

## Minutes

### Kalamazoo County Transportation Authority

June 22, 2009

Place: Room 204, County Administration Building  
Time: 5:30 p.m. – 6:39 p.m.  
Others Present: Dale Hein, Doug Havera, Gabrielle Russon, Bill Schomisch, Jon Start, Kristy VanderMolen and Lori Pyatt

Chairperson Teeter called the meeting to order.

1. ROLL CALL

Members Present: Paul Ecklund, Diane Kempen, Terry Kuseske, Jack Mekemson, Greg Rosine, Char Sumney, Linda Teeter, Jan VanStratt and David Worthams.

Members Absent: none

A quorum was present.

2. REQUEST FOR APPROVAL OF AGENDA

The Resolution Supporting Public Transportation was added to the agenda. A motion to approve the agenda as amended was made, supported and approved.

3. REQUEST FOR APPROVAL OF MAY 21<sup>ST</sup> MEETING MINUTES

A motion to approve the minutes from May 21 was made, supported and approved.

4. COMMUNICATIONS

Mr. Hein reported that the Area Agency on Aging had sent a brochure on the Senior Expo in October. MRC had contacted him a few times regarding transit routes around their proposed building project. Chairperson Teeter had received an invitation for the KCTA to attend the ground breaking at the airport the following Monday 10 am.

5. AUDIT REPORT BY BDO SEIDMAN

Mr. Havera from BDO Seidman reported on the Audit Wrap Up document:

-A clean/unqualified audit opinion had been issued (p.3).

-No control deficiency, significant deficiency, nor material weakness was identified (p. 4).

-There were neither material, corrected nor unrecorded misstatements identified, therefore no adjustments were needed on the financial statements. There were also no disagreements with management, nor were there any significant difficulties encountered during the audit (pgs 5 & 6).

-BDO was independent of KCTA (p. 7).

Ms. VanderMolen gave an overview of the financial statements:

-Net Assets & Liabilities (p. 5): In comparison to last year, taxes receivable was down because it was a 9 month audit, and because any taxes received would be collected after FY 2008 ended. Accounts Payable consisted of payments to the City for Care-A-Van costs.

-Revenues/Expenses and Changes in Net Assets (p. 6): General Administration Expenses were under budget due to timing issues. Non-Operating Revenue-Tax Levy was above the original budget by about \$245K.

-The Notes section (p. 8) contained nothing new.

Chairperson Teeter thanked them for their work. Mr. Hein acknowledged Lisa Bradshaw for her excellent assistance during the audit process. In response to a question, Ms. VanderMolen said that Ms. Bradshaw had been waiting on information, and the change in fiscal year slowed the audit process; since the procedures were established, future audits should have a faster turn around.

A motion to approve the audit report as presented was made by Mr. Mekemson, supported by Mr. Worthams and passed by a voice vote.

6. CONTRACT EXTENSION WITH PRIDE CARE

Mr. Hein explained that the contract renewal process had been postponed until after the May election. The CAV contract extension with Pride Care would be extended for at least 3 months until the bidding/contract process was complete. Also in the contract extension was an Agreement to Assign the Pride Care contract to the KCTA for the same time period.

Discussion turned to what was happening on the City's side; the same contract would go before the City the following Monday. Mr. Hein stated that Pride Care approved the contract's wording as they had already signed it. Mr. Schomisch, in response to a question, stated the contracted amount covered the total cost and was a 3% increase from the previous year (Pride Care asked for a 4% increase). Discussion turned to the contract's length; Mr. Schomisch fully expected that three months would be long enough. Mr. Hein added that Miller Johnson had reviewed the contract.

A motion to approve the agreement was made by Mr. Kuseske and supported by Mr. Worthams. The roll call vote was as follows:

Ayes: All Present                      Nays: None                      Absent: None

The motion carried. Chairperson Teeter thanked Mr. Schomisch and Mr. Hein for their work on this issue.

7. RESOLUTION SUPPORTING FARE INCREASES FOR THE PUBLIC TRANSIT SYSTEM

Mr. Hein read the resolution into record. (A copy of the resolution will be on file with the minutes.) Chairperson Teeter explained that Metro's fares would be set by the TAB, not by the KCTA, but the City Manager and County Administrator had asked that the fares be reviewed in their January '09 proposed plan.

A motion to adopt the resolution was made by Mr. Worthams and supported by Mr. Ecklund.

Mr. Worthams asked the Board to vote for the Resolution because the State was struggling to increase funding toward transit and were hesitant to do so because they wanted riders to pay their 'fair share' as well. Mr. Rosine agreed. Discussion turned to how the increase may affect people who were already struggling financially.

Mr. Kuseske noted that continued conversations with area leaders and organizations were important. It was also his hope that new, more efficient, technologies could help keep fare increases to a minimum. He expected the KCTA to extend all effort to find different solutions.

Mr. Mekemson stated that he supported the fare increase because it would be more equitable to the taxpayer. He felt that a reasonable standard should be developed to look at increasing fares on the demand/response programs. Ms. Kempen hoped that, during the public hearing on the rate increase, the city's functions and the KCTA's function would be made clear to the public. Mr. Kuseske reminded the Board of their desire in the past to establish a fare review policy.

The roll call vote was as follows:

Ayes: All Present                      Nays: None                      Absent: None

The motion carried.

8. APPROVAL OF 2010 BUDGET TIMELINE

Ms. Teeter stated that the Executive Committee had met two weeks prior to review the Budget and Finance Committee and to make a recommendation. She stated that the next steps involved in visioning would be to review the committees and sub-committees with input from the leaders from other transit

systems. She apologized that notes/recommendations from the Executive Committee meeting had not made it into the Agenda Packet.

Mr. Hein explained the Budget Timeline (a copy will be on file with the minutes.) Discussion turned to the role of the Budget and Finance Committee. The following had been discussed at the Executive Committee meeting:

- The Board would decide the goals.
- Staff would prepare the budget and would bring it to the Board for adoption.
- Staff would review the budget on an ongoing basis.
- A Budget Review Committee would review the budget quarterly and report to the Board.
- Budget adjustments would be recommended every six months by staff and the Budget Review Committee.

Chairperson Teeter realized that the KCTA would again be in a state of transition when the systems merged – committee structures would need to be looked at again at that point.

Mr. Kuseske added that the B&F Committee relied heavily on City & County officials and Plante Moran when the systems were moving toward transitioning. He noted that, even though the KCTA had a much smaller budget currently, they should not become lax. Chairperson Teeter agreed that being entrusted with public dollars required responsible stewardship.

A motion to approve the budget timeline was made by Mr. Rosine and supported by Ms. Kempen. The motion carried by a voice vote. Chairperson Teeter asked to have the duties of the Budget Review Committee documented and distributed before the next meeting.

#### 9. REPORT FROM TRANSPORTATION DIRECTOR

Mr. Schomisch commented on the following:

- The First Quarter C-A-V Ridership Summary and stated that it would be helpful when meeting with township officials.
  - KATS was tabulating the results of the recent rider survey.
- The ARRA grant application was in the midst of being reviewed by the FTA, but an approval date was undeterminable.
- The demand/response program bids would be opened July 1. (Previously, the project scope had been provided to the Board.)
  - The TAB would meeting the following Friday; he would bring a resolution supporting State funding for transit before them at that time.

In response to a question from the Board, Mr. Schomisch stated that he would look into a ridership summary for MetroVan. He added that it was a time consuming report to generate.

Mr. Ecklund mentioned the Federal Clean Streets program. He would send Mr. Schomisch information on it. Mr. Worthams stated that the Clean Streets program was coming out of Washington and could be part of the next re-authorization. No one in Congress seemed interested in authorizing the bill(s) associated with this program before the end of the year. Mr. Worthams also mentioned State Senate Bill 254 was recently passed, which stripped 11 to 13 Million dollars from the transit budget. At this point, however, the Senate hoped that transit funds would not be ‘raided’ in order to fix the State budget.

#### 10. REPORT FROM PROJECT MANAGER

Mr. Hein stated that much of the previous month had been spent with Mr. Ecklund working on the PTHS Coordinated Plan. Lam & Associates was the only responder to the Request for Quotes for the visioning process. Mr. Hein stated that he would review Lam’s response, compare it to the request for quotes, and bring a recommendation.

11. COMMITTEE REPORTS

- A. Executive – There was nothing further to report.
- B. Budget and Finance – There was nothing to report.
- C. Public Transit/Human Services – Mr. Mekemson stated that, thanks to staff, the PTHS Committee and several volunteers, the PTHS Coordinated Plan had been written. A prioritization of service options had been looked at, the result of which would be brought back to the larger group of 20 agencies. After the plan was approved, it would be brought to the Board Members.

12. OLD BUSINESS

There was no old business.

13. NEW BUSINESS

Mr. Hein read the Resolution Endorsing Support of Public Transportation in Michigan into record (a copy of the resolution will be on file with the minutes.) Mr. Schomisch explained that the resolution addressed an issue that Mr. Worthams mentioned earlier, and it was proposed to support the efforts of the State House to continue funding transit at current levels. Proposed cuts would be severe to Metro Transit. In response to a question, Mr. Schomisch stated that the States' transit capital budget for '09 was 10 million, which should be 30 million to meet the 80/20 Federal/State split. Another cut of 3 million would make the situation even worse across the state. Toll credits were running out as well.

Mr. Worthams wondered if language should be added to the resolution in order to name the State Task Force's recommendations specifically. Mr. Schomisch said he wouldn't object, and that it could possibly point further to a solution. Discussion then turned to the Governor's TF2 task force. Chairperson Teeter asked if a cover letter to the legislators could be included to point to the TF2 report and solutions. Mr. Schomisch agreed.

(Ms. VanSratt and Ms. Sunney left the meeting in order to make a presentation to the Texas Township Board.)

Chairperson stated that the revised resolution could be brought to the July 13<sup>th</sup> meeting. She then thanked Mr. Schomisch for the CAV Ridership Summary, stating that it was very useful to take information to the townships.

14. CHAIRPERSON'S REPORT

Chairperson Teeter said that Congressman Upton indicated he was pleased that the local millage had passed and was always happy to do what he could for public transportation.

15. CITIZENS' TIME

There were no comments made.

16. MEMBERS' TIME

-Mr. Kuseske pointed out that the KCTA was well represented on subcommittees for the visioning process for the city and on the Master Plan Review. On visioning, he hoped that the Board would be kept abreast of the collaborative effort with the City.

-Mr. Mekemson thanked Mr. Ecklund and Mr. Hein for their work on drafting the PTHS Coordinated Plan's Prioritization Matrix.

17. ADJOURNMENT

The meeting was adjourned at 6:30pm