

**MICHIGAN PUBLIC TRANSIT ASSOCIATION
BOARD OF DIRECTORS MEETING
THURSDAY APRIL 8, 2010
MPTA OFFICES
EAST LANSING, MICHIGAN**

Board Members Present:

Debbie Alexander, CATA, Vice President
Bob Foy, MTA via phone (for Ed Benning, MTA Flint)
Larry Alpert, SATA
Richard Collins, Ludington
Rochelle Cotey, ALTRAN (via phone)
Maureen Daugherty, Roscommon (via phone)
Dawn Gabay, AATA (via phone)
Jennifer Kalczuk, The Rapid
Chuck Moser, EUPTA (via phone)
Bill Schomisch, Kalamazoo
Carol Wegher, Lapeer (via phone)
Richard Werner, Battle Creek
Lovevett Williams, DDOT
Ed Bergeron, Bergeron Marketing
Sylvester Payne, STARS, President
Jim Fetzer, SMART
Clark Harder, MPTA
Bill Zaagman, GCSI
Joe DeKoning, MPTA

Board Members Absent:

Others Present:

1.0 Call To Order

Vice President Debbie Alexander called the meeting to order at 10:04 am. The following proxy was noted: Bob Foy for Ed Benning.

2.0 Approval of Agenda

The following item was added to item 6.1, approval of new associate member Azure Dynamics.

Dick Collins moved approval of the amended agenda, supported by Bill Schomisch. Motion passed unanimously.

3.0 Approval of Minutes

Bill Schomisch moved approval of the March board minutes, supported by Carol Wegher. Motion passed unanimously.

4.0 Treasurer's Report

4.1 March Income Statement and Balance Sheet

Cindy Zolkowski reported net income through March 31, 2010 of \$170,419 and Retained earnings of \$286,837.

Dick Collins moved approval of the March Income Statement and Balance Sheet, supported by Bill Schomisch. Motion passed unanimously.

5.0 Action Items

5.1 Executive Committee to research free MPTA membership for 5310 and non-affiliated properties

The committee has not acted on this item yet.

5.2 Legislative Committee to review House Joint resolutions HH and OO

The committee has not acted on this item yet.

5.3 Administrative Committee to amend Fixed Asset Policy

The committee amended the Fixed Asset Policy to include method of depreciation, useful life guidelines, and capital threshold, per our auditor's recommendation. Changes include identifying the minimum dollar amount for depreciation of \$1500 and that depreciation will be recorded in accordance with Generally Accepted Accounting Principles. Below is the amended policy:

This Fixed Asset Policy shall set out the procedures and policies of the Michigan Public Transit Association's fixed asset system. The intent of this Fixed Asset Policy is to obtain accountability over the assets, provide centralized documentation for insurance, financial, and general asset management needs.

1. Delegation of Authority.

A. *The Executive Director of the Michigan Public Transit Association or any other MPTA member or administrative officer designated by the Board shall be responsible and accountable for the monitoring of the fixed assets, including all land, buildings, machinery and equipment of the Michigan Public Transit Association, and shall be responsible for achieving the objectives stated in this policy.*

2. Capital Threshold

A. *On January 11, 2007, the Board established a capitalization threshold of \$1500. Any acquisition of land, building, machinery or equipment that is purchased for more than \$1500 shall be accounted for as a capital asset.*

3. Method of Depreciation

A. *All capital assets will be depreciated using the Straight Line Method of Depreciation.*

4. Useful Life

A. *Determination of the useful life of an asset shall be determined on a case by case basis under the guidance of Generally Accepted Accounting Principles and with the approval of the Executive Director or any other MPTA member or administrative officer designated by the Board.*

5. Responsibilities.

A. *The Executive Director of the Michigan Public Transit Association or any other MPTA member or administrative officer designated by the Board shall submit a fixed asset report annually which shall include:*

- 1. An inventory of all fixed assets;*
- 2. A listing of all acquisition, disposals or modification of assets within that year's period;*
- 3. A listing of all lost or stolen assets within that year's period;*
- 4. A listing of all donated assets within that year's period;*
- 5. And any other information required by the Board.*

B. *This fixed asset report shall be reviewed annually by the accountants and the Board of the Michigan Public Transit Association.*

Larry Alpert moved to accept The Administrative Committee's recommendation, supported by Dick Collins. Motion passed unanimously.

5.4 Nominating Committee Recommendation for open board seat

Nominating Committee Chairperson, Dawn Gabay, reported that the committee, which also includes Bill Schomisch and Dick Collins, met on Monday to review the nominees interested in filling the board vacancy.

Three individuals applied. The committee considered several factors such as nominees' activity in the association and maintaining a board fairly representative of urban, small urban and rural agencies. The Nominating Committee unanimously recommended Rich Werner, Battle Creek, to serve the remainder of Jerry Hutchison's term.

Dawn stated that the recommendation is only for the board seat, and not the Treasurer's position.

Larry Alpert moved to accept the Nominating Committee's recommendation, supported by Bill Schomisch. Motion passed unanimously.

Rich Werner was welcomed to the board.

Vice President Alexander asked that any board member interested in serving as Secretary/Treasurer should express their interest in writing to Clark. The board will vote to select a Secretary/Treasurer at the May board meeting.

5.5 Clark to survey members regarding ridership information

Clark reported that he is working on the ridership survey and members will soon receive an email with a link to the survey. Clark noted that the Maintenance Committee is also conducting a survey.

Board members asked if MPTA has a survey of industry salaries. Clark stated that he will be conducting another broad-ranged survey that will include salaries.

Vice President Alexander stated that APTA provides this information to its members and perhaps CTAA does the same. Rochelle offered to check on this.

6.0 New Business

6.1 Approval of new Associate Member: All Type Truck & Trailer Repair & Azure Dynamic

Dick Collins moved to approve All Type Truck & Trailer Repair and Azure Dynamic as Associate Members, supported by Jennifer Kalczuk. Motion passed unanimously.

7.0 Governmental Consultant Services Inc. Report

Below is Bill Zaagman's report:

*With elections looming, the budgets have been moving at breakneck speed compared to the slow pace of the last couple of years. Both chambers passed a number of first-house budgets before adjourning for a two-week spring recess. However, efforts in the House to pass **House Bill 5889**—the Transportation budget—failed as tensions flared over amendments dealing with the DRIC, the federal match requirements and gas tax politics.*

As reported by the House Appropriations Committee (along party lines), the budget remains essentially unchanged from the Governor's executive recommendation with the following exceptions of interest to MPTA:

- *The House substitute does not recognize economic or cost allocation increases for Interdepartmental grants for collection, enforcement, and other state agency support service.*
- *The House substitute adds § 399 which is a \$100 "placeholder" appropriation from the TEDF for the start-up of a regional transit authority created under House Bill 5731.*
- *At MPTA's request, the House substitute restores § 722 which requires that sufficient funds be used as a match for job access reverse commute grants to local transit agencies.*
- *The House substitute restores § 734 which requires MDOT to continue to work with local transit agencies to be sure they meet certain performance measures.*
- *At MPTA's request, the House substitute restores § 740 which requires the Department to report on the encumbered and unencumbered balances of the CTF by March 1 of each year.*
- *In an interesting move, the House substitute also adds various supplemental appropriations totaling \$620 million (\$400 million from federal revenue) contingent upon enacting House Bills 5768 and 5769, which*

increase gasoline and diesel motor fuel taxes. If these bills are enacted, the House proposes to make the following supplemental appropriations:

- \$22 million to the Comprehensive Transportation Fund;
- \$78 million to the State Trunkline Fund;
- \$78 million to county road commissions;
- \$44 million to cities, villages, and townships;
- \$400 million in federal revenue for the State Trunkline Federal Aid and Road and Bridge Construction Program;

The House Intergovernmental and Regional Affairs Committee chaired by Rep. Marie Donigan (D-Royal Oak) continues to hold hearings on a series of bills (**House Bills 5731-5733**) introduced to create a regional transportation authority in the southeast Michigan counties of Wayne, Oakland, Macomb, Monroe and Washtenaw and any other local governments or consortiums. The Senate has introduced similar bills, but no hearings have yet to occur.

A 12-bill bi-partisan, bi-cameral package of legislation was introduced prior to the Spring Recess. The bills amend various Acts to include "transit-oriented development" and "transit-oriented facilities" in the list of purposes for which tax capture and bonding Authorities may expend funds. **House Bills 5977-5979, House Bills 5988-5989 and House Bill 5998** amend the following acts: the Historical Neighborhood Tax Increment Finance Act; the "Intermunicipality" studies Act; the Hospital Finance Authority Act; the Transportation Economic Development Fund Act; the Local Development Financing Act; and, the Economic Development Corporations Act. The Senate Bills, **SBs 1233-1238**, amend the Brownfield Redevelopment Authority Act; the Corridor Improvement Authority Act; the Building Authorities Act; the Commercial Redevelopment Act; the Public Health Code; and, the Tax Increment Finance Authority Act. Hearings on the bills have not yet been announced.

Bill noted that republicans recognize that they cannot leave federal funds on the table and are searching for ways to meet the state match without raising taxes. Democrats do not want to compromise on a short term solution without a long term vision. Republicans think they need \$78 million to fix the hole; however this would only cover roads and not public transit.

There is still confusion as to whether toll credits are available for state match. Clark will continue to press MDOT for clarification.

8.0 Executive Director's Report

Below is Clark's written report.

RURAL TRANSIT MANAGER'S WORKSHOP SUCCESSFUL

The RTMW in Mt. Pleasant last week was very well attended and all of the participants I spoke with seemed very pleased with the program and the topics covered. I want to congratulate Joe DeKoning and the members of the RTMW planning committee for putting together an excellent conference. Also thanks to both Joe and Cindy for their work at making the event another success for MPTA. The United Cerebral Palsy (UCP) of Michigan held their Transit Partnerships Conference in conjunction with our event and that, too, was well attended and worthwhile. I

heard many comments from participants that they hoped we would hold the two conferences in combination again next year.

CLARE COUNTY TRANSIT'S BUILDING PROGRESSING WELL

I used the opportunity of being at the RTMW to slip up to Harrison and tour the new Clare County Transit Corporation facility under construction. I was very impressed with the facility which is one of the major recipients of ARRA transit funding in the state. Director Tom Pirnstill and his staff have done an excellent job of designing a very functional facility that should serve the agency well for many years to come. The building's grand opening should be held mid-summer. Thanks to Tom for taking the time to show off the "new digs!"

MICHIGAN TRANSPORTATION TEAM UPDATE

The Michigan Transportation Team and Drive MI are planning a rally in the State Capitol Rotunda for 10:30 a.m. on Tuesday, May 4. I am encouraging as many MPTA members as can do so, to attend and participate in this event. The goal is to encourage legislators, and keep pressure on them, to find a funding solution for transportation. There will, undoubtedly, be a lot of focus on the pending gas tax legislation package. It is important to show both legislators as well as the highway advocates that public transportation is a strong partner in this effort. So please put this date on your calendars and try your best to make it to Lansing on May 4.

LET'S GET MOVING COALITION UPDATE

Our own public transportation coalition continues to meet monthly with a strong nucleus of representatives of about a dozen organizations. The LGM Coalition has also planned a May event at the Capitol to rally our advocate friends for public transit investment. The LGM event will be held on Tuesday, May 25 beginning in the morning. Further information will be forthcoming as planning details are finalized. If you are unable to make it to Lansing for the May 4 event, please keep the May 25 date in mind. Though the focus of the LGM Lansing day has historically been on our disability partners, it is always good to show our support by having some transit agency representatives on hand.

STATUS OF 2011 STATE BUDGET LEGISLATION

As reported on our website and Facebook and Twitter accounts, the state budget bill bogged down over the past few weeks in the House Appropriations Committee. When finally reported to the full House, the bill was tie-barred to passage of the gas tax bills. Many legislators on both sides of the aisle balked at passing the bill from the House and it failed to receive enough votes for passage and was laid over for a future vote before the House adjourned for Spring Break.

HOMELESSNESS COALITION INVITES OUR INPUT

On March 19 I attended a meeting with Jeff Padden and Dave McConnell of Public Policy Associates and Scott Dzurka of the Michigan United Way. They are involved in the Michigan Campaign to End Homelessness. In particular these three are working closely with the Employment, Income, Supportive Services Statewide Workgroup of this organization and are seeking input from public transportation for their recommendations. The goal of the Campaign is to end homelessness statewide in 10 years. After meeting with them, I can see where there is a role for MPTA to play in providing them with information and guidance on the role of public transportation statewide. I will be participating in future meetings of the group and sharing appropriate documents from their organization with board members when they are timely.

MDOT ECONOMIC MODEL PROGRESSING

The MDOT project on developing an economic modeling tool for use both statewide and in local communities is nearing completion and should be ready for roll-out to transit agencies throughout the state later this year. The goal of this project has been to create a means of determining the true economic benefit of public transit in both individual communities as well as statewide. Testing of the model has been done in Grand Rapids and Mt. Pleasant and the model shows great promise for being of great benefit to making the case for transit investment. I expect we will be hearing a lot about this project at the Annual Meeting in August.

Clark reported that he received a letter from the Michigan Community Service Commission regarding Michigan Voices for Volunteerism, a program hoping to expand volunteerism. The letter targets ten cities. Clark will forward the correspondence to everyone.

Clark reminded board members that we are approaching that time of year when the political process becomes very fluid. Things at the Capitol can change very quickly, so watch for emails from MPTA on any pressing legislative issues that may require immediate member action.

9.0 President' Report

Vice President Alexander reported on the following:

1. Is anyone aware of an asset management bill circulating through the legislature? She indicated it is a mix of road and transit. Board members were not familiar with this and Bill Zaagman and Clark stated they would research this item.
2. Vice President Alexander discussed a potential state change in TIP requirements which would cause another bureaucratic delay in receiving funds. CATA plans to send a letter to Jackie Shinn and the FHWA. Clark also suggested copying the letter to the Michigan Congressional delegation in Washington.
3. Now that CMAQ funds have been freed for distribution, CATA has asked MDOT to move quickly with flex funds. MDOT has stated this will not be done until the state match of federal funds issue is solved. Vice President Alexander believes MPTA must work to resolve this issue or agencies could lose funds.

10.0 Communications

There were no communications.

11.0 Committee Reports

Administrative Committee

The Administrative Committee met to discuss site locations for the 2011 Legislative Conference and future Annual Meetings.

Regarding the Legislative Conference, the committee recommended holding the meeting at the Lansing Radisson.

Bill Schomisch moved support of the recommendation supported by Dick Collins.

After discussing the positives and negatives of the Radisson versus the Kellogg Center, the question was called. The motion passed with a majority vote. Bill Schomisch voted no.

Larry Alpert moved to host the Legislative Breakfast in the Mackinaw Room of the Anderson House Office Building, supported by Bill Schomisch. Motion passed unanimously.

Regarding the Annual Meeting, the committee recommends that Cindy negotiate with Crystal Mountain for a two-year contract and changing the dates to a Monday-Thursday event in order to get more favorable rates.

Bill Schomisch moved to approve the committee's recommendation, supported by Larry Alpert. Motion passed unanimously.

Legislative Committee

No report.

Communications Committee

11.3.1 Report on Rossman Group Communications Tool Kit

Jennifer Kalczuk presented the proposal from The Rossman Group to provide strategies and deliverables to aid in transit outreach. The committee recommends moving forward to finalize the contract with The Rossman Group.

Board members reviewed and discussed the proposal.

Larry Alpert moved acceptance of the Communications Committee recommendation. The Committee shall be the overseer and the contract cannot exceed \$25,000. The motion was supported by Bill Schomisch and passed unanimously.

Maintenance Committee

Joe DeKoning reported that the committee continues to work on the Transit Vehicle Maintenance Seminar and encouraged everyone to complete the Maintenance Survey.

Training Committee

The committee will meet on April 20.

Purchasing/Procurement Committee

The committee is meeting on April 21.

Rural Operators Committee

No report.

Local Training Coordinator

Joe DeKoning reported that the Rural Managers Workshop was well-attended and well-received. The Annual Meeting planning committee is meeting on April 21.

12.0 Old Business

None.

13.0 Member Comment

Bill Schomisch asked small urban/urban managers to email him with any absenteeism figures that they are willing to share.

Larry Alpert commented that his local health and human services agency has invited state legislative candidates to their May meeting to determine their positions on public transit.

Rich Werner thanked board members for the opportunity to serve on the board. He stated that, although he offered, in his application for the board vacancy, to also serve as the Secretary/Treasurer, he would gladly defer to a senior board member but is still willing to serve if needed.

Rich also stated that Battle Creek is moving forward with their JARC grant and is looking for used line haul buses that any system may want to dispose of.

14.0 Adjournment

Bill Schomisch moved to adjourn, supported by Jennifer Kalczuk. Motion passed unanimously and the April 8, 2010 board meeting adjourned at 12:30 p.m.

Respectfully submitted by Cindy Zolkowski

Action Items

- 1. Executive Committee to research free MPTA membership for 5310 and non-affiliated properties**
- 2. Legislative Committee to review House Joint resolutions HH and OO**
- 3. Rochelle Cotey to research whether CTAA has a survey of industry wages/benefits**
- 4. Clark Harder and Bill Zaagman to research possible asset management bill circulating in the Legislature**