

## KALAMAZOO TRANSIT AUTHORITY BOARD MEETING

Minutes of May 9, 2014

Members Present:	Chair Garrylee McCormick Vice Chair Jeremy Orr JJ Meddaugh Lynn North
Excused Members:	E. Allen Hayes Zach Lassiter
Unexcused Members:	Andy Havice
City Commission Liaison Present:	Jack Urban, City Commission
Staff Members Present:	Sean McBride, Transportation Director Joan Melekian, Admin Office Specialist
Others Present:	Leona Carter, Travel Trainer Disability Network Kathy Schultz – KATS

Chair Garrylee McCormick called the meeting of the Transit Authority Board of Directors to order at 8:23 a.m.

### **Introductions**

Introductions made by the Board as well as Sean McBride, Jack Urban, Joan Melekian, Kathy Schultz and Leona Carter.

### **Changes and Additions to the Agenda**

None

### **Public Comments on Non-Agenda Items**

None

### **Issues / Items for City Manager / City Commission**

Sean McBride stated that recently a few items have been approved by the City Commission one being the purchase of four (4) new Metro County Connect Vans and two (2) expansion Community Service Vans. Also have a parts contract that was approved with Cummins for replacement bus parts. Sean went on to state that Chairperson McCormick (TAB) and Chairperson Teeter (KCTA) and himself went before the City Commission and provided an update on regionalization activities at their last meeting.

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**Action Items:**

a. Meeting minutes of February 28, 2014 – Motion made by JJ Meddaugh to accept the minutes as presented, supported by Jeremy Orr. Motion carried.

b. Income and Expense Statement for February and March 2014 – Sean McBride pointed out information on the March report indicating that we were actively working to better manage our overtime expense noting that several drivers are out on medical or workers comp leave at the time. We are operating with the minimum staffing where 28 drivers are needed at any given time to provide our services thus making it necessary to utilize our pool of part time drivers or going into overtime to fulfill the operating needs. Although the overtime budget is significantly over where it should be this year, it is something we are trying to manage with better management of our driver pool.

From the revenue perspective, namely the federal side, we are currently at the status quo from last year and noting the same from the state side. Sean stated he would revisit this topic later in the meeting under discussion items; state funding update.

Chairperson McCormick asked for a motion to approve on the I & E Statements for February and March 2014. Motion made by Jeremy Orr, supported by JJ Meddaugh. Motion carried.

c. Ridership Report for February and March 2014 – Sean pointed out that ridership was up in March which brings us back on target for being slightly ahead of last year's numbers sighting decreased ridership in January and February due to harsh weather conditions. Also pleased to be seeing similar increases for our April numbers. Due to route changes, there has been some loss in ridership from the Portage area, which is to be expected as new routes and connection points are being learned. Community Service Van Program ridership has doubled from last year's numbers. In addition 2 new service vans will be added later this month, the expectation is that this growth trend will continue over the coming months. Sean also commented that Program Manager Missy Coulson is doing an excellent job with managing this growing program.

Ridership Reports will now contain additional graphs in the future (as in this current report) to better provide an overall tracking perspective. These graphs will include bike usage, wheel chair lift use, WMU ridership, etc. for each of our service areas.

Some discussion took place about added data comparing pre-route changes to current data perhaps using a comprehensive operational analysis from 2011. Sean will look into perhaps adding some of this historical data as staff time permits.

Motion made by Jeremy Orr to accept the February and March 2014 Ridership Report as presented, supported by JJ Meddaugh. Motion carried.

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d. 2014 Service Agreement with the City of Kalamazoo – Sean commented that this is a Service Agreement which has been in place for several years and states that the Kalamazoo County Transportation Authority (KCTA) contracts with the City of Kalamazoo to provide transit services which includes Metro County Connect and fixed route bus service outside of the City of Kalamazoo for the calendar year 2014. The KCTA raises approximately \$3.1 million dollars in millage revenue each year which will be transferred over to the system for providing public transit services, about a 2.5% increase from last year with no other real changes to the agreement. The delayed approval of this agreement is due to waiting for the auditing process from 2013 to be completed. This audit information forms the basis for any fee changes.

Board member Jeremy Orr questioned the increase for Apple Bus Company at which time Sean McBride answered that we had a 3 year contract with a two year extension with Apple Bus Company sighting an increase built into the contract to incorporate normal cost of living, etc. increases over the past years.

Motion to approve the 2014 Service Agreement with the City of Kalamazoo was made by Jeremy Orr, supported by JJ Meddaugh. Motion carried.

e. KATS Third Party Agreement for Continuing Service – Sean explained that this is an annual agreement that we have with Kalamazoo Area Transportation Study (KATS) providing staff time for a variety of responsibilities which include but are not limited to planning, overall regional transit system, planning, community outreach, etc. then KATS uses these hours to fulfill matching requirements to the federal government. We are responsible for monthly timesheets from various staff to provide an account of the time spent on these activities. This year's first quarter shows an increase of 133% over last year. Motion to approve the KATS Third Party Agreement for Continuing Service made by JJ Meddaugh, supported by Jeremy Orr. Motion carried.

f. FY2015 MDOT Operating and Capital Grant Application – This item was approved at the last TAB meeting in February but some adjustments have been made to the Capital Grant Application to the State. Some additional capital planning was conducted in the past few weeks and the main issue for changes to this application is the expending of some funds before lapsing into federal monies if not done so within the allocated time frame. Another issue is the timeline for purchasing new buses (35 – 40 foot) with an approximate 2 year lag time between procurement, ordering and receipt of these buses. The amendments to this plan have been submitted to the state and work with KATS is underway for updating the Transportation Improvement Plan to reflect these changes. These monies have already been allocated by the FTA and the State automatically allocates the funds once the plan is in place with a 20% match on capital projects. Sean McBride also noted that our hybrid bus fleet (approximately 1/3 of our total fleet) is now at the age where replacement batteries are necessary. These batteries come at a cost of approximately \$50,000 for each replacement. There is also an addition of \$50,000 for bus shelters to be placed in the community at key locations. Motion to approve the amended FY2015 MDOT Operating and Capital Grant Application made by JJ Meddaugh, supported by Jeremy Orr. Motion carried.

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**Discussion Items:**

a. **State Funding Update** – Sean commented that there is a proposal working its way through the house and the senate regarding discussions on funding our road repairs; namely potholes. Currently, the proposal is approximately 500 million dollars allotted for road repairs and the issue the public transit community has is that the proposal from the House Speaker bypasses the Comprehensive Transportation Fund and goes right into road repairs. The division of the funding is 90% to road repairs and 10% to public transit and rail services. This proposal would bypass the 10% to public transit and rail and dedicating those monies to road repairs. Although funding the roads would make sense, bypassing the 30+ year funneling formula could potentially open the gate for further degradation to public transit funding. Lobbyists with the Michigan Public Transportation Association are working directly with the Governor's office for a solution. Sean mentioned a letter drafted by the Michigan Environmental Council that could be used to send to our legislative delegation – also supported by the Friends of Transit – and encouraged the board to sign and send to the legislators as a means of putting our voices on the record. \*Motion made by JJ Meddaugh to support this request, supported by Jeremy Orr. Motion carried. \* (This was a discussion item and not an action item, motion still made).

b. **Diesel Fuel Update** – Sean reported diesel fuel prices were very high in January and February due to distribution issues but are now back down to a more manageable and reasonable level. These price increases are being offset by having a larger hybrid electric bus fleet which uses less diesel fuel and the gas prices are coming back down. A brief discussion was held in regards to the cost effectiveness of hybrid buses versus diesel fuel buses and although environmentally much cleaner. There is no savings to offset the initial cost of the conversion to hybrid. The cost difference between the two buses is \$600,000 for a hybrid and \$400,000 for a diesel bus. With a life expectancy of a hybrid being approximately 14 years, that would theoretically mean \$100,000 dollars in battery replacement every 2 years (totaling \$7,000 for the life of the hybrid bus in batteries alone) which is not offset by the savings in gas. Future discussions regarding the purchase of more hybrids vs. diesel fueled buses will be scheduled as alternate funding becomes clearer.

c. **Triennial Review** – Every 3 years the FTA conducts an operational audit (Triennial Review) analyzing various components of Metro Transit department. Two deadlines were given for providing information to the FTA prior to a 2 day site visit scheduled for September 2014 to review these findings. One of the major changes occurring since our last review is the increase in our urban area from under 200 thousand to over 200 thousand population which places us in a different category for FTA funding and requirements. One of the goals for this review is to ensure we are in compliance with these new requirements to best serve the larger urban populous.

d. **Route Changes** – Route 4 and route 26 in Portage have maintained ridership since the changes went into effect. Route 27 is slightly down, possibly due to the elimination of service to Meijer and Wal-Mart. There are more residential riders coming into the transit system itself but not delivering them to these major drops off points. Overall there has been mostly positive feedback and few complaints with these newly implemented changes.

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Sean thanked Disability Network and their Travel Trainers for their hard work in educating the community to smoothly transition into these new route changes. At this time Leona Carter addressed the Board and remarked on the appreciation for the 4 additional Metro County Connect vans. They have been working with senior clients from the Oakwood Neighborhood Association to better utilize MCC as well as the coordinated fixed route process servicing the Young Adult Program (ages 18 – 26) at KRESA on Croydon.

e. **KTC Retail Space** – Sean McBride stated there was slow progress on this front as other priorities have superseded this endeavor. He did note however that our Procurement Manager is working on updating the lease agreement with attorney approval and procuring a leasing agent.

f. **Public Safety Update** – Sean explained that in the monthly TAB packets there will now be a monthly report from our Public Safety liaisons on their activities on site. There are currently two officers assigned full time who are stationed at the KTC and surrounding area in twelve hour shifts, five days a week.

g. **Outreach** – Sean commented there were three public events that Metro Transit participated in over the last few months including hosting a booth with the assistance of Friends of Transit at the Kalamazoo County Mental Health Festival at the fairgrounds with approximately 3,000+ participants in attendance. Also attending the Portage Green-A-Thon, with the assistance of Friends of Transit, and displaying one of our hybrid electric buses. This Saturday (May 10) we will be attending the 3<sup>rd</sup> Annual Touch-A-Truck fundraiser sponsored by the Junior League of Kalamazoo.

h. **Regionalization** – Sean recapped that much effort has been focused on transferring from the city system to the countywide system with a completion date of October 1, 2015. Two key elements are as follows: 1) Creating the new Transit Authority – focusing on the urban area and dissolving the millage created by this board and creating a new one to cover the expanded urban area. 2) Working on the transfer agreement – transferring the assets, liabilities, property, etc. from the City organization to the KCTA organization. Staff attorneys, accountants and City Manager’s office are currently looking at this process. In creating the new transit authority the key elements are determining the boundaries of this new transit authority. After several meetings with various jurisdictions, and after consideration by the County Board of Commissioners in late June or early July, it appears the boundaries will include all of the City of Kalamazoo, all of the City of Portage, all of the Kalamazoo Township and the City of Parchment. Further discussions will take place next week with the cities of Oshtemo and Comstock with the likelihood that they will not be completely in but possibly half and half. The other issue is Texas Township which includes the one precinct representing KVCC – the original thought being that they would not want to participate but after a positive meeting with them earlier this week they seemed inclined to at least consider their inclusion in the new transit authority. Sean also mentioned that Pavilion Township was also positively considering their inclusion and would have more information after his meeting with Pat White in the coming weeks.

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Some discussion took place in regards to the upcoming millage in May 2015 and if that will include expanded service area, days or hours. Sean McBride offered the following tentative timeline for the Board's consideration;

- May 2014 – working with individual jurisdictions regarding their inclusion
- Late June 2014 / Early July 2014 - recommendation from the KCTA and the Transitional Leadership Team to be presented to the County Board of Commissioners
- After the County Board of Commissioners meeting an 11 member board for the new transit authority will be appointed
- The new Transit Authority Board will meet for the first time in August or September 2014 with their first action will be to send out notice to all the jurisdictions confirming their inclusion in the new Authority or provide 30 day window to opt out of this endeavor
- January 2015 – discussions will begin in regard to the millage structure and approve a millage election question in February 2015
- May 2015 – millage presented to voters for consideration

This new Board would consider this millage as their responsibility with the combined efforts and coordination of all three boards (KTAB, KCTA and new Authority Board). Although the KTAB could eventually be dissolved, the KCTA Board will remain in place with a county-wide millage to fund Metro County Connect (MCC). The goal being a merge or “overlapping” of board members from each of the two boards to consolidate governance leadership.

Additional discussion took place in regards to the 0.6 millage amount being sufficient enough to cover these additional jurisdictions and if raising that amount would better suit the future needs of public transit in the urbanized area and specifically what that increased amount would provide to the voting community. Some consideration was made in reference to increased service level with the idea that some minimal Sunday service or increased hours of operation be made available in addition to potential routing changes either geographically or time via time schedules.

Sean also noted that we were currently working with KATS (Kalamazoo Area Transportation Study) to put some additional funding into our regional planning budget to do a mid-term review of our comprehensive operational analysis in regards to routing to improve efficiencies and service to our existing system.

#### **Information Items:**

Sean McBride stated that the board was provided with an Information Summary Report outlining wheel chair lift/ramp incidents as well as WMU Ridership Report and Demand/Response monthly summary reports. Sean also noted that the Apple Bus Contract was a 3 year contract with a two year extension with the maximum length being 5 years which expires November 1, 2014. It is a federal requirement that we bid this service out so we are currently working on a request for proposals.

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**Miscellaneous Comments made by the Board:**

Board member JJ Meddaugh inquired about a passenger incident on a bus involving a passengers arm being caught in the door and if our insurance covered that occurrence. Sean stated that we have a combination of insurances and this claim would be paid through the Michigan Municipal League policy once our deductible is met.

Chairperson Garrylee McCormick wanted to welcome new Board Members Lynn North and Zachary Lassiter.

**Public Comments:**

Kathy Schultz of Kalamazoo Area Transportation Study commented that they met with their consultants earlier in the week Cambridge Systematics who will be working on the Travel Demand model for 2045 Transportation Plan. The plan will be adopted summer / fall 2015 which includes an overview of road improvement projects as well as transit projects (non-motorized), socio-economic issues, traffic counts, etc. Being a Transportation Management Area the Michigan Department of Transportation no longer manages their model, meaning that model has to be brought in house with KATS staff which does not currently have a modeler on staff they have contracted with Cambridge Systematics to cover this area. A kick off meeting was held on Thursday, May 8<sup>th</sup> and she provided Sean McBride with data items such as transit components for the long range model plan. The consultants should have the plan completed by January 2015.

Disability Network – Travel Trainer Leona Carter wanted to voice her support in favor of the increase in millage rate, if needed, for the support of the working community and specifically for those in need of Sunday transit services.

**Adjournment** - TAB meeting was adjourned by Chair Garrylee McCormick at 9:25 a.m.

Minutes transcribed and presented by Joan M. Melekian

Reviewed and approved by:

  
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Sean McBride  
Transportation Director  
Metro Transit

6/27/14  
\_\_\_\_\_  
Date