

Meeting Minutes
CENTRAL COUNTY TRANSPORTATION AUTHORITY
KALAMAZOO COUNTY TRANSPORTATION AUTHORITY
Joint Meeting
February 13, 2017

Place: Metro Transit Administrative Building, 530 N. Rose St.
Time: 5:30 p.m.
Staff Present: Sean McBride, Greg Vlietstra, Barbara Blissett, Kathy Schultz
Others Present: Michele McGowan, Aaron Stevens, John Gisler, Kevin Wordelman, WMU Student

1). CCTA ROLL CALL

CCTA Members Present: Rob Bricker, Rob Britigan, Martin Janssen, GarryLee McCormick, Ann Nieuwenhuis, Jim Pearson, Greg Rosine, Linda Teeter

CCTA Members Absent: Dusty Farmer, Nicolette Leigh, Terry Urban

A motion was made to excuse Dusty Farmer and Nicolette Leigh.

Motion: McCormick Second: Nieuwenhuis

Motion carried by unanimous voice vote.

Prior to the vote, Chairperson Teeter responded to a question from Britigan that Leigh and Farmer had been appointed to the CCTA Board at the last meeting of the Kalamazoo County Board of Commissioners.

3 a). REQUEST FOR APPROVAL OF CCTA MINUTES

A motion was made to approve the CCTA January 9, 2017, minutes.

Motion: Nieuwenhuis Second: McCormick

Motion carried by unanimous voice vote.

1). KCTA ROLL CALL

*KCTA Members Present: Curtis Aardema**, Jeff Breneman, Martin Janssen, JJ Meddaugh, Saura Sahu*, Edie Trent, Greg Rosine, Linda Teeter*

KCTA Members Absent: Paul Ecklund

A motion was made to excuse Paul Ecklund.

Motion: Breneman Second: Aardema

Motion carried by unanimous voice vote.

** Sahu arrived at 5:41 p.m.*

*** Aardema exited the meeting at 6:32 p.m.*

Prior to the vote, Chairperson Teeter responded to a question from Meddaugh that even though Ecklund and Breneman had submitted their resignations from the Board, they would continue to serve until replacements had been appointed by the County.

3 a). REQUEST FOR APPROVAL OF KCTA MINUTES

A motion was made to approve the KCTA January 9, 2017, minutes.

Motion: Aardema

Second: Breneman

Motion carried by unanimous voice vote.

4.) CITIZEN COMMENTS –

Chairperson Teeter welcomed Kalamazoo County Commissioners John Gisler and Kevin Wordelman.

Kalamazoo County Commissioner Kevin Wordelman thanked the KCTA for their service and applauded all of its accomplishments.

5.) PRESENTATION OF 2016 KCTA/CCTA AUDITS

Exec. Dir. McBride introduced Mr. Aaron Stevens, from Abraham & Gaffney, who presented the FY 2016 Kalamazoo County Transportation Authority Audit and Financial Statement. He said the firm had been performing KCTA's audits for the past seven years;and doing an excellent job.

Mr. Stevens provided a PowerPoint of the KCTA/CCTA audits. He said the KCTA audit was performed according to general auditing standards, as well as governmental auditing standards under the Michigan Department of Transportation's (MDOT) requirements. He said Abraham & Gaffney is only responsible to give an opinion on the financial statements of the KCTA and as to whether they are fairly stated.

Mr. Stevens highlighted the financial status of FY 2016 for the KCTA:

- The liabilities of the Authority exceeded its assets at the close of the most recent fiscal year by approximately \$1.3 million.
- The Authority's total net position decreased by \$96,412.
- There was a decrease in cash of \$321,479.

Mr. Stevens noted that even though the net position was a decrease from 2015 due to increased personnel and operating costs, the KCTA was in a very good financial position.

Mr. Stevens summarized the rest of the report noting that there were no findings issued indicating any difficulties with management or accounting practices. He said that the Government Finance Officers Association (GFOA) recommended having two months of reserve cash on hand for expenses, and the KCTA was well within those parameters. (A complete copy of the audit is included with the minutes of the meeting and on the KCTA website.)

Chairperson Teeter thanked Mr. Stevens for the report.

A motion was made to accept the 2016 KCTA Financial Audit prepared by Abraham & Gaffney.

Motion: Meddaugh

Second: Breneman

Motion carried by roll call vote.

Ayes: Aardema, Breneman, Janssen, Meddaugh, Sahu, Trent, Rosine, Teeter

Nays: None

Absent: Ecklund

Mr. Stevens next presented the CCTA audit and said it was performed with the same purpose of the KCTA audit.

Mr. Stevens highlighted the financial status of FY 2016 for the CCTA:

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year by \$2,549,023.
- The Authority's total net position at the end of the year was \$1,390,683
- The Authority's cash balance at the end of September 30, 2016 is \$2,252,208.

Mr. Stevens acknowledged that with the recent transition completed by the CCTA, there were limited expenditures to take into account for this audit. He said next year's audit, when combining all the three entities (KCTA, CCTA and Metro Transit) it would provide a different picture and be much more complex. Mr. Stevens stated that looking forward, the authorities presented a very excellent picture of financial stability. (A complete copy of the audit is included with the minutes of the meeting and on the CCTA website.)

Mr. Stevens thanked Exec. Dir. McBride, City of Kalamazoo Finance Department and the CCTA staff for the excellent assistance with the fieldwork for the audit.

Chairperson Teeter thanked Mr. Stevens for the report.

A motion was made to accept the 2016 CCTA Financial Audit prepared by Abraham & Gaffney.

Motion: Rosine

Second: McCormick

Motion carried by roll call vote.

Ayes: Bricker, Britigan, Janssen, McCormick, Nieuwenhuis, Pearson, Rosine, Teeter

Nays: None

Absent: Farmer, Leigh, Urban

Exec. Dir. McBride stated he wanted to emphasize some of the points Mr. Stevens mentioned during his audit presentation. Exec. Dir. McBride said that in the coming year, the CCTA audit would look substantially different.

Exec. Dir. McBride explained throughout the year, Mr. Stevens would be working with the CCTA and the merger of the three systems into one audit process. He said along with that there would be money management policies coming before the CCTA for adoption that are required by State laws.

6.) UPDATE FROM FRIENDS OF TRANSIT

Chairperson Linda Teeter introduced Michele McGowan, Chairperson of Friends of Transit. She had been asked to contact Ms. McGowan to see if she could attend the meeting to share what Friends of Transit sees for the future of public transportation.

Michele McGowan gave a brief history of Friends of Transit since its beginning in 2005. She said it was formed by interested service organizations and people who were concerned about the need for a reliable form of public transportation for Kalamazoo County.

McGowan explained as advocates of public transportation, Friends of Transit would like to encourage the boards and staff to look at best practices around the country and try some new and innovative pilot projects to enhance the customer service experience at the Kalamazoo Transportation Center (KTC), and those using Metro County Connect and the fixed-route system. McGowan also stated an important vision was to find ways to connect with the regional transit systems surrounding Kalamazoo County allowing for those who need transportation into or just outside the borders of Kalamazoo County.

The Boards thanked McGowan for the support provided by Friends of Transit for public transportation and sharing some of their visions for its future in Kalamazoo County.

Sahu asked if the CCTA was considering the creation of transfer locations within Calhoun County such as they do for Van Buren County Transit.

Exec. Dir. McBride shared that there were multiple discussions going on statewide about how to do multi-regional transportation and especially for senior citizens and those individuals with disabilities.

Exec. Dir. McBride stated currently there is a Prosperity Regions Initiative group comprised of several counties that is working on economic development, infrastructure and transportation initiatives. He said he would keep the Boards informed on their progress and discussions.

7). PRESENTATION ON STATUS OF 10-YEAR VISION SERVICE PLAN

Exec. Dir. McBride stated in 2015, a Ten-Year Vision Service Plan was completed. He said this presentation by Special Projects Coordinator Kathy Schultz was being provided now so it could be reviewed before the Board's planning retreat in May.

Kathy Schultz presented a PowerPoint of the Ten-Year Vision Service Plan Update which incorporated:

- Why a Ten-Year Vision Service Plan
- What has happened so far
- What is on the radar for the future

Kathy Schultz stated the purpose of the Plan was to involve key stakeholders from across the County in a discussion for the future of public transportation. She highlighted some of what has taken place since 2015 with the implementation of the Track My Bus phone app, Sunday and late-night bus service, updating of bus stops to ADA standards, conducting area stakeholders meetings, and outreach to the community for new service enhancements. She said some of the

anticipated 2017 activities include: a 50 Year Anniversary Celebration, rebranding the system, online payment system process development, review of staffing levels and training, route review and changes and a Day Pass Program. (A copy of the complete PowerPoint presentation is on file with the minutes.)

Rosine asked if the Route Review Committee would be looking at the integration of a connector site in Portage or other outlying areas. He said currently everything has to come to the KTC downtown for transfers to other locations.

Schultz said this had been addressed further out in the Ten-Year Vision Service Plan of possibly having another transfer center located somewhere within the County.

Nieuwenhuis stated that all around the County's outlying areas there were businesses forming and expanding that would need to have their workers be able to find transportation to work.

Sahu inquired if possibly Southwest Michigan First (SWMF) could partner with CCTA and these businesses to create these Bus2Work programs. Exec. Dir. McBride said the CCTA has a very good relationship with SWMF and was currently working to facilitate transportation to the M-96 corridor as well as other areas.

Britigan asked for more information about the facility plan. Exec. Dir. McBride explained there were limited capital funds to work with so the challenge was how to maximize the funds for ensuring the proactive upkeep of the transit system.

Pearson commented that consultants had suggested the use of smaller buses to reach suburban areas and wondered long this would take to be implemented.

Exec. Dir. McBride responded that the current FTA Grant includes smaller 29-foot buses which likely would be delivered in 2018 that could answer this need in the community.

8). CONSIDERATION OF CCTA INVESTMENT POLICY

Dep. Dir. of Support Services Greg Vlietstra briefed the Board on the CCTA Investment Policy. He said it was mirrored after the policies of the City of Kalamazoo and Kalamazoo County. Vlietstra said its purpose was to lay out guidelines of how to invest CCTA funds.

A motion was made to offer for first reading the CCTA Investment Policy No. 4.02.00.

Motion: McCormick Second: Britigan

Motion carried by unanimous voice vote.

Prior to the motion, Rosine inquired if the investments were currently being distributed among the nine investment vehicles listed in the policy.

Vlietstra responded that at this point the investments were invested in a money market at a local bank with a .15% interest rate for the time being.

Britigan asked that the CCTA Finance Subcommittee review the Investment Policy.

Vlietstra answered a question from Pearson and said all the investments were insured under the FDIC.

9). APPOINTMENT TO LOCAL ADVISORY COMMITTEE (LAC)

Chairperson Teeter stated the appointment of a representative to the Local Advisory Committee (LAC) required action from both Boards, so she would be asking for a motion and vote from each one. She then recommended the appointment of Paul Ecklund to the LAC.

A motion was made from the CCTA Board to appoint Paul Ecklund to the Local Advisory Committee.

Motion: Britigan

Second: McCormick

Motion carried by unanimous voice vote.

A motion was made from the KCTA Board to appoint Paul Ecklund to the Local Advisory Committee.

Motion: Sahu

Second: Breneman

Motion carried by unanimous voice vote.

Prior to the KCTA vote, Trent asked if Ecklund could serve in this capacity since he had a current role with the KCTA.

Exec. Dir. McBride said that Ecklund was being appointed as one of the senior community representatives to the LAC. He said the LAC is a federally mandated board and each transit agency needs to have at least 51% of the members be representatives of individuals with disabilities or the senior community, and our membership reflects that requirement. There is no issue with his current role or KCTA conflicting with LAC.

McCormick asked about his role on the LAC now that the Transit Authority Board had disbanded. Chairperson Teeter asked Exec. Dir. McBride to check into the LAC membership.

Chairperson Teeter commented that at this point, the KCTA appointments were in limbo with regard to filling the vacancies being created by Breneman and Ecklund. She said the County had yet to interview and select individuals to fill these positions but was hopeful the appointments would take place soon.

10. COMMUNICATIONS - None

11). NEW BUSINESS - None

12). REPORT FROM EXECUTIVE DIRECTOR

Exec. Dir. McBride reported on some of the legislative issues facing public transit and said a letter would be sent to the American Public Transportation Administration (APTA) asking them to remember the importance of investing in the nation's infrastructure and that public transit buses and facilities need to be replaced. Chairperson Teeter said that these issues had been discussed during the Executive Committee meeting with the decision to voice the Authority's concerns by sending a letter to APTA.

Exec. Dir. McBride provided the monthly ridership reports and the latest financial report. He said he would have financial reports available to the Boards on a bi-monthly basis in the future.

Exec. Dir. McBride indicated everyone should have received an invitation to the 50th Anniversary Celebration taking place on Thursday, February 23rd. He said it was scheduled to begin at 4:30 p.m. with appetizers and then a presentation with awards to various individuals and organizations.

Exec. Dir. McBride shared with the Board that the CCTA was encountering first-time experiences with personnel issues, lawsuits, citizen's complaints and pension disbursements. He said it was a learning opportunity on how to address those issues and whether to continue with past practices or make some changes.

For a bit of trivia, Exec. Dir. McBride shared that for the last 20 years of public transit in Kalamazoo County, we have provided 57 million rides.

13). SUBCOMMITTEE REPORTS

Executive Committee – Chairperson Teeter said the Executive Committee met last week and reviewed the February 13th agenda with the suggestion to invite Michele McGowan to the meeting. She said the joint planning meeting had been delayed until May.

Finance Subcommittee – Has not met.

Outreach Subcommittee (joint with KCTA) – Has not met.

Strategic Planning Subcommittee (joint with KCTA) – Has not met.

Pension Board – McCormick said a meeting was held January 18th as an introduction to the duties and processes of the Board. He stated the status of the Pension Fund was 129% overfunded. Bricker said during the meeting it was discussed for the possibility to serve longer than one year on the Board due to its complexity and so much to absorb.

Chairperson Teeter agreed that it was the intention to have McCormick and Bricker become acclimated to the duties of the Pension Board then determine whether it worked well for both of them to continue serving on the Board.

Rosine asked if the 129% overfunding was just on the Pension and not on the healthcare portion. He said the Governor is pushing for OPEB reform.

Pearson asked if the OPEB was overfunded as well. Exec. Dir. McBride said he did not have that information at this time but it was not a part of the Pension.

KATS Policy Committee – Chairperson Teeter said at the January meeting the CCTA was accepted as a voting member since the TAB no longer exists. Chairperson Teeter said she represented the KCTA and Ann Nieuwenhuis represented CCTA as well as was elected as Vice-Chair for KATS.

Chairperson Teeter said there was a discussion about the CCTA being the Designated Recipient for federal funds.

Nieuwenhuis shared that Exec. Dir. McBride had done an excellent job on the Lori Moore show. She also commented there had been a great response to the KATS 101 and KATS 201 classes and asked to have both of them available again in the near future.

14). CHAIRPERSON'S REPORT

Chairperson Teeter reminded everyone to return their Executive Director Evaluation forms so the process can be completed.

Chairperson Teeter remarked that it is time the CCTA/KCTA Operating Agreement be reviewed to consider whether the current needs were being met after six months.

Chairperson Teeter announced she would be giving the CCTA/KCTA Annual Report to the Kalamazoo County Board of Commissioners in April.

Chairperson Teeter reminded the Boards that next month would be their annual meetings with the election of officers on the agenda. She also asked if anyone had taken her challenge and experienced riding public transit. She said while in Lansing, she had used their Capital Area Transportation Authority (CATA) System, and by showing her Medicare Card she paid \$.60.

15). CITIZENS' TIME – None

16). MEMBERS' TIME

Britigan said it was good to see all the KCTA boardmembers.

Nieuwenhuis thanked the staff for their good audit report and for being fiscally responsible with the taxpayers, state and federal dollars they were entrusted with.

Sahu expressed thanks to Kathy Schultz and Exec. Dir. McBride on an excellent Ten-Year Service Vision presentation.

Meddaugh encouraged everyone to experience riding a bus and using the Kalamazoo Transportation Center (KTC).

17). ADJOURNMENT

A motion was made to adjourn the CCTA meeting.

Motion: Britigan

Second: McCormick

Motion carried by unanimous voice vote.

A motion was made to adjourn the KCTA meeting.

Motion: Breneman

Second: Janssen

Motion carried by unanimous voice vote.

The meeting adjourned at 7:14 p.m.

CCTA Chairperson

CCTA Clerk