrees with Mr. Baker and having more information would be helpful.

Mr. Gilbert asked what it does to our timeline in terms of the procurement process.

Mr. Wisselink answered, “It will be tight”.

Mayor Maas is sensitive to the timing of this.

Ms. Austin is concerned about the timeline as well. If we wait to vote, will it affect the price?

Mr. Baker wished to clarify his concerns stating he had all these same questions before he received the email from the proposer that was not selected.

Mr. Schweitzer is concerned about the timeline. However, feels the board needs more information.

Mayor Carey stated that he had just received the email sent to only Mr. Bilardello and Mr. Baker. He stated as a board, with what we have in front of us I am not comfortable making the decision.

Chair Carey motioned to table this resolution to gain a more complete picture of the process and that this action item be brought back to the May 24th Board meeting.

Mayor Favale motioned to table this item, and Mr. Guy supported it. The motion passed unanimously.

Mr. Bilardello is still concerned the protest process could potentially delay the entire process.

c. Property and Casualty Insurance and Brokerage Services

Mr. Wisselink is requesting approval from the board to enter a two-year contract with Universal Insurance Services, Inc. (USI) for Property and Casualty Insurance Brokerage Services at an annual cost of \$50,000 with three (3) optional one-year extensions.

Chairman Carey entertained a motion to approve the Property and Casualty Insurance and Brokerage Services. Mr. Gilbert motioned to approve, and Mayor Favale supported it. The motion passed unanimously.

d. Ellsworth Renovation Contractor

Mr. Wisselink is requesting approval to enter a contract with Carbon 6 in the amount of \$1,556,445 including a 10% contingency for renovations of the administration building at 300 Ellsworth SW.

Chairman Carey entertained a motion for approval for Carbon 6 for the Renovation of Ellsworth. Mayor Favale motioned to approve, and Mr. Schweitzer supported it. The motion passed unanimously.

e. Purchase of Electric Paratransit Vehicles

Mr. Wisselink is requesting approval for the CEO to execute an agreement with Hoekstra Transportation for the purchase of twelve (12) Ford Transit Electric Paratransit vehicles.

Chairman Carey entertained a motion to approve an agreement with Hoekstra Transportation for the Paratransit vehicles.

Mayor Maas motioned to approve, and Ms. Austin supported it. The motion passed unanimously.

5. PERFORMANCE REPORTS

a. Paratransit Route Ridership

No comments

b. Fixed Route Ridership

No comments

c. Financial Reports

No comments

6. CHAIR'S REPORT

Chairman Carey yielded his time.

7. COMMITTEE REPORTS

a. Planning & Technology Committee – March 13, 2023

Mr. Schweitzer reported that we kicked off the Transit Master Plan (TMP) meeting. We have a large contingent of people showing up and being involved. Mr. Schweitzer invited Mr. Monoyios to come up to the podium to give a TMP status update.

Mr. Monoyios reported the project is now named *Thriving, the framework for the future of connectivity*. He added the West Michigan Express Feasibility Report has been completed, and the report has been shared with Mr. Patrick Waterman.

Mr. Monoyios added there are thirty-seven (37) concurrent regional planning initiatives occurring at this time.

Ms. Prato added the goal of the TMP is an actionable plan. Our plan will have tools embedded in the plan, to examine existing conditions, and when they change, The Rapid can easily move to execute the plan.

Mr. Schweitzer commented Mr. Hoffman has been a champion of rewriting transportation funding legislation and new funding sources for public transportation.

Mayor Kepley added that he will be meeting with our Senator, who happens to be the majority leader, and will be meeting after the budget to see if we can get some interest in that discussion.

b. Present Performance & Service Committee – March 21, 2023

Mr. Bilardello reported the committee met on the 21st of March. We talked about Paratransit and Transdev. Ms. Prato met with the Transdev CEO of North America, and they recognize they need to do a better job. We also discussed the upcoming job fairs and the employee resource groups that have been put in place. The best news for Mr. Bilardello was the On-time Performance (OTP) sharing The Rapid has been very steady this year, above 90%!

For the Good of the Order:

Mr. Guy is encouraged to hear the state funding conversation and hopes we are proactive in developing language for a solution that fits our needs. The more we put it on the table the better.

8. ADJOURNMENT

The meeting was adjourned at 5.21 p.m.
The next meeting is scheduled for May 24, 2023.

Respectfully submitted,



Kris Heald, Board Secretary

Date:**To:** ITP Board**From:** Kevin Wisselink, Director of Procurement and Capital Planning**Subject:** PROJECT 2023-16: EMPLOYEE BENEFITS INSURANCE BROKERAGE SERVICES**ACTION REQUESTED**

Authorization is requested from the ITP Board to enter into a fixed fee contract with HNI for Employee Benefits Insurance Brokerage Services for the annual amount of \$100,000 for a two-year period with up to three one-year extensions. The \$100,000 annual fee includes all employee benefit brokerage services and guarantees that HNI will not generate additional commissions based on the costs they deliver to us for our voluntary employee benefit programs. If the market has “built-in” commissions, the annual fee paid will be reduced by that same amount. This fee is guaranteed for all five potential years of the relationship.

BACKGROUND

This action was presented to the Board of Directors for approval on April 26, 2023, and was tabled for additional information. The Interurban Transit Partnership has worked with the same broker for the past seventeen years for employee benefits insurance brokerage services, with their latest contract being procured and awarded in 2021 through the Request for Proposal (RFP) process.

The scope of work required of the broker is as follows (including but not limited to):

- Review and analysis of the terms and conditions of the ITP's various employee benefit programs.
- Annual solicitation of new and renewal proposals on ITP's behalf for insurance the ITP desires to offer in its employment-related benefits packages; evaluate all proposals submitted to the broker in this process, make recommendations outlining the strengths and weaknesses of each proposal to the ITP; assisting the ITP in overall benefits strategy and decision making. Finally, the broker must secure and finalize all rates, including the best and final offers from all proposers.
- Review all offerings to ensure ITP does not obtain unnecessary duplication of coverage, evaluation of the fairness of fees related to the market and ensure that all proposed coverage(s) comply with ITP's requirements.
- Assist ITP employees with claim resolution.
- Assist the ITP with the implementation and communication of new programs or changes to existing programs, which will include attending and presenting information at Open Enrollment meetings.
- Conduct annual reviews of ITP's insurance programs prior to the expiration dates of insurance coverage and recommend changes as necessary, to implement the Consultant's recommendations.

- Assist with Health Fairs as necessary.
- Assist in developing communication materials and giving advice and recommendations for all employee benefit programs.
- Staff asked all respondents to provide a fixed annual cost to provide the brokerage services as opposed to a commission fee structure.

PPROCUREMENT

On February 24, 2023, ITP advertised the RFP on the Michigan Intergovernmental Network (MITN) website and posted the proposal directly to our own website. Through this process, 34 firms accessed the RFP. The RFP format was used because there are factors other than the price of critical importance in the selection of a brokerage/professional services firm. Proposals were due to ITP on March 23, 2023.

The ITP received proposals from eight firms. Those firms included: Acrisure Benefits Group, Advantage Benefits Group, Bridged Benefit Solutions, HNI Risk Services, Lerner, Csernai and Fath Financial Group, Lighthouse, and Alera Group Company, Segal, USI, and Wilson Partners. Round 1 evaluation involved scoring the submitted proposals. The Rapid project review team consisted of five members, both leadership team and administrative members, the Director of Human Resources, the Chief Operating Officer, the Director of Finance, the Operations Administrative Assistant, and, the Director of Paratransit, ADA, and Mobility Services.

To conduct the first round of evaluation, the proposals were evaluated based on firm qualifications at 40%, their technical proposal at 40%, and the cost of the proposal at 20%. Both Acrisure, the parent company, as well as HNI, an Acrisure company, submitted bids. HNI was selected to move forward, the review team wanted to evaluate only one of the same brokerage products. HNI scored higher than Acrisure during Round 1.

	Firm Capability	Technical Proposal	Cost	Total Score
Potential Score	40	40	20	100
Acrisure	28.8	24	10	63
Advantage	38.4	33.6	16.8	89
HNI	32	24.8	10	67
Lerner	17.6	12	14	44
Lighthouse	30.4	30.4	20	81
Segal	21.6	17.6	12.8	52
USI	16	13.6	11.6	41
Wilson	13.6	10.4	13.2	37

The top three firms, with the highest score, Advantage Benefits Group, HNI Risk Services, and Lighthouse were selected to move on to the second round of in-person presentation and question/answer interviews. The scoring for each firm was reset for the second round of interviews. During the second round, the project reviewers ranked all the firms from one to three.

All three firms made very good presentations, with a final outcome of HNI ranked as the top firm, with Lighthouse being a close runner-up. For round 2 scoring, the lower the score, the better the

result. The top rank was a 1, the lowest rank was a 3, each reviewer's scores were averaged, and a final ranking score resulted in the following:

Firm	Average Rank
HNI	1.6
Lighthouse	1.8
Advantage	2.6

There were several reasons that HNI ranked as the top firm. These included:

- The HNI team made a superior and strategic presentation. All five members worked well together and showed how they would be a hands-on team working with The Rapid. Everyone participated, including those who would be primarily working on The Rapid's account, and they provided an excellent picture of how they would coordinate with The Rapid to provide benefits brokerage services. Not all proposers had this same approach, leaving the dialogue of the interview to nearly only one voice.
- HNI showcased several different options for controlling plan costs, including how to improve The Rapid's prescription costs and lower the prescription loss ratio in preparation for the review of self-funding health insurance in the future. HNI demonstrated they are a data-driven organization that has a clear and strategic plan for moving The Rapid towards a lower loss ratio. There was an overall creativity demonstrated which The Rapid believes will have very positive benefits. The entire team spoke confidently and articulated how each member would play a role in the success of The Rapid's benefits program.
- Evaluating whether to be self-insured, continue to be in a fully insured program or create a hybrid approach to pharmacy and medical is very important to The Rapid. HNI demonstrated a strategic plan to evaluate The Rapid's position and determine if moving to self-insurance would be successful. While other proposers had an approach to future self-funding, HNI presented a superior detailed description of the process they would recommend for The Rapid to use to make decisions for the future. HNI's two primary account representatives, who were present, had approximately 22 clients each, while others indicated they had as many as 100.
- The Rapid conducted reference checks, and all organizations contacted were very happy overall with HNI's work for them.

FUNDING

Funding for insurance brokerage services is provided through The Rapid's annual operating budget.



Date: May 24, 2023
To: ITP Board
From: Linda Medina, Finance Manager
Subject: Certification of 2023 Public Transportation Millage Levy

ACTION REQUESTED

To approve the rate of 1.4074 including Headlee and authorize the CEO to execute and file the L-4029 tax rate requested form with Kent County and other entities.

BACKGROUND

Interurban Transit Partnership (ITP) is a public transportation authority formed under the Public Transportation Authority Act, 1986 PA 196. A millage rate of 1.47 mills was approved in ITP's district for twelve (12) years beginning in 2018. Kent County issues an annual tax rate request (form L-4029) stating the new millage rate including Headlee. FY 22/23's rate was 1.4074 and FY 23/24 rate will be the same. This rate will be used to determine the tax revenue collection for FY 23/24

Feel free to contact me if you have any questions. I can be reached at lmolina@ridetherapid.org or 774-1149.

**2023 TAX RATE REQUEST
MILLAGE REQUEST REPORT TO COUNTY BOARD OF COMMISSIONERS**

County KENT	2023 Taxable Value (All) 2023 Taxable minus RenZones	15,045,658,757 15,045,658,757
Local Government Unit INTERURBAN TRANSIT PARTNERSHIP		

**PLEASE READ THE
ENCLOSED
INSTRUCTIONS
CAREFULLY.**

You must complete this form for each unit of government for which a property tax is levied. Penalty for non-filing is provided under MCL Sec. 211.119.
The following tax rates have been authorized for levy on the **2023** tax roll.

(1) Source	(2) Purpose of Millage	(3) Date of Election	(4) Millage Authorized by Election, Charter, etc.	(5) 2022 Millage Rate Permanently Reduced by MCL 211.34d	(6) 2023 Current Year Millage Reduction Fraction	(7) 2023 Millage Rate Permanently Reduced by MCL 211.34d	(8) Sec. 211.34 Millage Rollback Fraction	(9) Maximum allowable Millage Rate*	(10) Millage Requested to be Levied July 1	(11) Millage Requested to be Levied Dec. 1	(12) Expiration Date of Millage Authorized
VOTED	INTERURBAN TRANSIT	11/7/2017	1.4700	1.4074	1.0000	1.4074	1.0000	1.4074	1.4074		12/31/2029
Total Operating Allowed								1.4074			
Prepared by Matthew Woolford	Co-Sign - Prepared/Verified		Title Equalization Director			Co-Sign Title		CED-Date 4/19/2023	Co-date		

As the representatives for the local government unit named above, we certify that these requested tax levy rates have been reduced, if necessary, to comply with the state constitution (Article 9, Section 31), and that the requested levy rates have also been reduced, if necessary, to comply with MCL Sections 211.24e, 211.34, and for LOCAL school districts which levy a Supplemental (Hold Harmless) Millage, MCL 380.1211(3).

PLEASE ENTER REQUESTED MILLAGE IN COLUMN'S 10 AND/OR 11

<input type="checkbox"/> Clerk	Signature	Type Name	Date
<input type="checkbox"/> Secretary			
<input type="checkbox"/> Chairperson	Signature	Type Name	Date
<input type="checkbox"/> President			

*Under Truth in Taxation, MCL Section 211.24e, the governing body may decide to levy a rate which will not exceed the maximum authorized rate allowed in column 9. A public hearing and determination is required for an operating levy which is larger than the base tax rate but not larger than the rate in column 9.

**** IMPORTANT:** See instructions on the reverse side for the correct method of calculating the millage rate in column (5).



INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS

RESOLUTION No. 052423-2

Fiscal Year: 2022-2023

Moved and supported to adopt the following resolution:

Approval to approve the millage levy rate of 1.4074 including Headlee.

BE IT RESOLVED that the ITP CEO is hereby authorized to execute and file the L-4029 tax rate requested form with Kent County and other entities in accordance with the information presented to the ITP Board on May 24, 2023.

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

Kris Heald, Board Secretary

Date



Interurban Transit Partnership

DATE: May 11, 2023
TO: ITP Board
FROM: Jason Prescott
SUBJECT: APRIL 2023 PARATRANSIT RIDERSHIP REPORT

Paratransit ridership information for April 2023, as compared to April 2022

	2023	2022	% Change
Total Paratransit Ridership	16,552	18,661	-11.3%
ADA Ridership	14,179	14,943	-5.1%
Non-Disabled Senior (NDS) Ridership	83	60	38.3%
PASS Ridership	156	300	-48.00%
Network 180	2,134	2,585	-17.4%
Cascade Township/Funding source	271	162	67.00%

Ridership averages, as compared to 2022.

	2023	2022	% Change
Weekday Ridership	660	678	-2.7%
Saturday Ridership	210	232	-9.5%
Sunday Ridership	203	228	-11.00%

Other Performance Measures

	2023	2022	% Change
On-Time Pick-Up	80.00%	96.00%	-16.7%
On-Time Drop-Off	88.00%	91.00%	-3.3%
Average Cost Per Trip	\$39.63	\$30.51	29.9%

April 2023 Paratransit Ridership and Operating Statistics

ADA	2023	2022	Change	% Change
Clients	1,219	1,217	2	0.2%
Passenger Trips	14,179	14,943	(764)	-5.1%

NDS

Clients	13	10	3	30.0%
Passenger Trips	83	60	23	38.3%

PASS

Clients	10	15	(5)	-33.3%
Passenger Trips	156	300	(144)	-48.0%

CONTRACTED

Clients	0	1	(1)	-100.0%
Passenger Trips	0	2	(2)	-100.0%

RIDELINK

Clients	226	293	(67)	-22.9%
Passenger Trips (Performed by The Rapid)	562	771	(209)	-27.1%

TOTALS

Clients	1,240	1,536	(68)	-19.3%
Passenger Trips	14,418	16,076	(1,096)	-10.3%
Average Weekday Ridership	660	678	(18)	-2.7%
Average Saturday Ridership	210	232	(22)	-9.5%
Average Sunday Ridership	203	228	(25)	-11.0%
All Ambulatory Passengers	11,365	12,917	(1,552)	-12.0%
All Wheelchair Passengers	3,053	3,159	(106)	-3.4%
No - Shows	438	361	77	21.3%
Cancellations	685	551	134	24.3%
Transdev				
Average Cost per Trip	\$39.63	\$30.51	\$9.12	29.9%
Riders per Hour	2.1	2.0	0.1	5.0%
Accidents per Month	1.0	1.0	0	0.0%

Trip Denials	0	1	-1	-100.0%
NTD Travel Time (minutes)	28	28	0	0.0%

NETWORK 180

Passenger Trips	2,134	2,585	(451)	-17.4%
Average Weekday Ridership	107	123	(16)	-13.0%

TOTAL PASSENGER TRIPS	16,552	18,661	(1,547)	-11.3%
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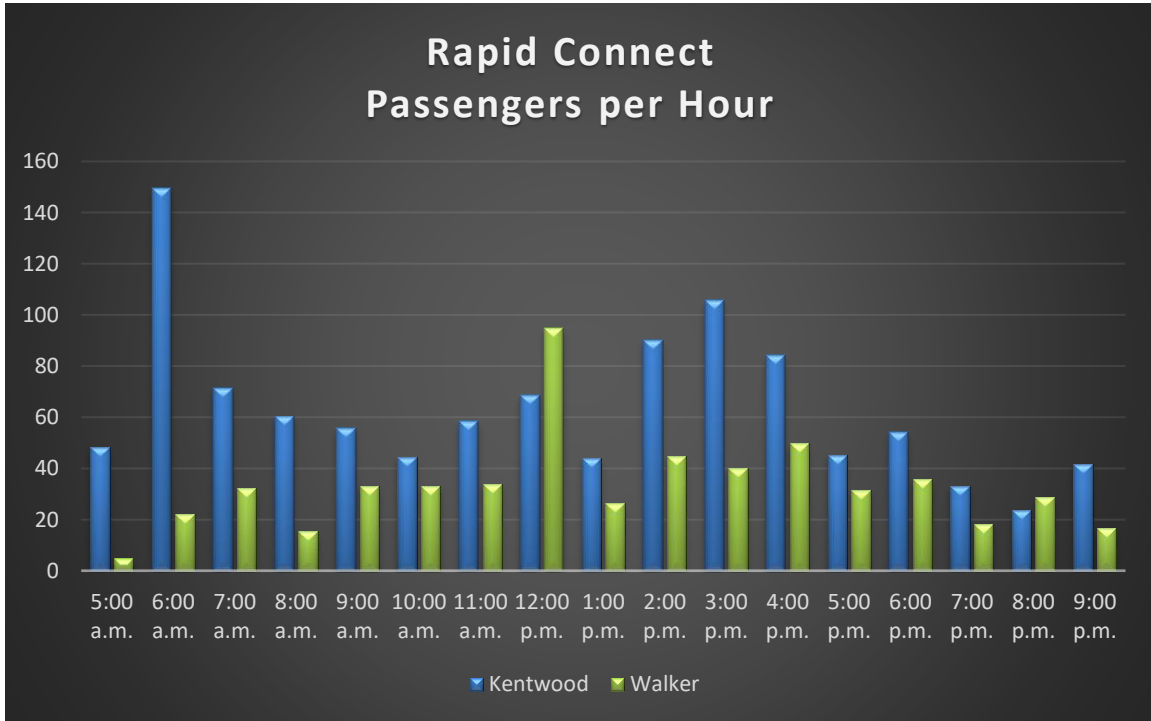
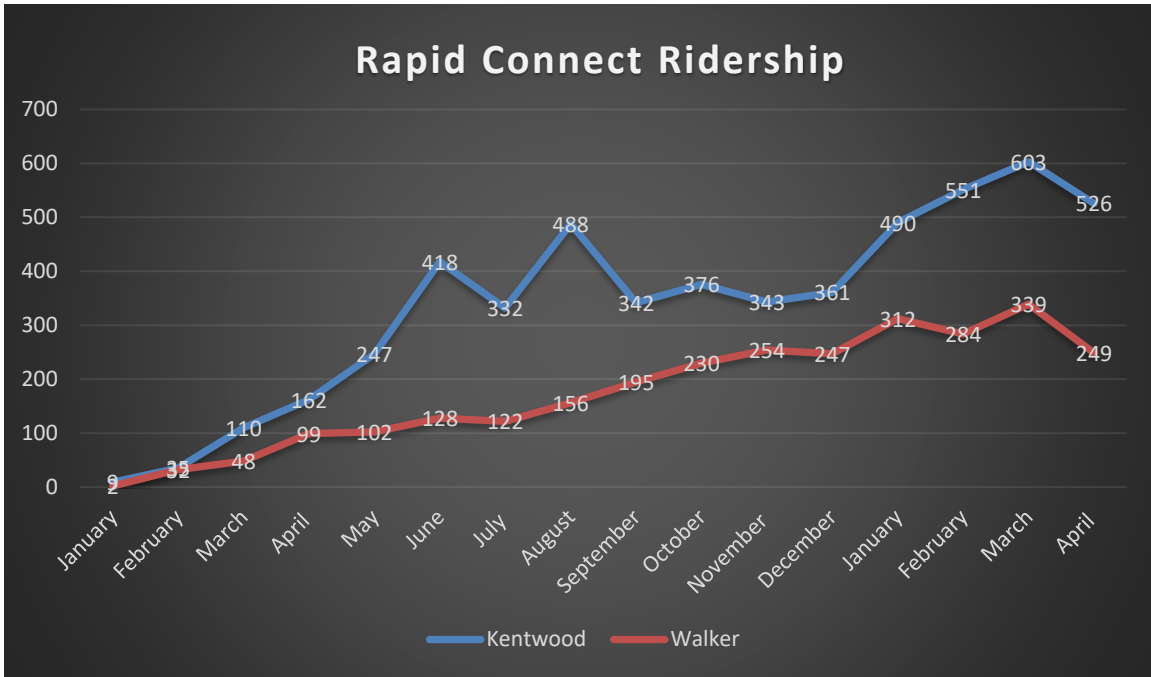
Paratransit Service Quality Statistics: network 180 Excluded

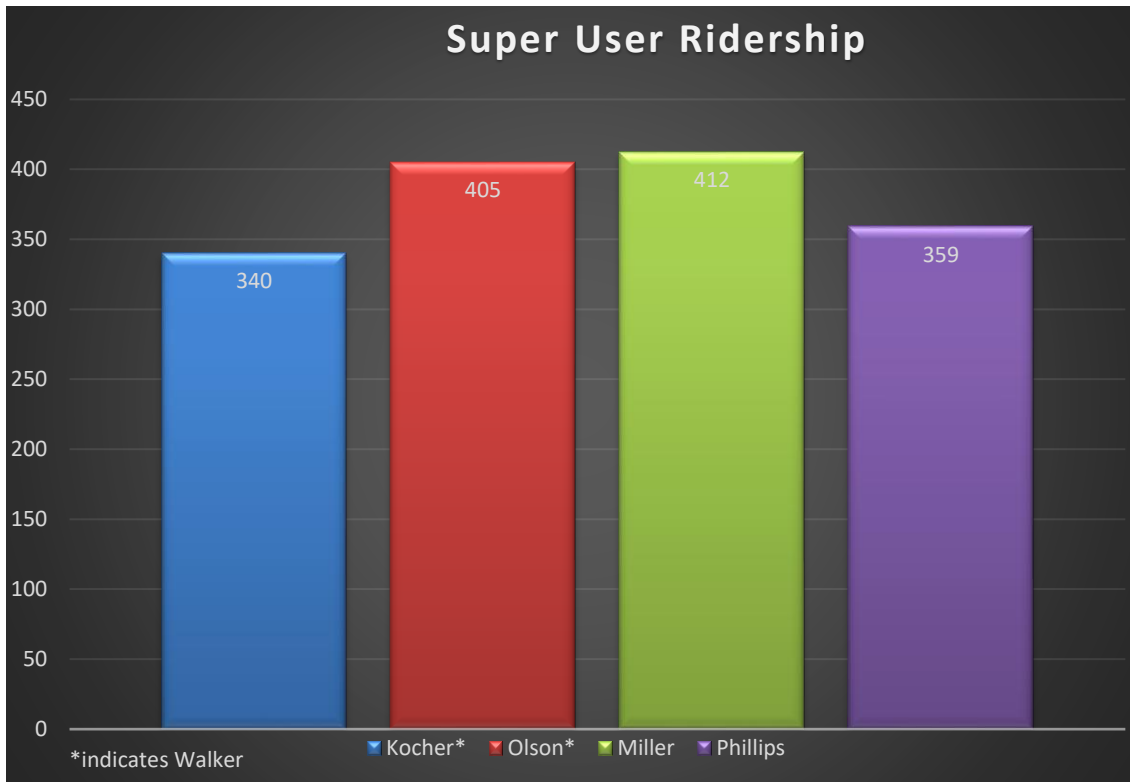
Complaints	2023	2022	% of Trips	% Change
Transdev Complaints	10	10	0.1%	0.0%

On-Time Performance

On-Time Compliance - Pick-up	80.00%	96.00%	-16.0%	-16.7%
On-Time Compliance - Drop-off	88.00%	91.00%	-3.0%	-3.3%

January 3, 2022 – April 30, 2023





Walker

# of Rides	Name	Address From	Address To
340	Destiny Kocher	Meijer Hub 2425 Walker Ave	2547 3 Mile rd.
405	Jason Olson	Meijer Hub 2425 Walker Ave	3100 Walkent Dr. NW

Kentwood

# of Rides	Name	Address From	Address To
412	Kris Miller	3301 28 th St. Se	4070 E Paris Ave Se
359	Chadd Phillips	3195 28 th St. Se	4380 52 nd St. Se



Interurban Transit Partnership

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514

Date: May 24, 2023

To: Board of Directors

From: Jason Prescott, Director, Paratransit, ADA and Mobility

Subject: Rapid Connect

OVERVIEW

Rapid Connect mobility on-demand program report from Thursday, April 27 through Wednesday, May 3. The intent of these reports is to be distributed weekly on Friday mornings. The reports will always cover a five-day service period.

HISTORICAL CONTEXT

The Rapid Connect service launched on January 3rd, 2022, in Walker and Kentwood to improve accessibility to public transportation within those two jurisdictions. The initial pilot (Jan-Mar) had a service operating on weekdays from 6 a.m. to 6 p.m. Presently the service operates until 10 p.m. on weekdays.

Sign-ups remain consistent from week to week. To date, 1,502 people have signed up to use this new service (1% more than the previous week).

All training and testing trips taken by operators or Rapid employees have been omitted from all calculations included in this report.

CURRENT RIDERSHIP

Between Thursday, April 27 and Wednesday, May 3 (five-day service period), there were a total of completed 205 trips. All 205 trips were scheduled on-demand through the app with 1 individual on subscription trips.



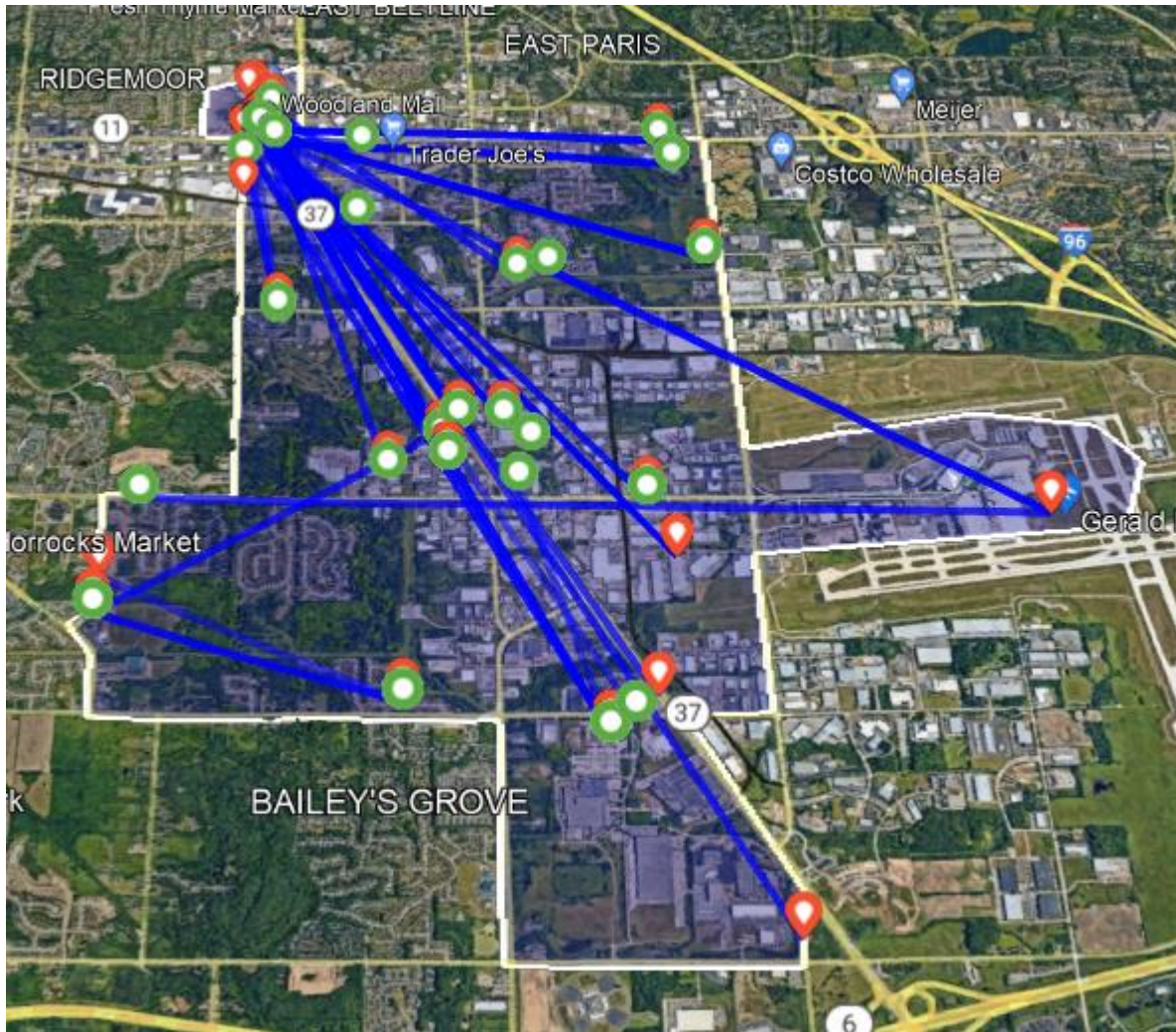
Interurban Transit Partnership

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514

There were 137 completed trips in Kentwood (67%), and 68 trips completed in Walker (33%). There were 37 individual riders in Kentwood and 14 in Walker that made up these trip counts for this week.

The average fare trip distance in Kentwood is 2.72 miles, and 2.99 miles in Walker. The fare trip distance is the distance between the pickup and drop off points and does not consider other stops on the route.

The earliest trip in Kentwood for this five-day service period had a reported arrival time of 5:56 a.m. The latest trip was completed at 9:43 p.m.

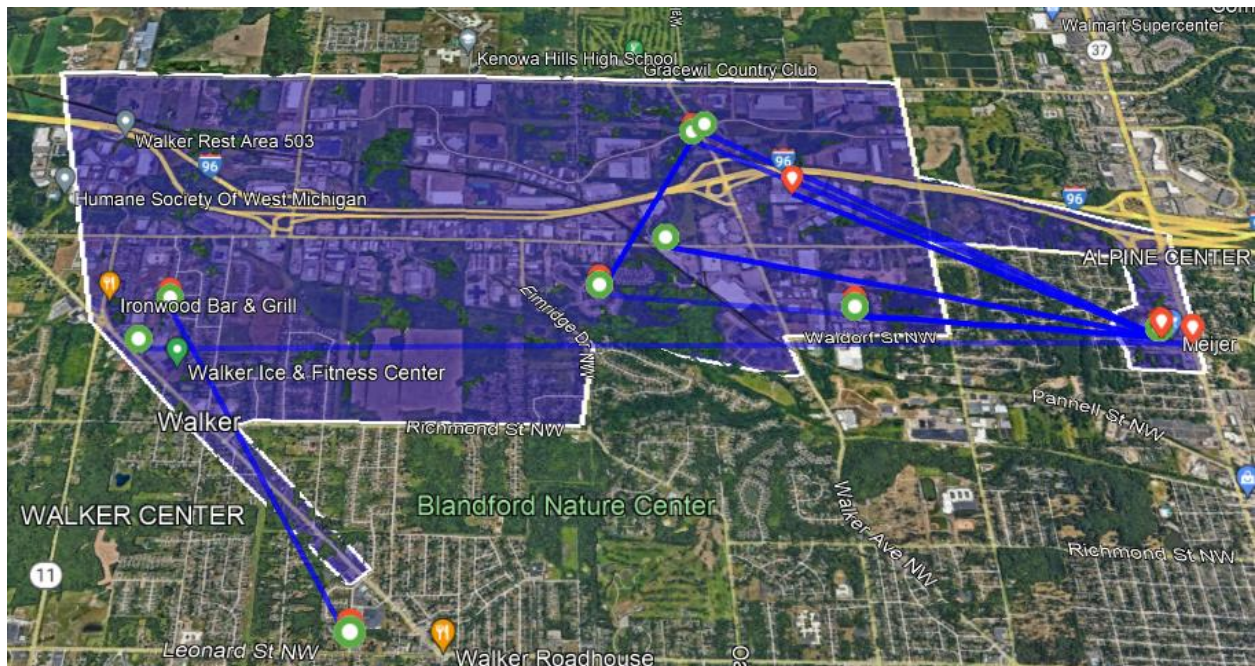




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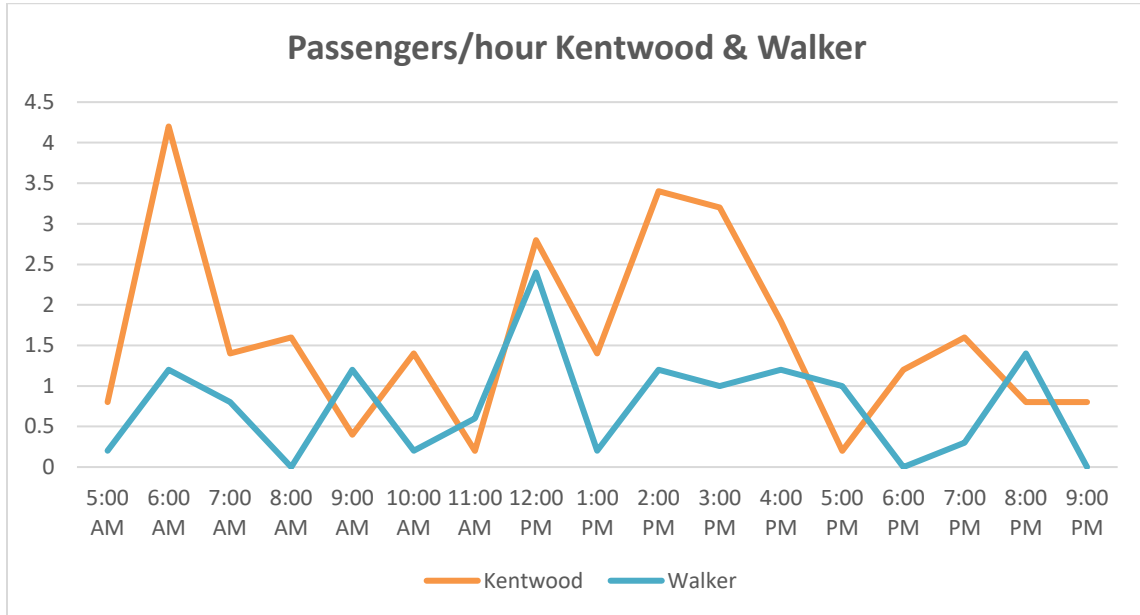
The earliest trip in Walker for this five-day service period had a reported arrival time of 5:51 a.m. The latest trip was completed at 8:30 p.m.





Interurban Transit Partnership

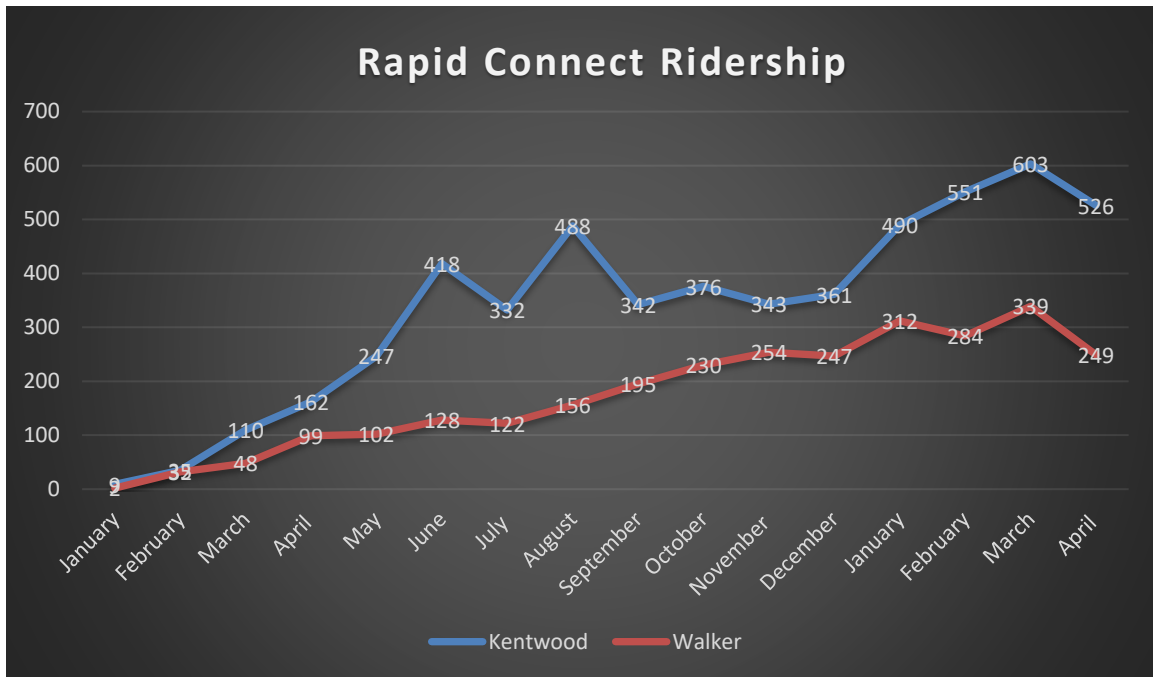
300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514





Interurban Transit Partnership

300 Ellsworth SW, Grand Rapids, Michigan 49503-4005 Ph 616 456 7514





Date: April 6, 2023
To: ITP Board
From: Maxwell Dillivan, AICP – Senior Planner
Subject: FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – March 2023

OVERVIEW

Systemwide performance largely continued as expected in March 2023. Total monthly fixed route ridership and productivity was up compared to the same month last year by a similar margin seen in previous months and trends observed in previous months have maintained.

BACKGROUND INFORMATION

Monthly Ridership

	Mar 2023	Mar 2022	% Change
Regular Fixed Route Service (<i>Routes 1–44 and SL</i>)	391,314	354,119	↑ 10.5%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	158,691	147,255	↑ 7.8%
Total Monthly Fixed Route Ridership	550,005	501,374	↑ 9.7%

Daily Average Ridership

	Mar 2023	Mar 2022	% Change
Weekday Total	21,801	20,153*	↑ 8.2%
Weekday Evening	2,873	2,431	↑ 18.2%
Saturday	8,049	6,824	↑ 17.9%
Sunday	4,096	3,176	↑ 29.0%

Productivity Summary

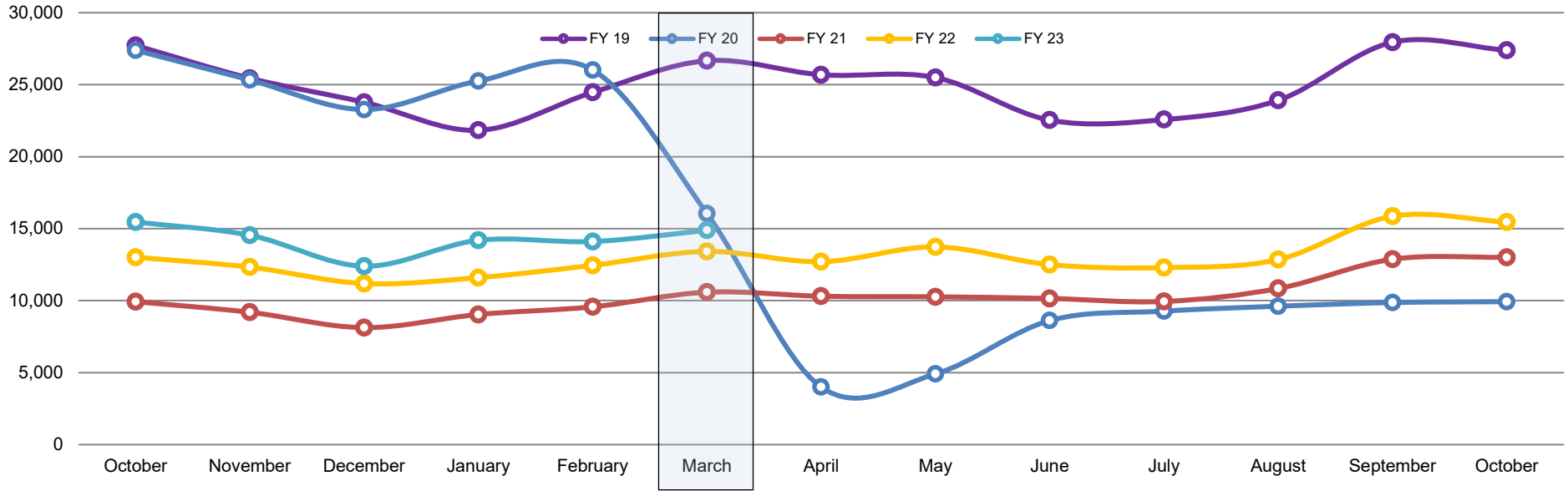
	Mar 2023	Mar 2022	% Change
Average passengers per hour per route	13.6	12.5	↑ 9.0%
Average passengers per mile per route	1.01	0.91	↑ 10.2%
Average farebox recovery percent per route	10.9%	11.6%	↓ 6.4%

Fiscal Year Ridership

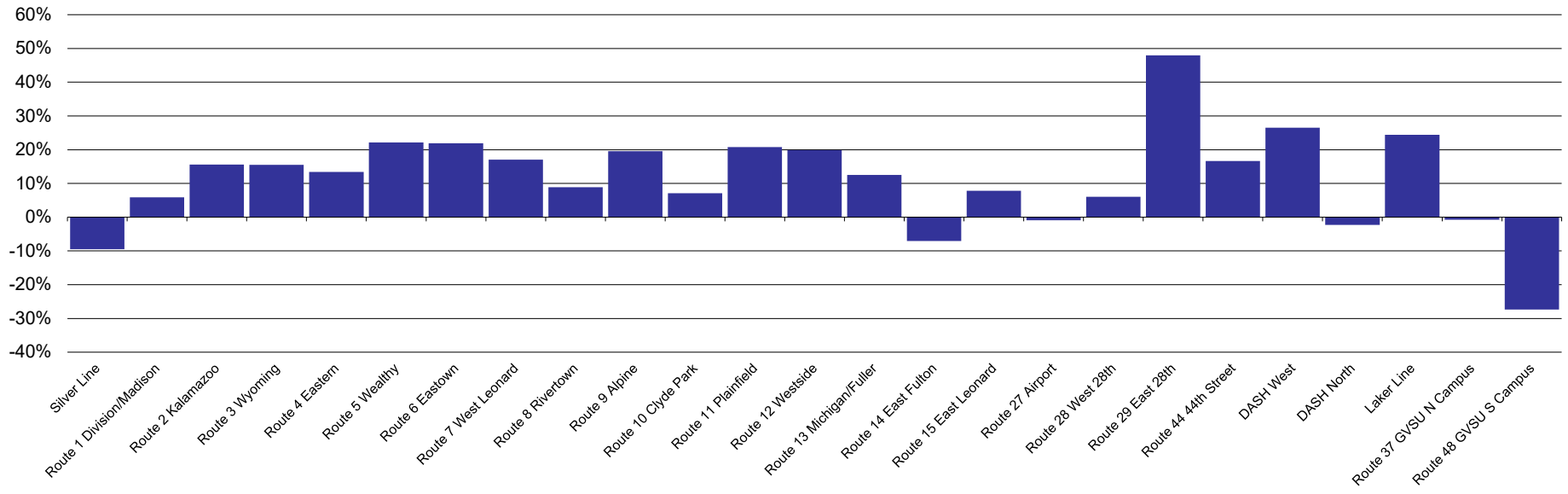
	FY 2023	FY 2022	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	2,142,487	1,842,333	↑ 16.3%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	957,127	865,158	↑ 10.6%
Total Fixed Route Ridership YTD	3,099,613	2,707,490	↑ 14.5%

* Daily Average Weekday Total ridership was originally reported as 20,060 in the March 2022 Fixed Route Ridership and Productivity Report. The discrepancy is caused by an error in a calculation formula which erroneously omitted a new Wave card fare class when generating the March 2022 report. The figure reported in the March 2023 report is considered to be most accurate.

Monthly Weekday Average Ridership History



Percent Change by Route: March 2023 compared to March 2022





Date: May 10, 2023
To: ITP Board
From: Maxwell Dillivan, AICP – Senior Planner
Subject: FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – April 2023

OVERVIEW

April 2023 ridership and productivity outperformed April 2022 by a similar margin seen in previous months, a strong performance given April 2023 having one fewer weekday compared to April 2022. Generally, trends across the system performed as anticipated. One notable exception was the recent escalation in Route 29's ridership, a 71% increase compared to last year. Silver Line also regained its top position as the system's best performing fixed route after a several month hiatus stemming from last year's implementation of on-board fare collection.

BACKGROUND INFORMATION

Monthly Ridership

	Apr 2023	Apr 2022	% Change
Regular Fixed Route Service (<i>Routes 1–44 and SL</i>)	355,426	316,367	↑ 12.3%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	155,234	138,401	↑ 12.2%
Total Monthly Fixed Route Ridership	510,660	454,768	↑ 12.3%

Daily Average Ridership

	Apr 2023	Apr 2022	% Change
Weekday Total	22,238	19,377*	↑ 14.8%
Weekday Evening	3,153	2,505	↑ 25.9%
Saturday	9,129	7,341	↑ 24.3%
Sunday	4,051	3,310	↑ 22.4%

Productivity Summary

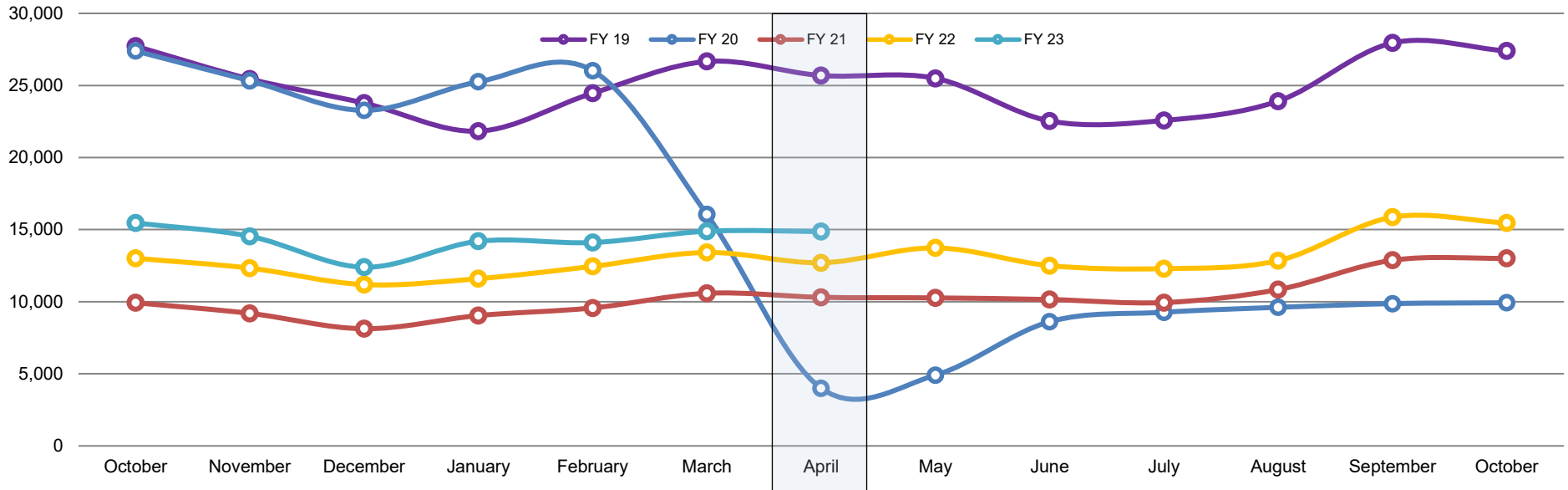
	Apr 2023	Apr 2022	% Change
Average passengers per hour per route	13.5	11.8	↑ 14.1%
Average passengers per mile per route	1.00	0.87	↑ 15.3%
Average farebox recovery percent per route	11.3%	11.8%	↓ 4.1%

* Daily Average Weekday Total ridership was originally reported as 19,277 in the April 2022 Fixed Route Ridership and Productivity Report. The discrepancy is caused by an error in a calculation formula which erroneously omitted a new Wave card fare class when generating the April 2022 report. The figure reported in the April 2023 report is considered to be most accurate.

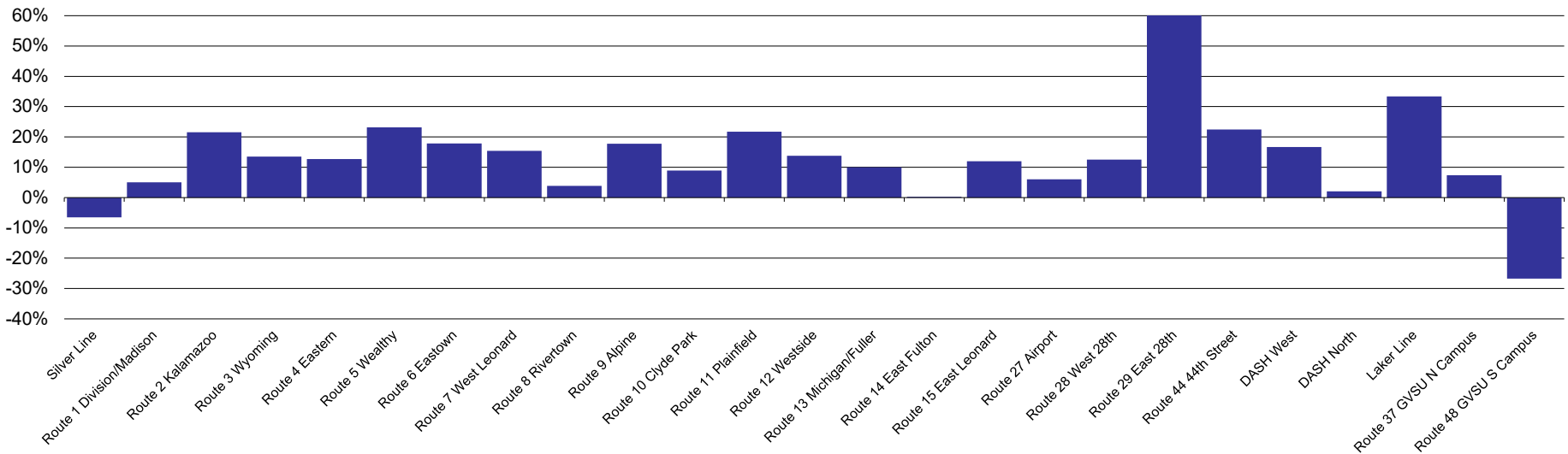
Fiscal Year Ridership

	FY 2023	FY 2022	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	2,497,913	2,158,700	↑ 15.7%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	1,112,361	1,003,558	↑ 10.8%
Total Fixed Route Ridership YTD	3,610,274	3,162,258	↑ 14.2%

Monthly Weekday Average Ridership History



Percent Change by Route: April 2023 compared to April 2022





Interurban Transit Partnership

Date: May 24, 2023
To: ITP Board
From: Linda Medina, Finance Manager
Subject: March 2023 Operating Statements and Professional Development and Travel Report

Attached are the financial reports through March 31, 2023 for general operating and grants. The Professional Development and Travel Report reflects March's activity.

FY 22/23 YTD Operating Statement Analysis

Total revenues are favorable by 1.3% before Federal operating assistance funding.

- Revenues continue to trend slightly higher than budgeted.
- All Federal Covid funding as been requested and received (ARP funding)
- \$1.3 million in operating expenses have been identified as eligible for 5307 funding through preventive maintenance.

Total expenses are 3.5% under budget after the use of 5307 preventive maintenance funding.

- Salaries and Wages continue to trend under budget as we continue to deal with reduced labor availability.
- Materials and supplies are trending favorably by 11.1%. The main driver is the net effect of the overall variances between actual versus budgeted fuel costs and consumption.
- Utilities, Insurance, and Miscellaneous are under budget by 14% due to actual insurance policy costs being lower than budgeted.

Please feel free to reach out to me directly at (616) 774-1149 or lmolina@ridetherapid.org with any additional questions regarding the attached financial reports.

The Rapid
Operating Statement
Year to Date as of March 31, 2023

	YTD as of March 31, 2023		Variance		Last Year	Current Year
	Budget	Actual	\$	%	FY 21/22* YTD Actual	FY 22/23** Annual Budget
Revenues and Operating Assistance						
Passenger Fares	\$ 2,002,665	\$ 2,056,864	\$ 54,199	2.7%	\$ 1,863,544	\$ 3,978,849
Sale of Transportation Services						
CMH Contribution	208,094	205,955	(2,139)	-1.0%	180,939	414,711
Dash Contract	728,238	823,041	94,803	13.0%	1,215,418	1,465,874
Grand Valley State University	1,879,278	1,814,658	(64,620)	-3.4%	1,964,943	3,113,764
Van Pool Transportation	-	(1,242)	(1,242)		22,792	-
Township Services	217,448	205,763	(11,685)	-5.4%	214,238	434,895
Other	256,566	249,824	(6,742)	-2.6%	139,869	485,491
Subtotal Sale of Transportation Services	3,289,624	3,297,999	8,375	0.3%	3,738,200	5,914,735
State Operating	7,618,696	7,272,443	(346,253)	-4.5%	6,851,161	15,448,739
Property Taxes	9,116,268	9,313,812	197,545	2.2%	9,152,709	18,232,535
Advertising & Miscellaneous	326,539	701,550	375,011	114.8%	263,401	682,340
Subtotal Revenues and Operating Assistance	22,353,792	22,642,668	288,876	1.3%	21,869,015	44,257,198
Grant Operating Revenue	4,282,469	8,321,661	4,039,192	94.3%	11,139,834	8,564,938
Total Revenues and Operating Assistance	\$ 26,636,261	\$ 30,964,329	\$ 4,328,068	16.2%	\$ 33,008,849	\$ 52,822,136
Expenses						
Salaries and Wages						
Administrative	\$ 3,097,557	\$ 2,790,684	\$ (306,873)	-9.9%	\$ 2,574,304	\$ 6,275,114
Operators	7,575,659	6,748,539	(827,119)	-10.9%	6,666,128	14,940,291
Maintenance	1,146,309	1,123,884	(22,425)	-2.0%	1,010,870	2,291,256
Subtotal Salaries and Wages	11,819,525	10,663,107	(1,156,418)	-9.8%	10,251,302	23,506,661
Benefits	4,858,451	4,665,956	(192,495)	-4.0%	4,419,508	9,965,287
Contractual Services	1,615,460	1,524,239	(91,221)	-5.6%	1,467,350	3,942,021
Materials and Supplies						
Fuel and Lubricants	1,746,190	1,497,603	(248,588)	-14.2%	1,033,105	3,421,740
Other	797,292	762,853	(34,439)	-4.3%	782,242	1,990,688
Subtotal Materials and Supplies	2,543,482	2,260,456	(283,026)	-11.1%	1,815,347	5,412,428
Utilities, Insurance, and Miscellaneous	3,255,770	2,801,314	(454,456)	-14.0%	2,446,374	5,684,786
Purchased Transportation	3,397,761	3,340,995	(56,765)	-1.7%	2,813,016	7,765,005
Expenses Before Capitalized Operating	27,490,448	25,256,067	(2,234,382)	-8.1%	23,212,898	56,276,188
Capitalized Operating Expenses	(1,687,276)	(351,717)	1,335,559	-79.2%	-	(3,454,052)
Total Operating Expenses	\$ 25,803,173	\$ 24,904,350	\$ (898,823)	-3.5%	\$ 23,212,898	\$ 52,822,136
Net Surplus/(Deficit) without CARES		\$ (2,261,682)			\$ 9,795,951	
Net Surplus/(Deficit) with CARES		\$ 6,059,979				

* Fiscal year is 10/1/2021 - 9/30/2022

Interurban Transit Partnership
Grant Revenues & Expenditures
Month Ended 03/31/23

	Adopted Budget	Amended Budget	Month To Date	Year To Date	Balance	Percent Target 50%
<u>Grant Revenue</u>						
1 Federal Grant Assistance	16,232,189	16,232,189	1,221,195	4,670,900	11,561,289	29%
2 State Grant Assistance	4,058,047	4,058,047	305,299	1,167,725	2,890,322	29%
3 Transfer In - Operating Budget	0	0	0	0	0	100%
4 Use of Restricted Net Assets	0	0	0	0	0	100%
5 Other Local	0	0	0	0	0	100%
6. Total Grant Revenue	20,290,236	20,290,236	1,526,494	5,838,625	14,451,611	29%
<u>Labor</u>						
7 Administrative Salaries	0	0	0	0	0	100%
8. Driver Wages	0	0	0	0	0	100%
9. Temporary Wages	0	0	0	0	0	100%
10. Fringe Benefit Distribution	0	0	0	0	0	100%
11 Total Labor	0	0	0	0	0	100%
<u>Material & Supplies</u>						
12 Tires & Tubes	322,000	322,000	26,052	126,932	195,068	39%
13 Office Supplies	0	0	0	0	0	100%
14. Printing	0	0	0	0	0	100%
15. Total Material & Supplies	322,000	322,000	26,052	126,932	195,068	39%
<u>Purchased Transportation</u>						
16. Purchased Transportation	1,200,000	1,200,000	100,000	600,000	600,000	50%
17. Specialized Services	0	0	129,694	129,694	129,694-	100%
18 Total Purchased Transportation	1,200,000	1,200,000	229,694	729,694	470,306	61%
<u>Other Expenses</u>						
19 Dues & Subscriptions	26,000	26,000	0	24,060	1,940	93%
20. Professional Development	0	0	0	0	0	100%
21. Miscellaneous	0	1,859	0	1,859	0	100%
22. Total Other Expenses	26,000	27,859	0	25,919	1,940	93%
<u>Leases</u>						
23. Office Lease	0	0	0	0	0	100%
24 Transit Center Lease	0	0	0	0	0	100%
25 Storage Space Lease	0	0	0	0	0	100%
26 Total Leases	0	0	0	0	0	100%
<u>Capital</u>						
27 Rolling Stock	4,320,079	4,320,079	102,983	484,358	3,835,721	11%
28 Facilities	3,617,625	3,617,625	52,850	1,417,344	2,200,281	39%
29. Equipment	675,298	875,298	341,595	1,504,451	629,153-	172%
30. Other	1,742,950	1,541,091	350,082	924,964	616,127	60%
31 Total Capital	10,355,952	10,354,093	847,510	4,331,117	6,022,976	42%
32. Planning Services	4,932,231	4,932,231	71,521	114,859	4,817,372	2%
33. Capitalized Operating	3,454,053	3,454,053	351,717	510,104	2,943,949	15%
34. Total Expenditures	20,290,236	20,290,236	1,526,494	5,838,625	14,451,611	29%

Professional Development and Travel Report
 All Employees
 March 2023

AMOUNT	PURPOSE	EMPLOYEE (s)	LOCATION
2,574.46	Vista Annual Conference	L. Medina, A. Prokopy, S. Brophy	Fort Worth, TX
297.40	Lenel Certification Access Control Training	M. Wieringa	Rochester, NY
4,023.85	APTA Legislative Conference	D. Prato and S. Schipper	Washington, DC
199.00	I-9 Training Webinar	M. Morrin	Grand Rapids, MI
150.00	How to Conduct Bullying Investigation Virtual Training	N. Groendal	Grand Rapids, MI
149.00	Behavioural Interview Virtual Training	J. Nguyen	Grand Rapids, MI
300.14	MPTA Annual Meeting Room	S. Schipper	Thompsonville, MI
566.40	FTA Annual Drug & Alcohol Conference	N. Groendal	San Diego, CA
778.25	Introduction to Transit Operations Planning training	J. Nguyen	Las Vegas, NV
<u>\$ 9,038.50</u>			



Interurban Transit Partnership

Present Performance & Service Committee Members

Charis Austin Tracie Coffman David Bilardello (Chair) Steven Gilbert Andy Guy

PRESENT PERFORMANCE AND SERVICE COMMITTEE MEETING MINUTES

Tuesday, March 21, 2023 – 4:00 p.m.

Rapid Central Station Conference Room (250 Cesar E Chavez Avenue, SW)

ATTENDANCE:

Committee Members Present:

David Bilardello, Charis Austin, Tracie Coffman

Committee Members Absent:

Steven Gilbert, Andy Guy

Staff Attendees:

Mike Wieringa, Andy Prokopy, Steve Schipper, Deron Kippen, Steve Luther, Steve Clapp, Linda Medina, Nancy Groendal, Deb Prato, Kris Heald, Max Dillivan, Kevin Wisselink, James Nguyen, Nick Monoyios, Jason Prescott

Other Attendees:

Cat Reveles

Mr. Bilardello called the meeting to order at 4:04 p.m.

1. PUBLIC COMMENT

No Public Comment

2. MINUTES – January 17, 2023

Chair Bilardello entertained a motion to approve January 17, 2023, meeting minutes. Ms. Austin motioned to approve, and Ms. Coffman supported it. The motion was approved unanimously.

3. DISCUSSION

a. Ridership Metrics

- 1) **Fixed Route Ridership for February 2023:** Mr. Dillivan reported that Fixed Route Ridership had an 11.2% systemwide increase compared to February 2022. It was a strong month overall considering we had some inclement weather during mid-month where we saw some weekday ridership drop off a bit.

MISSION: *To create, offer and continuously improve a flexible network of public transportation options and mobility solutions.*

Mr. Bilardello noted that he likes seeing the green in Mr. Dillivan's report.

- 2) **Paratransit:** Mr. Prescott updated the board with a few facts in the first 5 ½ months of working with Transdev.
- Transdev has operated at 73% On-Time Performance
 - Completed 81,893 trips, with 51 Operators. (70-75 Operators are considered full staff)
 - They average nearly three (3) call-offs per day.
 - They have 51 full-time operators, 12 part-time operators, and 11 trainees. They also have some operators from out of town to assist with transportation needs.
 - Both Ms. Prato and Mr. Schipper met with Transdev at their last conference, and we are holding them accountable for their buildup plans. The Rapid team meets with them weekly, and we are monitoring everything that is said and holding them accountable.

Mr. Prescott added that the two (2) greatest obstacles are hiring and retaining operators. There is a natural progression of people using Paratransit and we are seeing many applications coming in. We are paying close attention to who is applying and making sure we qualify them according to their needs.

Ms. Austin added that she was at the CAC meeting, and feels we are getting there but it is taking longer than we would all like. There is quite a shortage of drivers. She is excited to see that CAC members are asking questions.

Ms. Coffman asked what the past ridership is and why it is down.

Mr. Prescott replied past ridership is those rides that are outside of 1/3 of a mile. The reason for it being down is that those users have moved from the area and no longer use it.

Ms. Prato added that we have met with Laura Hendricks, who is the CEO of North America Transdev, and they are saying the same things they are nowhere we want to be, but we need to improve.

- 3) **On-Demand:** Mr. Prescott reported that we are approximately 1 ½ years into this service with 176 users. The split between Kentwood and Walker is 136 in Kentwood and 40 in Walker. We are seeing consistent numbers each week. In total, there have been 7021 completed trips and an average of just over 200 per week. We are exploring the next steps for this service. The app has not been very favorable.

Ms. Coffman asked if there have been conversations with Wheels to Work.

Mr. Prescott replied that we have looked at different services for this, but no conversations with Wheels to Work.

Ms. Coffman asked if there is an overlap in service.

Ms. Prato added that they are more of an early-morning solution.

- 4) **On-Time Performance:** Mr. Dillivan noted for February 2023 we are around 90.1% systemwide on-time performance which is nearly identical to January 2023. On-Time Performance is right where we like to see it. We also prepared a route-by-route analysis and all, but five (5) routes are operating at the 90% goal. We continue to look at the routes not performing, and it is hard to pinpoint what the delay is. It varies from day to day. New Route 33 we had some challenges with earliness. We are reviewing the data to make the necessary changes.

Mr. Bilardello asked if Silverline has the software to change the lights. Mr. Dillivan replied yes, that is the Transit Signal Priority (TSP) and it is designed to hold green lights when the bus is five (5) minutes or more behind schedule.

Ms. Prato confirmed TSP is working the way it is supposed to. The question now is dialing it in. We are also watching it closely for dwell time.

Mr. Dillivan noted that Silverline still has one detour near Heritage Hill. Mr. Bilardello asked if Route 1 was affected as well. Mr. Dillivan answered no. There are certain sections both routes share but it is not affected. Mr. Bilardello asked if we know if this is a similar problem with the life cycle of the two (2) routes. Mr. Dillivan said both have outperformed in the last five (5) years.

b. Employees

- 1) Job Fair and Recruiting: Ms. Groendal reported that we only hired nine (9) candidates since the January meeting. We are currently down three (3) technicians. We hired two (2) Admin employees and one (1) intern. We have a couple of hiring events coming up on April 1st, June 17th, and August 5th at Rapid Central Station, and then on May 17th will be a large career fair with several other employers out on the platform.
- 2) Employee Resource Group (ERG) Affinity: Ms. Groendal reported that on March 1 we introduced the program and had a first meeting. Thirteen (13) employees were interested, and we will be getting the Charters established soon.

c. Fleet and Facilities

- 1) Rapid Central Station Daycare Update

Mr. Schipper reported that we are talking with multi partners for a daycare hear at the station. A very excited group of people to talk about the possibilities. Since the first meeting, we now have a potential new partner with the YMCA.

Ms. Coffman added that the reason for the delay is the initial drawings will be shown to state licensing next week. There are several regulations. The YMCA is engaged however they are not fully committed at this point.

4. ADJOURNMENT

This meeting was adjourned at 4:38 p.m.

The next meeting is scheduled for May 16, 2023

Respectfully submitted,



Kris Heald, Board Secretary



Interurban Transit Partnership

Finance Committee Members

Steven Gilbert Mayor Stephen Kepley (Chair)
Mayor Gary Carey Mayor Katie Favale Mayor Steve Maas

FINANCE COMMITTEE MEETING MINUTES

Wednesday, April 26, 2023 – 3:00 p.m.

Rapid Central Station Conference Room (250 Cesar E Chavez Avenue, SW)

ATTENDANCE:

Committee Members Present:

Mayor Carey, Rick Baker, Steven Gilbert, Mayor Kepley

Committee Members Absent:

Mayor Favale, Mayor Maas

Staff Attendees:

Steve Schipper, Mike Wieringa, Nathan Bigelow, Linda Medina, Deb Prato, Peter Sillanpaa, Nancy Groendal, Kevin Wisselink, Nick Monoyios, Kris Heald, Deron Kippen, Jason Prescott

Other Attendees:

Justin Hagel, John Kleckner

Mayor Carey called the meeting to order at 3:04 p.m. Mayor Kepley was delayed due to traffic while returning from Lansing.

1. PUBLIC COMMENT

No Public Comment

2. MINUTES – February 21, 2023

Mayor Carey entertained a motion to approve the meeting minutes from February 21, 2023. Mr. Gilbert motioned to approve, and Mr. Baker supported it. The motion passed unanimously.

3. DISCUSSION

a. FY 23/24 Budget Guidelines

Ms. Medina started her report by noting that the budget process has started, and she will ask the Finance Committee to recommend these guidelines to the full Board at the meeting scheduled right after this meeting.

MISSION: *To create, offer and continuously improve a flexible network of public transportation options and mobility solutions.*

The Guidelines:

- 1) We will continue evaluating our service hours and frequency and close any gaps.
- 2) Admin and Union defined benefit plans are a priority. We will continue to make contributions that are either in the mid-range or the high-range depending on what the budget will allow.
- 3) We will use the Federal 5307 Funds for preventative maintenance as the Federal regulations will allow.
- 4) The contract Service Rate will be inclusive of all operating expenses. No changes for FY 23/24 budget.
- 5) State Operator Assistance will stay flat. The current rate is 29.15 (29%)
- 6) No Fare Increases in FY 23/24.
- 7) Millage Rate is 14.074 which includes a small Headlee. This item will be brought to the Board in May 2023.
- 8) Any salary structures will be adjusted based on labor market data.

Mayor Carey entertained a motion to adopt the presented Budget Guidelines and bring them to the full board for approval. Mr. Baker motioned to approve, and Mr. Gilbert supported it. The motion passed unanimously.

b. Financial Planning & Analysis

Ms. Medina highlighted key points in the February Operating Statement.

- Before Federal Assistance, we are 1.5% over budget. We have received \$8.3M in Federal Funding
- The last of the ARPA Funding will be requested in March, and we will have received \$26M.
- Expenses are trending 7.8% under budget in all categories.
- \$1.7M was used to fill the gaps between revenue and expenses.
- Operating expenses have been identified as eligible for the 5307 Preventative Maintenance Federal Funding.

Budget Guideline Timeline:

- Department Heads have reviewed their budgets and developed what is needed, and they are submitted to the Finance team.
- All Departments will present their budgets in a leadership meeting.
- The Board Budget Workshop is July 26, 2023, and then we anticipate the Budget will be adopted at the August Board meeting.

Large Spend Items:

- Diesel Fuel Price/gallon is \$3.74. Ms. Medina presented a chart showing we are purchasing and consuming less diesel. This is because much of the fleet is CNG. This initiative helps with our climate action plan as well.
- CNG Consumption is more than what we budgeted for because the fleet is 69% CNG. We budgeted \$1.00/gallon. However, there has been flexibility in the price, and the current average cost is \$.84/gallon. We anticipate the fuel bill will be under budget.

Mr. Gilbert wished to clarify that when we say diesel gallon equivalent that is just in terms of the amount of CNG that will travel at the same distance equivalent.

Ms. Medina replied yes, and there is a formula used to calculate the equation.

Mayor Carey asked about the actual vs budgeted year to date it is considerably over what we budgeted as opposed to the diesel that is trending under.

Ms. Prato replied the two cancel each other out.

Ms. Medina presented the winter roster showing there are 260 hours of built-in overtime in each of the 214 rosters for the winter pick. The fall roster was 213 rosters. There were 1799 hours that were un-scheduled and 821 that are un-picked. Compared to the Fall Roster the built-in overtime increased by 4% which is approximately 174 hours, the un-picked hours stayed at 29%, and the unscheduled reduced by 4% compared to the fall roster. There is an average of 2600-2800 hours per pay period in overtime.

Ms. Prato added that the reason this is important is that we want to know what the right number of operators is, and we are fine-tuning the right number of built-in overtime hours that you pick, and you have as a part of your work schedule vs calling un-picked overtime hours out through dispatch every morning. It is very hard to get someone to come in early. Ms. Prato feels a portion of overtime is smart overtime because, with our fringe load on top of a driver, there is 42% fringe on top of hourly wage. There is a right balance between the number of operators and the number of overtime, and we are doing better by having fewer people because we don't pay the fringe on all of them.

Mayor Carey asked if 42% is non-statutory fringes.

Ms. Prato confirmed that it is all the benefits i.e.: medical and health. We are challenging Mr. Asher Lockwood to tweak the numbers and build over time into the rosters.

Mayor Carey commented that 42% is a pleasant surprise and thought it would have been more.

Ms. Medina added that we used to be in the 50% range.

PL and PD Insurance:

Ms. Medina reviewed the status of the PL and PD Insurance.

She presented a chart containing premiums compared to incurred costs. As we moved from FY 19/20 and beyond our costs have been getting better year over year. Our total lost ratio for January 2023 is 55.05%.

Most of our claims have been bodily property damage and bodily injury. As we close claims our lost ratio decreases. The Rapid will be bringing two (2) Brokers to the Board for approval.

Mayor Carey confirmed that many of the incidents are far enough in the rearview that it will impact us dropping way down.

Ms. Medina replied yes, and there are no major claims this year.

Mayor Carey asked the committee to go back to a slide (regarding the winter roster report) for Mayor Kepley's benefit as he just arrived.

Mayor Kepley asked if funding from ARPA was talked about yet and how much of that money was spent and if the last of the funds have been requested yet.

Ms. Medina answered yes, and we did request the \$8.3M and in February she also requested the last of the funds for a total of \$26M to reimburse ourselves. The funds we have not spent, such as our Property Tax, we didn't have to use because we used the reimbursement from ARPA to fund what we needed.

Mayor Kepley confirmed that we have used ARPA funds correctly. He also asked what the balance is we could use for future expenses.

Ms. Medina replied that we have \$47M which is an unrestricted net reserve that we can use. To date, we have taken in \$60M and we have used approximately \$8M-\$10M to fill the gap.

Mayor Kepley confirmed that we have enough funding to get through the period of lower fares.

Ms. Prato replied, "Think about the three (3) tranches of covid relief money that we received." Each time we received a tranche we were not using for property taxes, we put it in the bank for this 'rainy day'. It is dependent on how long in terms of farebox recovery.

Ms. Prato circled back with Mayor Kepley on the Winter Roster report, as he has inquired about the right number of bus operators.

There is a right number of overtime where we pay a person plus their fringe and the overtime which is cheaper than putting on a whole new person at forty (40) hours and fringe. Mr. Asher Lockwood is working on writing new picks building in more overtime into something the operator would pick, and they know in advance they own it. We are trying to optimize picked hours, roster hours, and overtime hours. We are very concerned with Operator fatigue.

Mayor Kepley is concerned with sustainability in the long term. He is pleased that we have money in the bank, we are not in panic mode as we have some funds left, and he is hopeful that ridership will increase. The question is, if it does not recover then we need to right-size this and how do we right-size it? If things don't change, we must do something. When do we say things aren't working with the COA?

Ms. Prato replied there are some converging studies going on such as the Transit Master Plan (TMP): Six Cities, Contiguous Counties. Newaygo County has asked us to run service. But there are density issues as that is a long run, and where are people going? The TMP is doing all the analytics on where people go in their cars and where would the transit propensity be and how often. More will be revealed. Currently, we have a feasibility study ongoing with West Michigan Express and it will continually evolve.

Medical Insurance:

Ms. Medina continued her report on medical insurance expenses. Through January our premiums and our costs are close to each other. Our Net loss ratio is 89.2%.

Ms. Medina noted that the Board will be asked to review and approve a new benefits broker, HNI. HNI was selected for its strategic approach to claims management. It is also The Rapid's goal to improve the net loss ratio of 89.2% down to 80% to eventually go self-funded.

Mayor Kepley asked how many belly buttons are covered.

Ms. Medina advised she will find out and get back to the board with the number of covered individuals.

Ms. Prato teed up the next slide about the cost of operating. The Rapid has been operating the two (2) On-Demand zones (Walker/Kentwood) for approximately sixteen (16) months. We want to discuss how we are doing cost-wise. You are informed about how we are doing utilization-wise, and where people are going, but we haven't talked about cost. There is little to no cost recovery and there is no additional fare because most riders are transfers.

Rapid Connect Pilot:

Ms. Medina reported that we compared expenses and maintenance costs for both Rapid Connect and Line Haul.

Rapid Connect for a 16-month period is \$384,197.

Then we took revenue hours, revenue miles, and service miles and the total revenue hours is approximately 3,544 for a cost of just over \$108/revenue hour, \$9.85/revenue mile, and \$8.02/service mile.

Total ridership comes down to \$59.34 with approximately 6,475,000 in ridership.

Ms. Prato stated as we go into the TMP process, we are asking ourselves these questions; have we drawn the lines correctly; do we invest more money in another app that is more Uber/Lyft-like, do we draw the lines to be more expansive or do we contract them, do we redeploy to 32 hours a day we

are out with Rapid Connect to an overnight service model. We have two (2) vehicles out all day long for 16 hours, there are six (6) vehicles in total. Should we re-design some of our Routes? Route 33 is an outgrowth of Rapid Connect and ridership is increasing.

Walker ridership remains flat however we are moving some riders onto the fixed route.

Mayor Kepley agrees the cost per ride is expensive. What were we paying in overall cost when comparing the two? Was it more or less than \$384,000?

Ms. Prato says the change in Walker was the completion of Northridge Drive. These areas were identified in the COA, and we were optimizing our rolling stock to see how frequently it should be out and where it should be out. Those areas were identified as industrial and low residential and were not served well by fixed routes.

Ms. Prato added that this is the cost of doing business and how we show up in the community as an access company. There is labor scarcity throughout every industry, and we are connecting people to jobs. As part of our mission, is this the right thing on first mile/last mile? Or is there a different bigger first mile/last mile, or is it the overnight service?

Lastly, Ms. Prato addressed an item not on the agenda regarding our Security contractor. We have had two (2) Security Contractors in place recently and neither has been able to staff up and live up to the contract requirements. We had several issues in the afternoon with students from various schools. For the last two (2) months, the leadership team has been out on the platform, and we are all shocked at what goes on. One item I would like to consider is bringing Security in-house. The reason it is timely for this meeting is that it needs more set-up time. The contractor we currently have has a one-year contract with renewal options, and that ends May 20th. Our proposal is to use our own in-house resources and add additional positions. They would include part-timers, a security supervisor, and six (6) more full-time positions. Currently, Woodland Mall is not coveredat all. As you are aware, with a Contractor, you have no control over hiring. We are throwing a lot of money out every day and we feel we can do this better. I am proposing we set this up as a bifurcated title where you would work some Fare Enforcement and some Security. We do have the budget to do it within this year and we would not exceed our current budget. The plan would come in approximately \$40,000 over but we would have a full staff. Overall, it would be a win-win for our customers and our team.

Mayor Kepley confirmed, for a \$40,000 premium this would make a huge change in the safety and the performance of the area. He thinks this is great and supports this idea!

Ms. Prato asked how she should move forward with this. There is a May 20th date coming up with the contractor and there is no language in the contract where we need to give notice.

Mr. Baker asked about the quality of the market and whether we would be able to hire for these positions.

Ms. Prato replied we would be transitioning some of our current employees and there would be a compensation increase. We talked about whether we would be competitive with other companies going in-house and we feel we would be highly competitive, especially with our benefits package.

Mr. Gilbert asked how long it would take to stand this up.

Mr. Wieringa answered approximately sixty (60) days.

More to come.

4. ADJOURNMENT

This meeting was adjourned at 3.53 p.m.

The next meeting is scheduled for June 14, 2023

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Kris Heald".

Kris Heald, Board Secretary