



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

Mayor Stephen Kepley, Vice-Chair

Mayor Steve Maas
Jack Hoffman
Paul Troost

Tracie Coffman
Open Seat

BOARD OF DIRECTORS MEETING AGENDA

Wednesday, December 4, 2024 – 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 – October 23, 2024	Mayor Carey	Approval
3. CEO’S REPORT	Deb Prato	Information
4. PRESENTATION Title VI Fare Equity Analysis – Fare Cap Recommendations	Nick Monoyios	Information
5. ACTION ITEMS		
a. Public Hearing for Fare Cap Recommendations	Nick Monoyios	Approval
b. Contract Extension- Innovations in Transit (INIT) E-fare Maintenance and Support	Andy Prokopy	Approval
c. Appointment of Directors, Articles of Incorporation Article IV § 2	Mayor Carey	Approval
6. PERFORMANCE REPORTS		
a. Paratransit Route Ridership	Jason Prescott	Information
1. October 2024		
2. On-Demand		
b. Fixed Route Ridership	Tim Roseboom	Information
1. October 2024		
c. Finance	Linda Medina	Information
1. Operating Statement – September 2024		
2. Professional Development and Travel Report		
a. September 2024		
3. Grant Statement		
7. CHAIR’S REPORT	Mayor Carey	Information
8. COMMITTEE MEETING UPDATES		
a. Planning & Technology Committee, September 9, 2024	Terry Schweitzer	Information
b. Present Performance & Service Committee, July 23, 2024	Charis Austin	Information
c. Finance Committee – June 12, 2024	Mayor Kepley	Information
9. ADJOURNMENT		

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



Board Members

Mayor Gary Carey, Chair

Charis Austin
Mayor Katie Favale

Rick Baker
Steven Gilbert
Robert Postema

Mayor Rosalynn Bliss
Andy Guy
Terry Schweitzer

Mayor Stephen Kepley, Vice-Chair

Mayor Steve Maas
Jack Hoffman
Paul Troost

Tracie Coffman
OPEN Seat

BOARD OF DIRECTORS MEETING MINUTES

Wednesday, October 23, 2024 – 4:00 p.m.

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

ATTENDANCE:

Board Members Present:

Mayor Kepley, Mayor Maas, Robert Postema, Mayor Bliss, Jack Hoffman, Paul Troost, Andy Guy, Rick Baker, Terry Schweitzer

Board Members Absent:

Mayor Carey, Mayor Favale, Tracie Coffman, Steven Gilbert, Charis Austin

Rapid Attendees:

Steve Clapp, Justin Hagel, Kris Heald, John Joldersma, Deron Kippen, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Tim Roseboom, Steve Schipper, Mike Wieringa, Kevin Wisselink

Public Attendees:

Zachary Eggleton (Student at Calvin University), James Ouzts (City of GR), Brandee Ritsema (Documenters/Rapidian), Nathan Earl (Documenters), Maxwell Dillivan (City of GR)

Vice Chairman Mayor Kepley called the meeting to order at 4:00 p.m.

1. PUBLIC COMMENT

Mr. Zachary Eggleton, a student at Calvin University, has expressed his support for the website redesign. He has also suggested that The Rapid explore the testing of battery electric buses or hydrogen buses as part of their RNG initiatives. To enhance on-time performance, he recommends increasing bus lanes and establishing a minimum frequency of 10-15 minutes for bus services. Mr. Eggleton is pleased to note that September marked the best performance month in the past 4.5 years. Additionally, he proposed that Rapid Connect could potentially be converted into a fixed route. He also inquired about the possibility of watching board meetings online and suggested that Lansing has adopted a similar practice.

2. MINUTES REVIEW - September 25, 2024

Vice Chairman Mayor Kepley entertained a motion to approve the meeting minutes from September 25, 2024.

Mayor Bliss motioned to approve the minutes as submitted, and Mr. Guy supported it. The motion passed unanimously.

3. CEO's REPORT

Ms. Prato commenced her report by highlighting item number six on the agenda, which pertains to the road service truck for fleet maintenance. She addressed an issue regarding the bid approved at the

previous board meeting on September 25th, where the incorrect engine was bid, resulting in an \$8,000 price difference. Fortunately, an agreement was reached, and Sparta Chevrolet will honor the bid as submitted.

In addition to this, Ms. Prato provided updates on ongoing initiatives, including the audit and year-end wrap up, with a focus on facilities. She mentioned that the platform had undergone thorough cleaning, which significantly improved conditions. Various strategies have been implemented to manage the pigeon population, including signage to discourage feeding, the use of owls, and other auditory deterrents, all of which have proven effective.

Internal improvements are ongoing, with recent remodels completed at Ellsworth and the Butterworth Facility. The agenda also includes plans to remodel the dispatch office at Wealthy Street to enhance ergonomics and information technology services.

Ms. Prato noted that the TMP is nearing completion, with a final review scheduled for the Planning & Technology meeting on November 4th, followed by a presentation at the January Board meeting. The analysis of ridership patterns continues, with notable increases in ridership on the GVSU Laker Line and GRCC routes, particularly benefiting from the agreement with GRCC that provides free systemwide access for students, resulting in 11,000 riders last month.

Furthermore, The Rapid is actively participating in the Kent County mobility study and has engaged with APTA, where Ms. Prato, along with Mr. Schipper and Mr. Clapp, attended a conference in Anaheim. The Rapid is already implementing many best practices observed at the event. Ms. Prato also shared insights from a seminar she attended on Ballot Initiatives, noting that there are 18 ballot initiatives across the country related to transit, valued at \$52 billion, which will be closely monitored. Members of our leadership team will attend a Ballot Initiatives Workshop in Cincinnati, OH, in December.

4. ACTION ITEMS

a. Authorize Contract – Boston Digital

Mr. Wisselink is requesting board approval to enter into a contract with Boston Digital to conduct a website redesign for The Rapid, including three years of maintenance and support. The implementation cost will be \$225,000 and maintenance costs will be \$3,000 per month for 36 months.

Mr. Guy expressed his appreciation for the organization and effort dedicated to the much-needed improvements in their transit system. He pointed out a concern regarding the apparent lack of local applicants in the bidding process and inquired whether this was due to the specialized nature of the tool being procured or if other firms had unique experiences that positioned them better for this project. He also sought clarification on the overall procurement process used to select a vendor.

In response, Mr. Wisselink explained that there were indeed a few bidders that had a presence in Michigan. He emphasized that the evaluation of proposals would be a collaborative effort, focusing on the strength of each presentation and their relevance to the transit field.

Mayor Bliss then asked if the process would include ongoing feedback from users, particularly in the finalization of the website and tools designed for community and customer engagement, such as beta testing.

Mr. Wisselink confirmed that user feedback could certainly be incorporated into the process and highlighted that ongoing support would be essential. He assured us that both the team and the selected firm would be responsible for integrating feedback to ensure continuous improvement. He also noted that the project would span three years, covering implementation, maintenance, and upkeep, and would include integration with customer relationship management software to enhance the overall functionality of the website.

Vice Chairman Mayor Kepley entertained a motion to approve the contract with Boston Digital. Mr. Guy motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

b. Authorize Contract – Carbon Six

Mr. Wisselink is requesting board approval to enter into a contract with Carbon Six in the amount of \$372,000 plus a 15% contingency of \$55,800 for a total project cost of \$427,800 for renovations of the Rapid Operations Center Dispatch Area.

Vice Chairman Mayor Kepley entertained a motion to approve the contract with Carbon Six. Mr. Postema motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

c. Authorize 5-Year Contract with Clean Energy to purchase RNG Services

Mr. Wisselink is requesting board approval to enter a five-year contract with Clean Energy to purchase Renewable Natural Gas (RNG), perform Compressed Natural Gas (CNG) fueling station maintenance and process Renewable Identification Numbers (RINs) credits. RINs are the identification numbers used for compliance and are the 'currency' of the federal Renewable Fuel Standard (RFS) program. The maintenance contract is estimated to cost an average of \$381,510 annually over the course of the contract and provides an annual \$696,128.60 in estimated RINs credits for a net gain of \$314,618.60

Mr. Hoffman raised concerns about ensuring that the city felt fairly treated and that there were no hurt feelings in the ongoing discussions regarding the transition with The Rapid.

Mr. Wisselink assured him that efforts are being made to facilitate a smooth transition.

Mayor Bliss expressed her disappointment over the need to part ways from the initial partnership involving DTE, The Rapid, and the city, particularly regarding the biodigester project aimed at converting waste to energy. She emphasized that this collaboration was intended to be mutually beneficial, and it was unfortunate that external factors, like changes from the EPA and DTE's withdrawal, forced the parties to re-evaluate their approach.

Despite these challenges, Mayor Bliss recognized the importance of moving forward. She mentioned that the city conducted a Request for Proposal (RFP), and a broker has been identified, with the City Commission recently voting to proceed with this plan. The mayor highlighted her commitment to ensuring that the transition does not leave any gaps for the city and appreciated the collaborative efforts of The Rapid and Ms. Prato in addressing this concern.

In terms of the financial aspects, Mayor Kepley suggested that a thorough discussion in committee meetings would be beneficial, particularly regarding the financial credits and the potential check amounting to \$135,000. He expressed a desire to understand the financial mechanics involved.

Mr. Schweitzer further questioned the financial implications of working with the city of Grand Rapids, to which Mr. Wisselink responded that discrepancies with the Renewable Identification Numbers (RINs) could result in a monthly loss ranging from \$10,000 to \$15,000.

Vice Chairman Mayor Kepley entertained a motion to approve the five-year contract with Clean Energy. Mayor Bliss motioned approving the contract with Clean Energy, and Mr. Hoffman supported it. The motion passed, one nay, Mr. Schweitzer.

d. 2025 Board and Committee Meeting Schedule

Ms. Prato provided an update regarding the proposed 2025 Board and Committee meeting schedules, which maintain the same frequency and timing as the current year. She pointed out that the board had received a survey, and the feedback indicated a strong preference for scheduling board meetings on the 4th Wednesday of each month, from 4:00 to 6:00 PM.

Additionally, the survey included a question concerning committee preferences, allowing board members to rank their interests in each of the committees. This feedback will assist in assigning members to committees that align with their preferences and expertise.

Ms. Prato also mentioned that Mayor Favale would be making an appointment to fill the vacant seat representing East Grand Rapids, ensuring that all areas are adequately represented on the board.

Mayor Bliss informed the board of her upcoming departure, announcing that she will be stepping down as her term will be concluded on December 31, 2024. She noted that a new mayor will be elected in November and will begin serving on The Rapid board starting January 1, 2025.

In light of this transition, Mayor Bliss stated that she plans to work closely with the new mayor over the next 60 days to ensure a smooth handover of responsibilities and facilitate an effective transition of office.

Vice Chairman Mayor Kepley entertained a motion to approve the 2025 Board and Committee meeting schedule. Mr. Baker motioned to approve, and Mayor Bliss supported it. The motion passed unanimously.

5. PERFORMANCE REPORTS

a. Paratransit Route Ridership, Mr. Jason Prescott

1. September 2024
2. On-Demand

b. Fixed Route Ridership, Mr. Tim Roseboom

1. September 2024
Mr. Hoffman made a comment regarding the boost in contracted service of almost 40%. Great news.

c. Finance Reports, Ms. Linda Medina

1. Operating Statement – August 2024
2. Professional Development and Travel Report
3. Grant Statement

6. INFORMATIONAL ITEM

Road Service Truck Fleet Maintenance – Sparta Chevrolet

This item was addressed in Ms. Prato's CEO report at the top of the meeting.

7. ADJOURNMENT

The meeting was adjourned at 4:31 p.m.

The next meeting is scheduled for December 4, 2024 – Election of Officers, Term Renewals expire 12/31/24.

Respectfully submitted,



Kris Heald, Board Secretary

FARE EQUITY ANALYSIS

Fare Capping Adjustments

December 4, 2024



FARE POLICY – FEBRUARY 2014

GOALS & OBJECTIVES

<i>Revenue</i>	Determine a predictable and transparent fare revenue stream that ensures The Rapid's current and long-term financial requirements.
<i>Recovery</i>	Recommend a minimum farebox recovery ratio of operating costs with passenger paid fares.
<i>Efficiency</i>	Maximize operational efficiency by minimizing boarding times and fare collection costs with media and technologies that are faster, more reliable, and more accurate.
<i>Ridership</i>	Define acceptable ridership levels by setting fares that promote ridership growth.
<i>Equity</i>	Establish equitable fares that recognize Title VI protected minority & low-income riders.
<i>Accessibility</i>	Enhance mobility and system access through a fare system that is easy to use and understand.

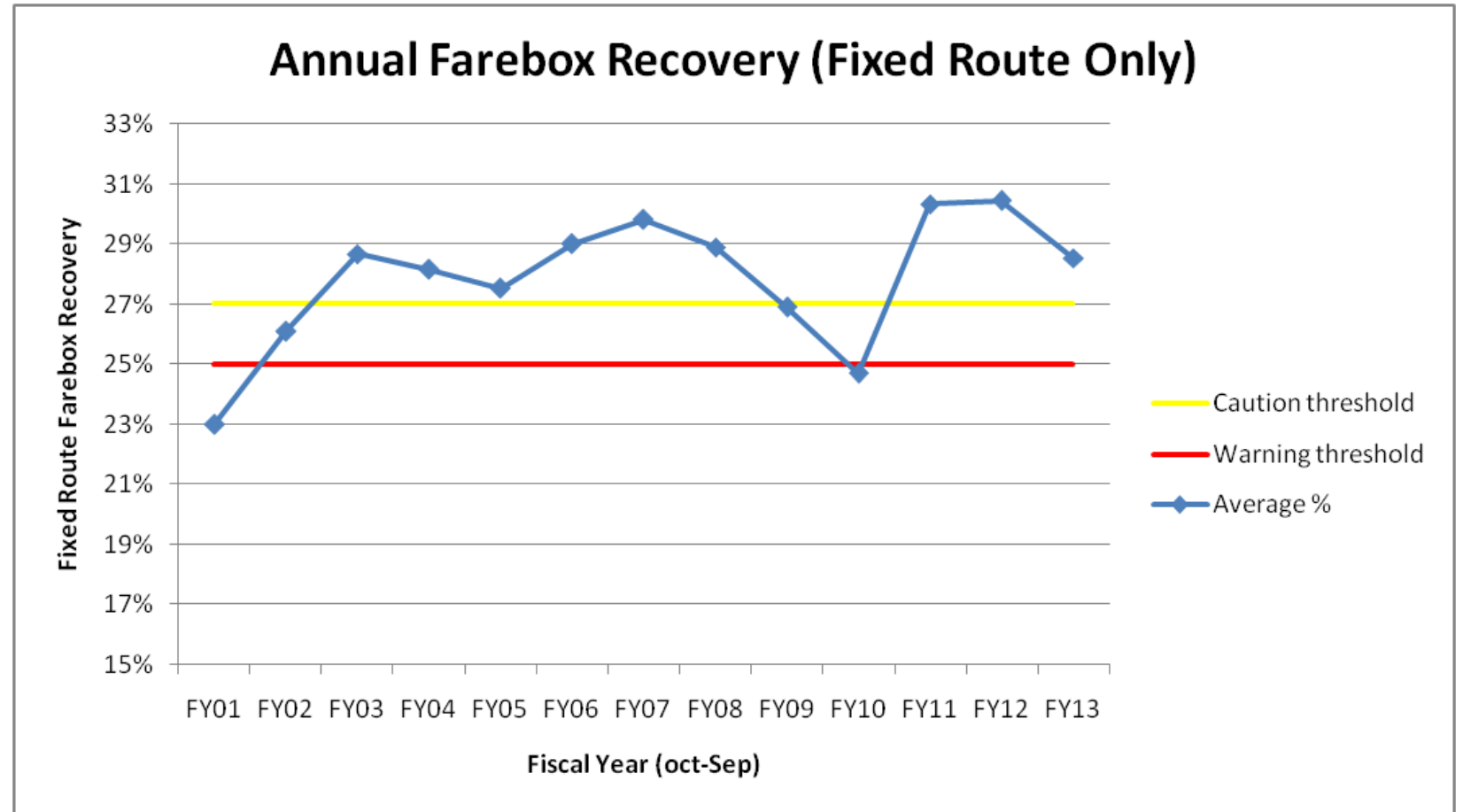
FARE POLICY – FAREBOX RECOVERY

<27% = **Caution**

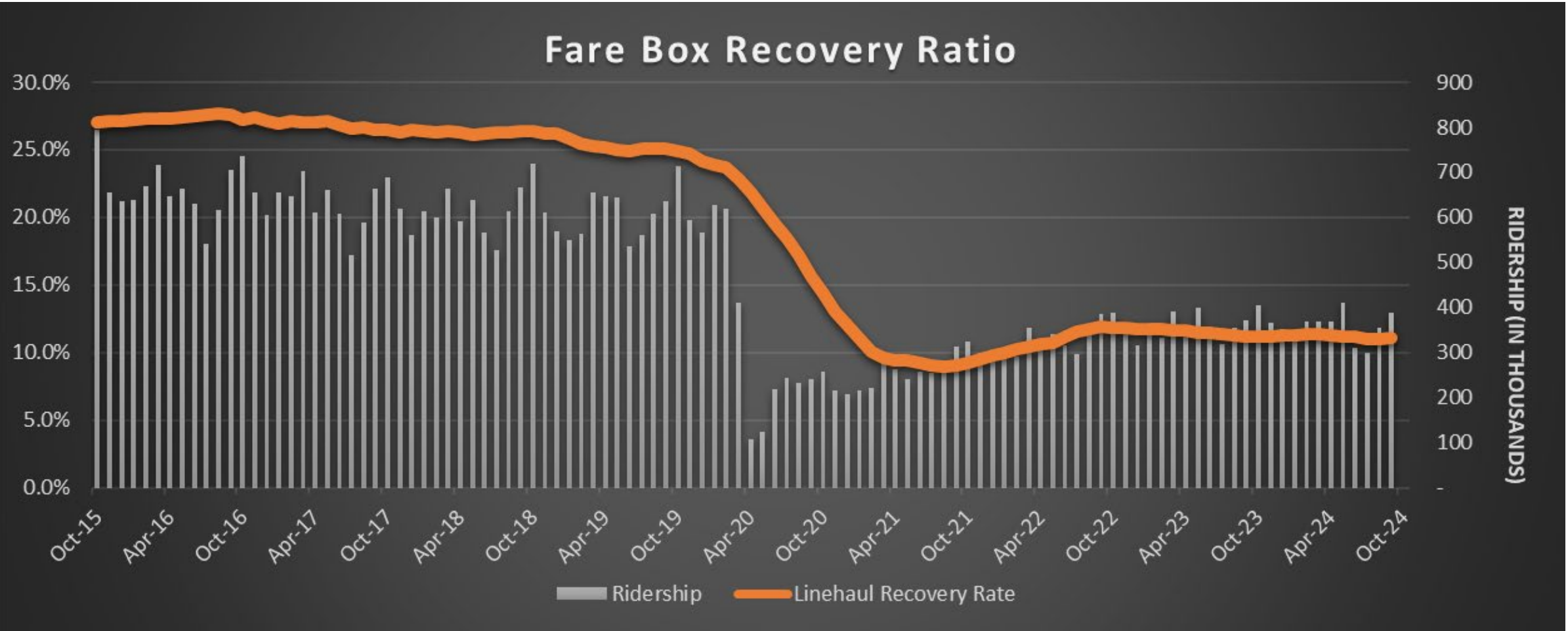
<25% = **Warning**

“A red (warning) standard at 25% triggers staff to evaluate the fare structure to recommend appropriate action.”

ITP Fare Policy – Feb 2014



FARE POLICY – FAREBOX RECOVERY



TITLE VI LEGISLATION

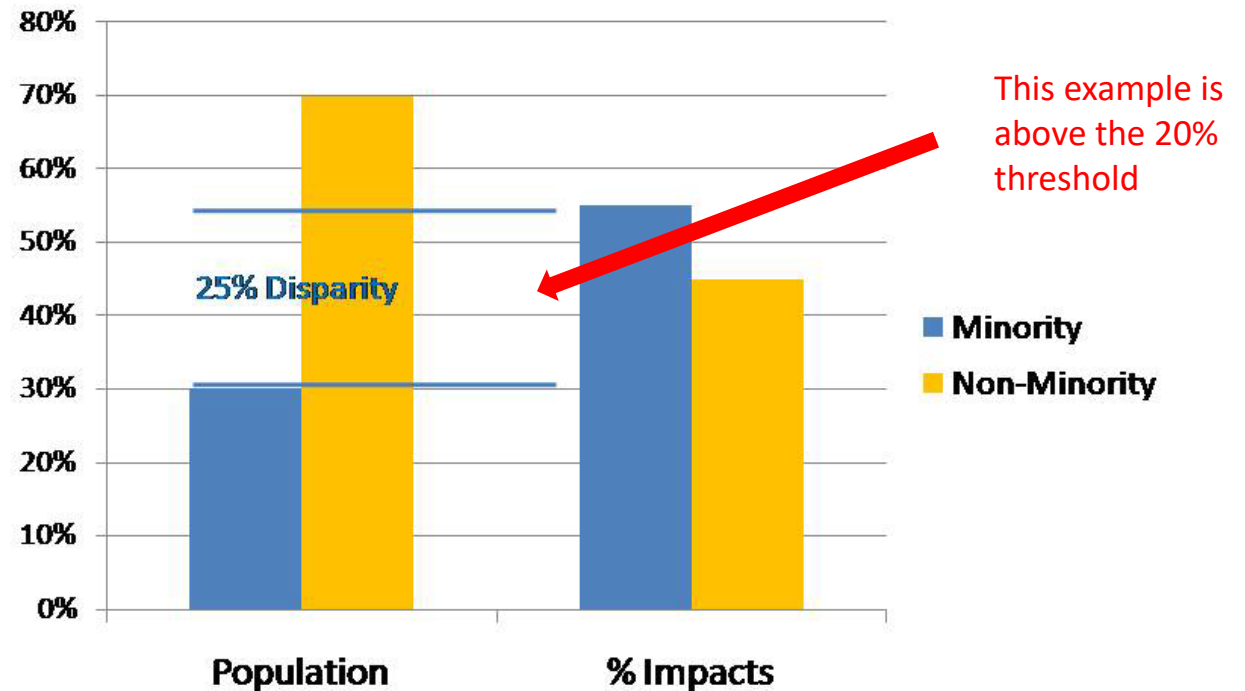
- FTA Title VI legislation requires transit providers which operate 50 or more fixed route vehicles in peak service and are located in urbanized areas (UZA) of 200,000 or more people must administer a *fare equity analysis* for any proposed fare structure adjustments.

WHAT IS A FARE EQUITY ANALYSIS?

- A *fare equity analysis* is an assessment conducted by a transit provider to determine whether fare changes, either increases or decreases, will result in a *disparate impact* (race) or *disproportionate burden* (income) on Title VI-protected populations.
- This legislation will ensure that equity for minority and low-income riders are considered when developing fare change recommendations and maintaining compliance with FTA Title VI guidance is critical for The Rapid to obtain federal funding.

DIDB HISTORY

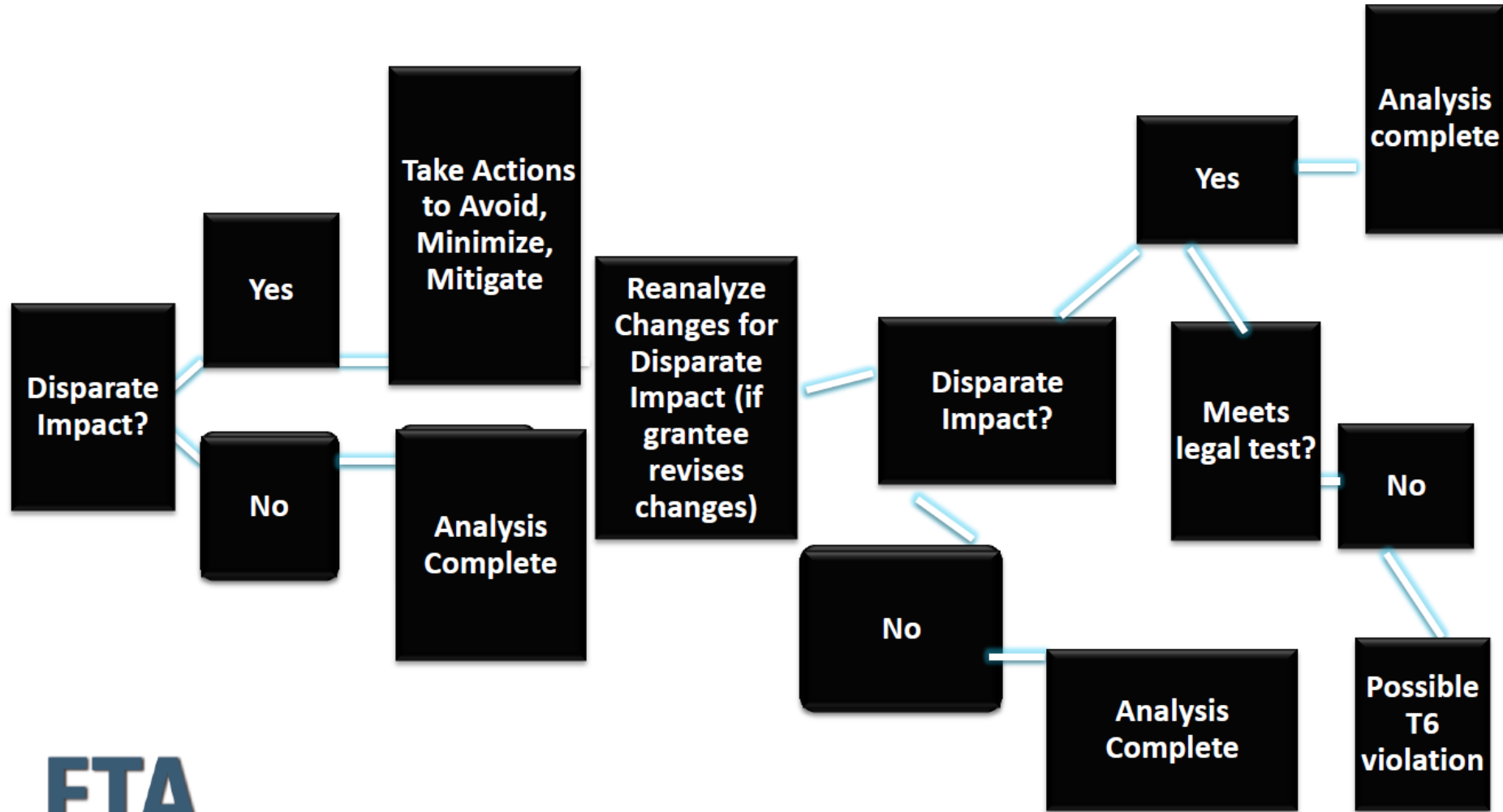
- In July 2013, the Board approved a *Title VI Disparate Burden and Disproportionate Burden (DIDB) Policy* which authorized a twenty percent (20%) disparity threshold based on the cumulative demographic impact of the existing and any proposed fare changes
- This threshold applies to the difference of the impacts borne by minority & low-income populations compared to the same impacts borne by non-minority and non-low-income populations.



DIDB HISTORY

- **If ITP finds** that either low-income and/or minority populations **will bear a DIDB** of either existing and/or proposed fare changes, ITP will take steps to avoid, minimize, or mitigate impacts where practicable
- **If ITP chooses not to alter** the proposed fare changes, the agency may implement these changes **if there is substantial and legitimate justification** for the change by demonstrating that there are no satisfactory alternatives that would lessen a negative impact on low-income and minority populations

DIDB HISTORY



FTA

CURRENT FARE CAPPING STRUCTURE

Card Type	Fare or Cap Increment	Single-Day Max	Calendar Month Max
Adult (Wave card)	\$1.75	\$3.50	\$47.00
Ultra Light C (Wave card)	\$1.75	\$3.50	\$47.00
Youth (Wave card)	\$1.25	\$2.50	\$33.75
Reduced (Wave card)	\$0.85	\$2.25	\$30.00
ADA (Wave card)	\$0	—	—
10-Ride (Wave card)	\$13.50	—	—
Contactless Payments (Credit/Debit/Mobile)	\$1.75	\$3.50	—



PROPOSED FARE CAPPING ADJUSTMENTS

Card Type	Fare or Cap Increment	Single-Day Max	Calendar Month Max
Adult (Wave card)	\$1.75	\$5.25	\$60.00
Ultra Light C (Wave card)	\$1.75	\$5.25	\$60.00
Youth (Wave card)	\$1.25	\$2.50	\$33.75
Reduced (Wave card)	\$0.85	\$2.25	\$30.00
ADA (Wave card)	\$0	—	—
10-Ride (Wave card)	\$13.50	—	—
Contactless Payments (Credit/Debit/Mobile)	\$1.75	\$5.25	—

DIDB ANALYSIS

- DIDB evaluates the demographic composition of **fare paying passengers only**
- ETC on-board survey in October 2024 questions:
 - **Did you purchase your own fare? (must be yes for DIDB)**
 - **What fare type?**
 - **Race?**
 - **Income?**
 - **Reaching day cap?**
 - **Reaching month cap?**

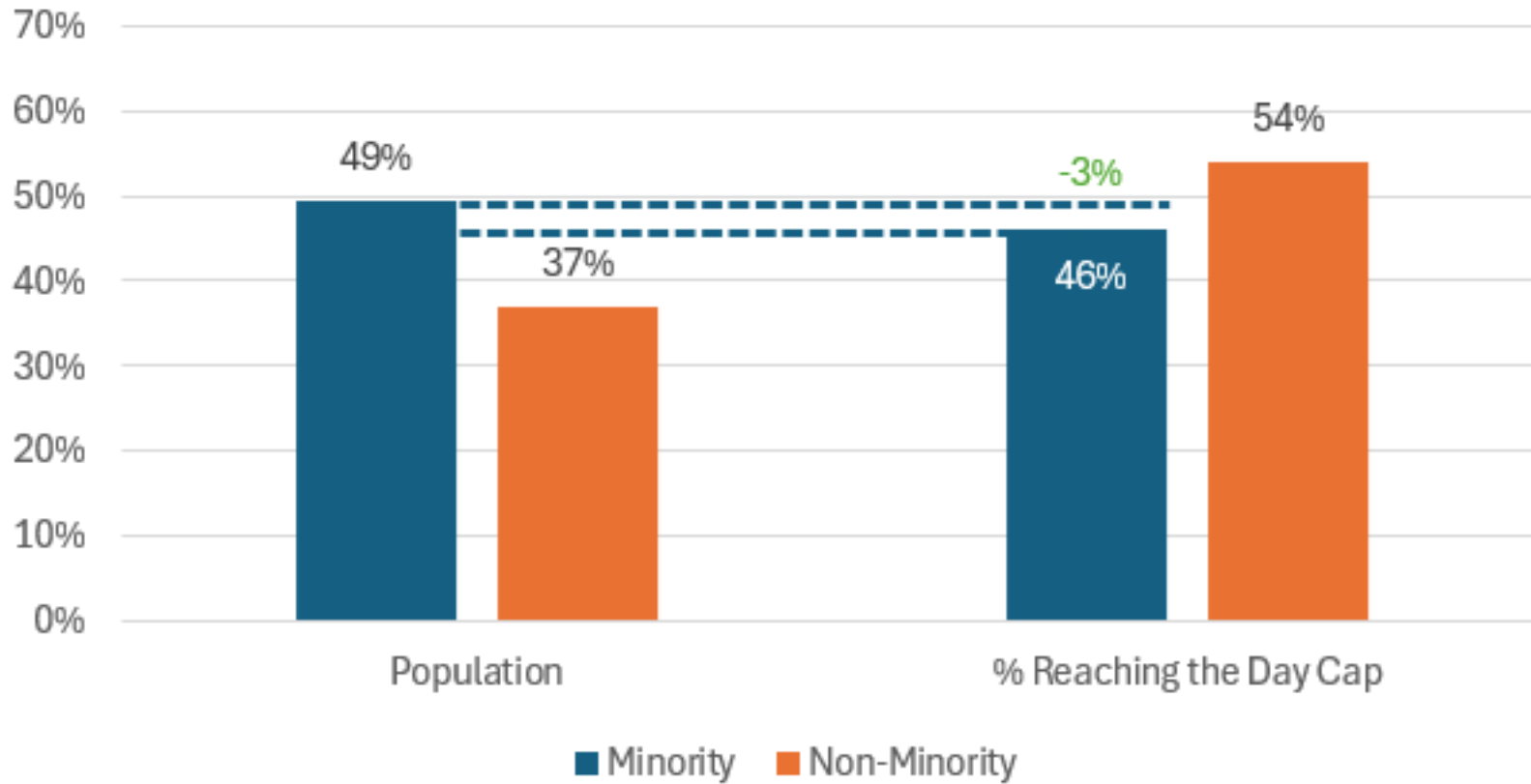
DIDB ANALYSIS - SUMMARY

- ETC identified statistically significant sample size with high confidence and low margin of error (n=457 surveys)
- Of the 457 survey responses:
 - 212 purchased and used their own fare
 - 64 purchased and used an Adult Wave Card or Contactless Payment

Population Purchasing Adult Wave Card Fare or contactless payments (day cap only)		Day Cap		Month Cap	
		% Reaching the Day Cap	% Disparity	% Reaching the Month Cap	% Disparity
Minority	49%	46%	-3%	33%	-16%
In-Poverty	44%	36%	-8%	43%	-1%

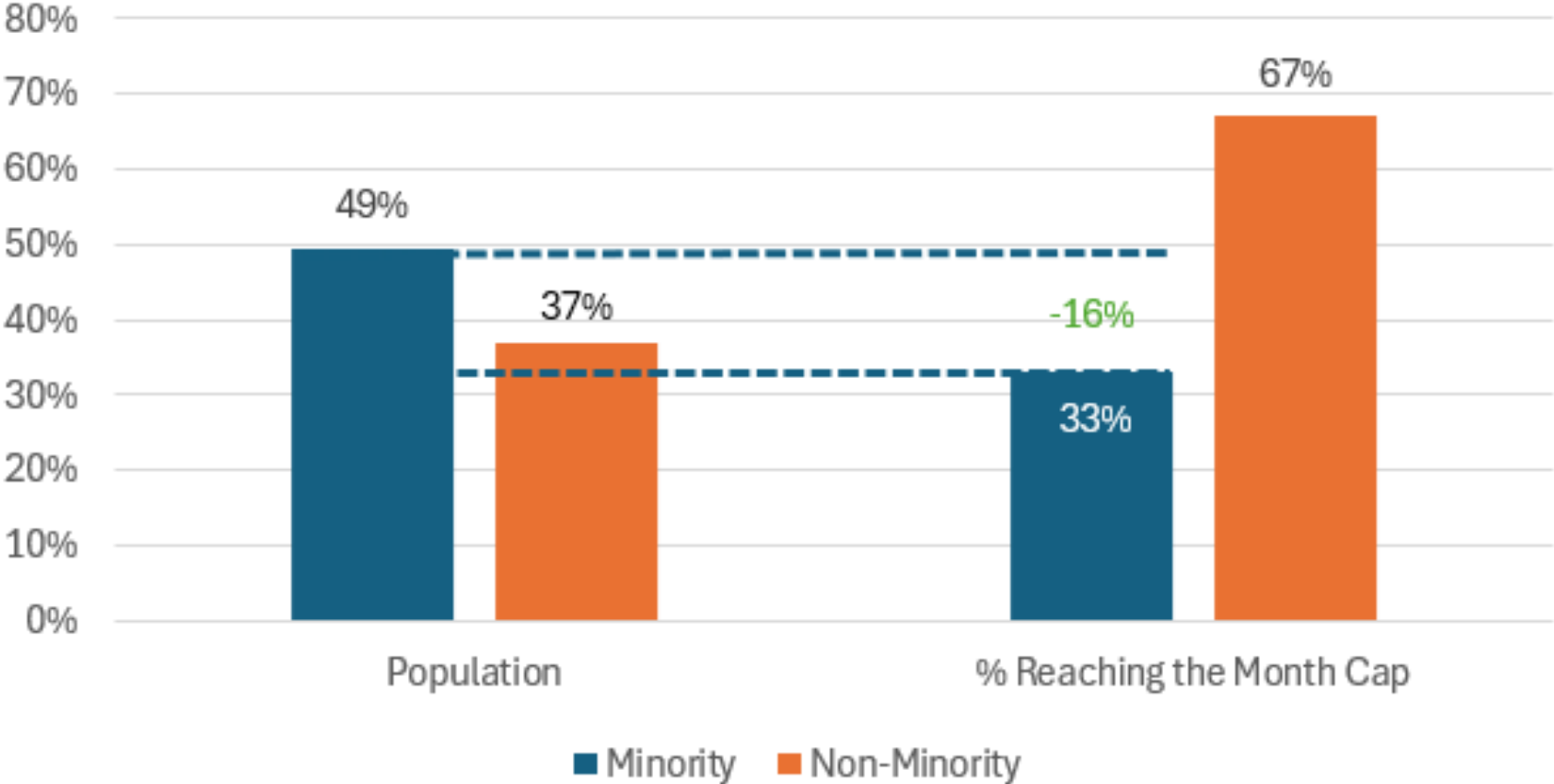
DIDB ANALYSIS – RACE to DAY CAP

Race - Reaching Day-Cap



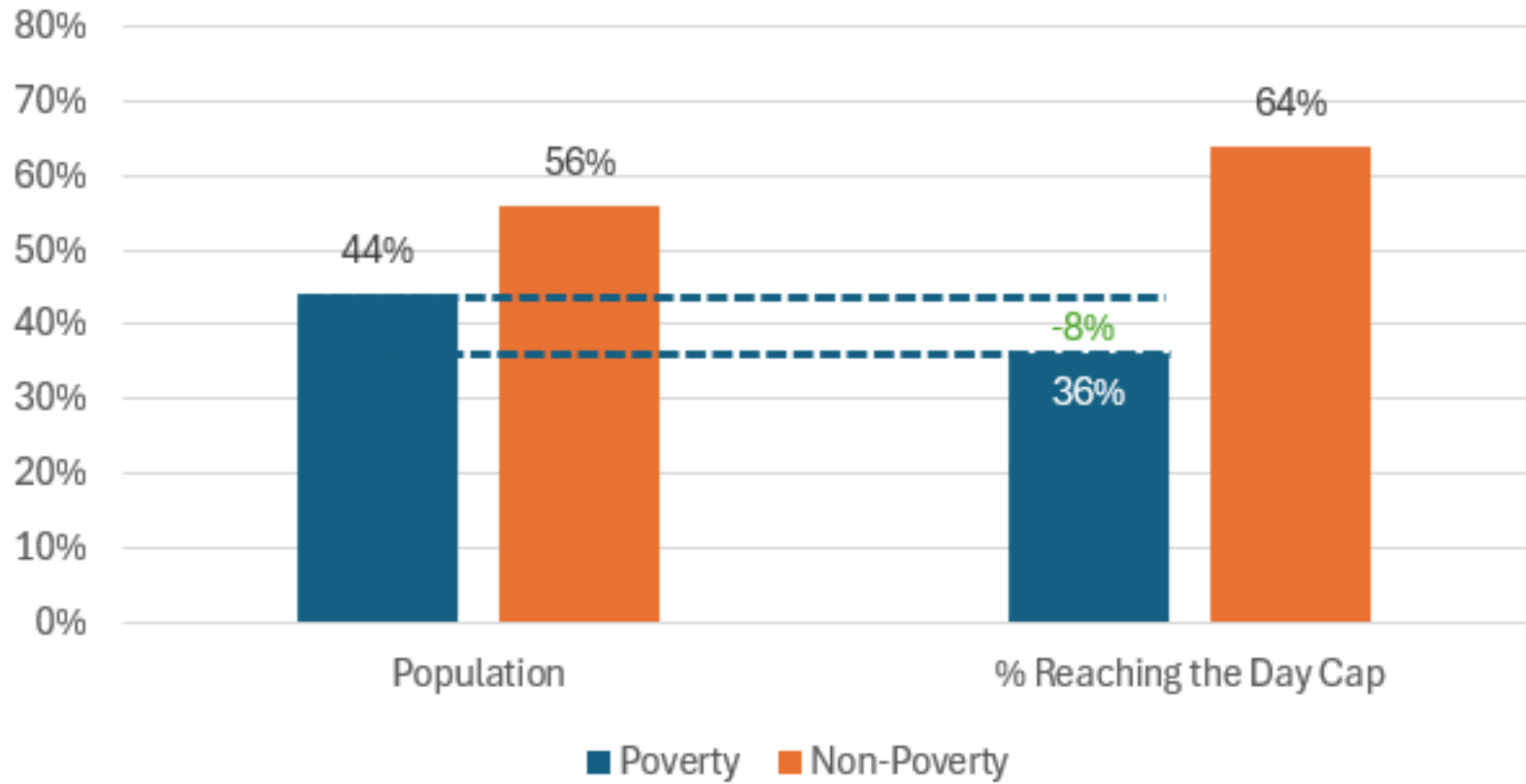
DIDB ANALYSIS – RACE to MONTH CAP

Race - Reaching Month Cap



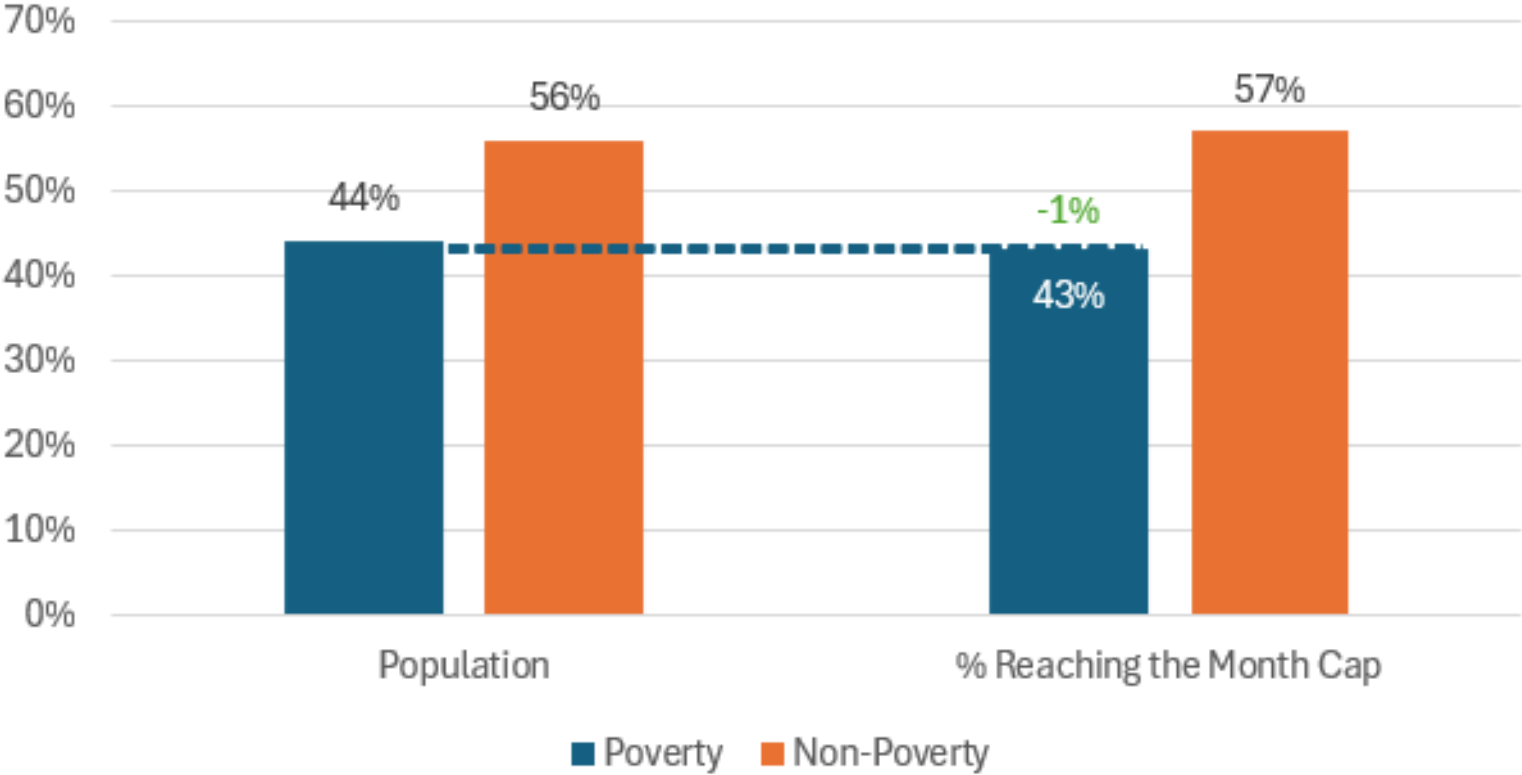
DIDB ANALYSIS – INCOME to DAY CAP

Income - Reaching Day Cap



DIDB ANALYSIS – INCOME to MONTH CAP

Income - Reaching Month Cap



CONCLUSION & NEXT STEPS

- The proposed fare capping adjustments to the Adult Wave Card and contactless payment changes (day cap only) **will not result with disproportionately high adverse effects on minorities and low-income populations** in accordance with ITP's DIDB policy
- Staff will **conduct extensive communications to retrieve public feedback** throughout December 2024 and January 2025 including a formal 30-day notice for an in-person public hearing in January.
- Staff will **return to the Board** in January 2025 with collected public feedback and a final fare capping restructuring recommendation for implementation effective on April 1, 2025

Date: November 19, 2024
To: ITP Board
From: Nick Monoyios – Director of Planning
Subject: DAILY AND MONTHLY FARE CAPPING PUBLIC HEARING REQUESTS

ACTION REQUESTED

Staff requests approval to commence public hearings regarding the proposed fare capping adjustments to be presented for public feedback and an in-person public hearing through January 2025. Staff will return to the Board in January 2025 with collected public feedback and a fare capping restructuring recommendation for final implementation effective on April 1, 2025.

BACKGROUND

In July 2024, staff presented revenue recommendations at the Board Budget Workshop. Based on the recognized growing disparity between increasing operating costs and the static revenue retrieved with the current 2015 fare structure, a peer fare analysis was conducted to ascertain comparative fare structures. The results identified that while our adult base fare was similar to our peers, our monthly cap was comparatively low in all five (5) peer groups. The Board concurred with staff’s recommendation to examine fare capping adjustments further which required a Title VI Fare Equity analysis to be completed.

FARE EQUITY ANALYSIS

In July 2013, the Board approved a Title VI Disparate Burden and Disproportionate Burden (DIDB) Policy which authorized a twenty percent (20%) disparity threshold based on the cumulative demographic impact of the existing and any proposed fare changes. This threshold applies to the difference of the impacts borne by minority & low-income populations compared to the same impacts borne by non-minority and non-low-income populations.

Through this analysis, if ITP finds that either low-income and/or minority populations will bear a DIDB of either existing and/or proposed fare changes, ITP will take steps to avoid, minimize, or mitigate impacts where practicable. If ITP chooses not to alter the proposed fare changes, the agency may implement these changes if there is substantial and legitimate justification for the change by demonstrating that there are no satisfactory alternatives that would lessen a negative impact on low-income and minority populations.

A fare equity analysis is required by the FTA for Title VI compliance with any proposed fare structure change to ensure that any fare adjustment does not have a Board approved DIDB impact on Title VI protected customers. Maintaining compliance with FTA Title VI guidance is critical for The Rapid to obtain federal funding.

The outcome of the DIB analysis indicated that there is no adverse impact on minority and low-income customers for increasing the day and month fare cap. The table below and Figures 3 and 4 illustrate the results. The full Title VI Fare Equity Analysis is attached to this Board item.

Table 1 – Results of the DIB related to the Day and Month Fare Cap

Population Purchasing Adult Wave Card Fare	Day Cap		Month Cap	
	% Reaching the Day Cap	% Disparity	% Reaching the Month Cap	% Disparity
Minority	49%	-3%	33%	-16%
In-Poverty	44%	-8%	43%	-1%

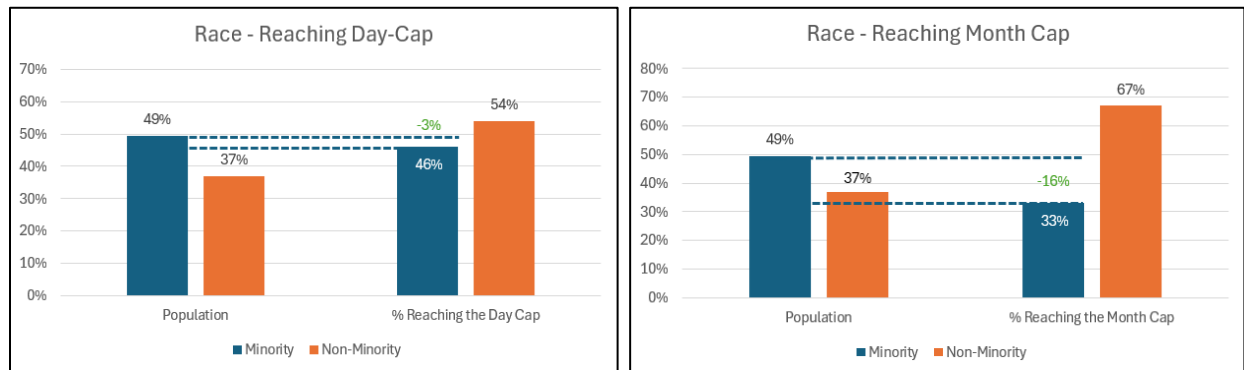


Figure 3 – Percent of Minority vs. Non-Minority Adult Wave Card or contactless payments (day cap only) users Reaching the Day Cap & Month Cap

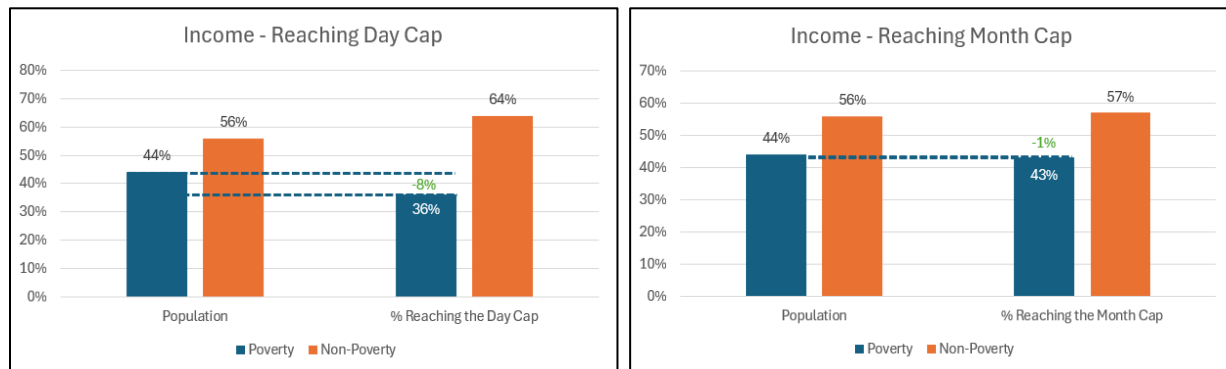


Figure 4 – Percent of Poverty vs. Non-Poverty Adult Wave Card or contactless payments (day cap only) users Reaching the Day Cap & Month Cap

PROPOSED FARE CAPPING ADJUSTMENT

Staff recommend an increase to the Single-Day Max for the Adult Wave cards and Contactless Payment categories from \$3.50 to \$5.25. This represents an increase from two (2) to three (3) daily fare cap taps. Staff also recommend an increase to the Calendar Month Max for the Adult Wave cards only, from \$47 to \$60 (see figures below). No fare adjustments are recommended for the base cash fare in any fare category, nor will the Youth and Reduced Wave card fare caps change. These adjustments will have no impact on ADA/Paratransit fares.

The rationale to increase the caps was based on the peer fare analysis conducted as part of the Board Budget Workshop in July 2024. A linear regression analysis concluded that all peer

groups normalized to a \$1.75 base fare provided monthly cap/pass costs between \$59.58 and \$68.12.

Below are tables illustrating the current and proposed Wave card fare structure for submission to a comprehensive public outreach campaign to include public hearings, website and social media information, and hard copy postings at various Rapid facilities.

Figure 1 – Current Wave Card Fare Structure

Card Type	Fare or Cap Increment	Single-Day Max	Calendar Month Max
Adult (Wave card)	\$1.75	\$3.50	\$47.00
Ultra Light C (Wave card)	\$1.75	\$3.50	\$47.00
Youth (Wave card)	\$1.25	\$2.50	\$33.75
Reduced (Wave card)	\$0.85	\$2.25	\$30.00
ADA (Wave card)	\$0	—	—
10-Ride (Wave card)	\$13.50	—	—
Contactless Payments (Credit/Debit/Mobile)	\$1.75	\$3.50	—

Figure 2 – Proposed Wave Card Fare Structure

Card Type	Fare or Cap Increment	Single-Day Max	Calendar Month Max
Adult (Wave card)	\$1.75	\$5.25	\$60.00
Ultra Light C (Wave card)	\$1.75	\$5.25	\$60.00
Youth (Wave card)	\$1.25	\$2.50	\$33.75
Reduced (Wave card)	\$0.85	\$2.25	\$30.00
ADA (Wave card)	\$0	—	—
10-Ride (Wave card)	\$13.50	—	—
Contactless Payments (Credit/Debit/Mobile)	\$1.75	\$5.25	—

The elasticity of the ridership impact to the increase of fare capping in these categories is unknown due to the insignificant industry data accumulated on fare capping adjustments since the pandemic. Prior to the pandemic, the cited industry elasticity model indicated that for every 10% increase in fares, a 3.8% decrease in ridership could be expected. While this model varied with unique geographic markets, fare capping increases were not factored into this model. Assuming no elasticity of ridership, and mirroring ridership levels from FY24, an additional \$187,703 in revenue can be estimated (based on beta report from INIT)

NEXT STEPS

If approved, staff will conduct extensive public engagement communications to retrieve public feedback throughout the remainder of December 2024 and through mid-January 2025 including a formal 30-day notice for an in-person public hearing to be held in January 2025. Staff will return to the Board on January 29, 2025 with collected public feedback and a final fare capping restructuring recommendation for implementation effective on April 1, 2025.



INTERURBAN TRANSIT PARTNERSHIP BOARD

RESOLUTION No. 120424-1

Fiscal Year 2025

Moved and supported to adopt the following resolution:

Approval to authorize the proposed fare capping adjustments to be presented for public feedback with an in-person public hearing through January 2025. Staff will return to the Board in January 2025 with collected public feedback and a fare capping restructuring recommendation for final implementation effective on April 1, 2025.

BE IT RESOLVED that the ITP CEO is hereby authorized to proceed with the proposed fare capping increases to be presented for public feedback and return to the Board in January 2025 for a final fare capping adjustment recommendation to be implemented on April 1, 2025.

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

Date: December 4, 2024
To: ITP Board
From: Andy Prokopy, Director of Information Technology
Subject: Electronic Fare Collection System – Year 6 Maintenance and Support

ACTION REQUESTED

Authorization to approve a contract with Innovations in Transportation (INIT) in the amount of \$111,788 for a one-year extension of software maintenance and support for the existing electronic fare collection system.

BACKGROUND

In 2017, ITP awarded a contract to INIT for the implementation of an electronic fare collection system using account-based smart cards (Wave Card) for fare payment which eventually replaced all paper tickets. ITP began the pilot and rollout of the system in 2018, which gradually introduced the Wave Card to the public until the system was fully configured and launched with all features in January 2020, thus starting the 5-year maintenance and support contract. In 2023, contactless payments were added to the existing system to allow for processing of open loop transactions from chip-enabled credit/debit cards and mobile payments, further enhancing capabilities of the system.

Maintenance and support for this system is critical as there are many servers and related services required to ensure efficient operation of the electronic fare collection system. ITP enters more than two dozen support tickets each month with INIT to resolve issues with normal daily operating issues, database problems, customer and partner accounts and cards concerns, tapping or validation errors, system reports, and other matters that are required to maintain reliable operations for the system and our customers.

PROCUREMENT

The proposed agreement continues the provision of maintenance support for the system and related services for one year from January 2025 through January 2026, at a cost of \$111,788, which is a 3% increase over the fifth year of maintenance and support per the original contract. Given that most software maintenance and support contracts increase on average by 5-10% each year, the 3% increase for this proposed extension is considered reasonable. ITP's electronic fare collection system and related services are proprietary to INIT, and therefore cannot be supported by another vendor, deeming this a sole source procurement.

FUNDING

Funding for this maintenance and support contract will be from local operating sources.



INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS

RESOLUTION No. 120424-2

Fiscal Year: 2024-2025

Moved and supported to adopt the following resolution:

Approve the execution of a contract with Innovations in Transportation (INIT) to extend software maintenance and support for one year for the electronic fare collection system.

BE IT RESOLVED that the ITP CEO is hereby authorized to execute a contract with INIT in the amount of \$111,788 for a one-year extension of software maintenance and support of the existing electronic fare collection system in accordance with information presented to the ITP Board on December 4, 2024.

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: December 4, 2024
TO: ITP Board
FROM: Jason Prescott
SUBJECT: OCTOBER 2024 PARATRANSIT RIDERSHIP REPORT

Paratransit ridership information for October 2024, as compared to October 2023

	2024	2023	% Change
Total Paratransit Ridership	20,715	19,173	8.0%
ADA Ridership	17,389	15,299	13.7%
Non-Disabled Senior (NDS) Ridership	115	106	8.5%
PASS Ridership	207	196	5.6%
Network 180	2,499	2,829	-11.7%

Ridership averages, as compared to 2023

	2024	2023	% Change
Weekday Ridership	690	657	5.0%
Saturday Ridership	224	231	-3.0%
Sunday Ridership	223	214	4.2%

Other Performance Measures

	2024	2023	% Change
On-Time Performance	91.58%	80.00%	14.5%
On-Time Drop-Off	96.04%	88.00%	9.1%
Average Cost Per Trip	\$47.04	\$41.88	12.3%

October 2024 Paratransit Ridership and Operating Statistics				
ADA	2024	2023	Change	% Change
Clients	1,296	1,205	91	7.6%
Passenger Trips	17,389	15,299	2,090	13.7%
NDS				
Clients	12	11	1	9.1%
Passenger Trips	115	106	9	8.5%
PASS				
Clients	10	11	(1)	-9.1%
Passenger Trips	207	196	11	5.6%
RIDELINK				
Clients	242	268	(26)	-9.7%
Passenger Trips (Performed by ITP)	505	743	(238)	-32.0%
TOTALS				
Clients	1,560	1,495	65	4.3%
Passenger Trips	18,216	16,344	1,872	11.5%
Average Weekday Ridership	690	657	33	5.0%
Average Saturday Ridership	224	231	(7)	-3.0%
Average Sunday Ridership	223	214	9	4.2%
All Ambulatory Passengers	15,002	13,300	1,702	12.8%
All Wheelchair Passengers	3,214	3,044	170	5.6%
No - Shows	427	267	160	59.9%
Cancellations	366	605	(239)	-39.5%
Transdev				
Average Cost per Trip	\$47.04	\$41.88	\$5.16	12.3%
Riders per Hour	1.8	2.2	(0.4)	-16.4%
Accidents per Month	2.0	2.0	0	0.0%
Trip Denials	0	0	0	#DIV/0!
NTD Travel Time (minutes)	33	28	5	16.1%
NETWORK 180				
Passenger Trips	2,499	2,829	(330)	-11.7%
Average Weekday Ridership	108	129	(21)	-16.3%
TOTAL PASSENGER TRIPS	20,715	19,173	1,542	8.0%
Paratransit Service Quality Statistics: network 180 Excluded				
Complaints	2024	2023	% of Trips	% Change
Transdev Complaints	14	23	0.1%	-39.1%
On-Time Performance				
On-Time Compliance - Pick-up	91.58%	80.00%	11.6%	14.5%
On-Time Compliance - Drop-off	96.04%	88.00%	8.0%	9.1%



Interurban Transit Partnership

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

Date: December 4, 2024

To: Board of Directors

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

Subject: Rapid Connect October 2024 Monthly Report

OVERVIEW

Rapid Connect mobility on-demand program report from Tuesday, October 1 through Thursday, October 31.

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, 2,495 people have signed up to use this new service.

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

CURRENT RIDERSHIP

Between Tuesday, October 1 and Thursday, October 31, 2024 (1 month service period), there were a total of 1,015 complete trips.

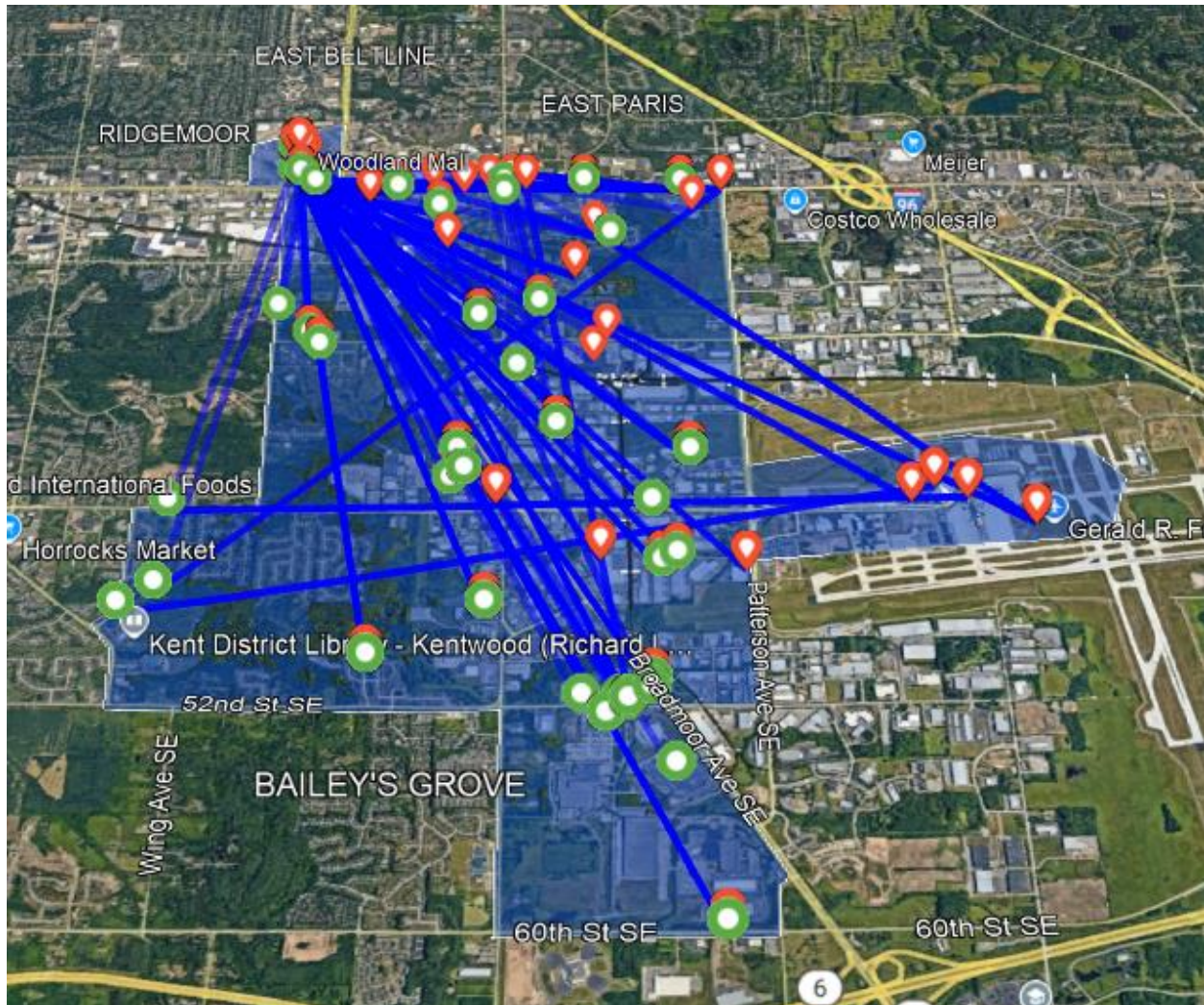
Interurban Transit Partnership

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

There were 703 trips completed in Kentwood (69%), and 312 trips completed in Walker (31%). There were 54 individual riders in Kentwood and 23 in Walker that made up these trips for the month of October.

The average fare trip distance in Kentwood is 2.85 miles, and 3.09 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.

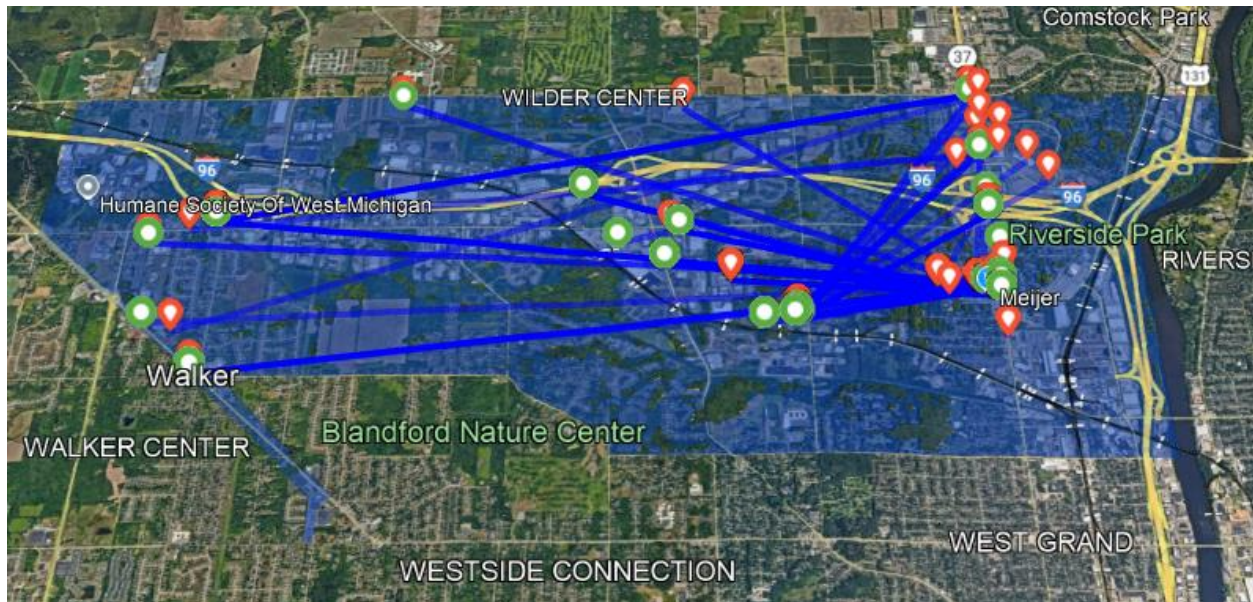
The earliest trip in Kentwood for October had a reported arrival time of 5:58 a.m. The latest trip was completed at 9:56 p.m.



Interurban Transit Partnership

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

The earliest trip in Walker for October had a reported arrival time of 6:01 a.m. The latest trip was completed at 9:55 p.m.

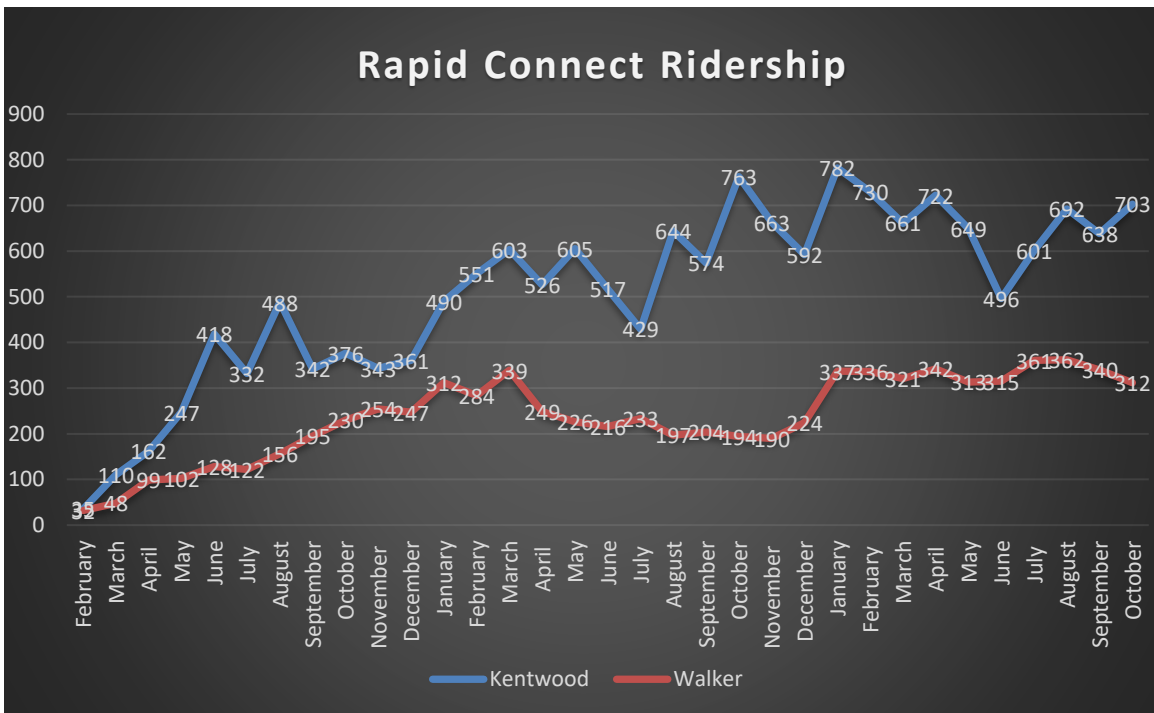
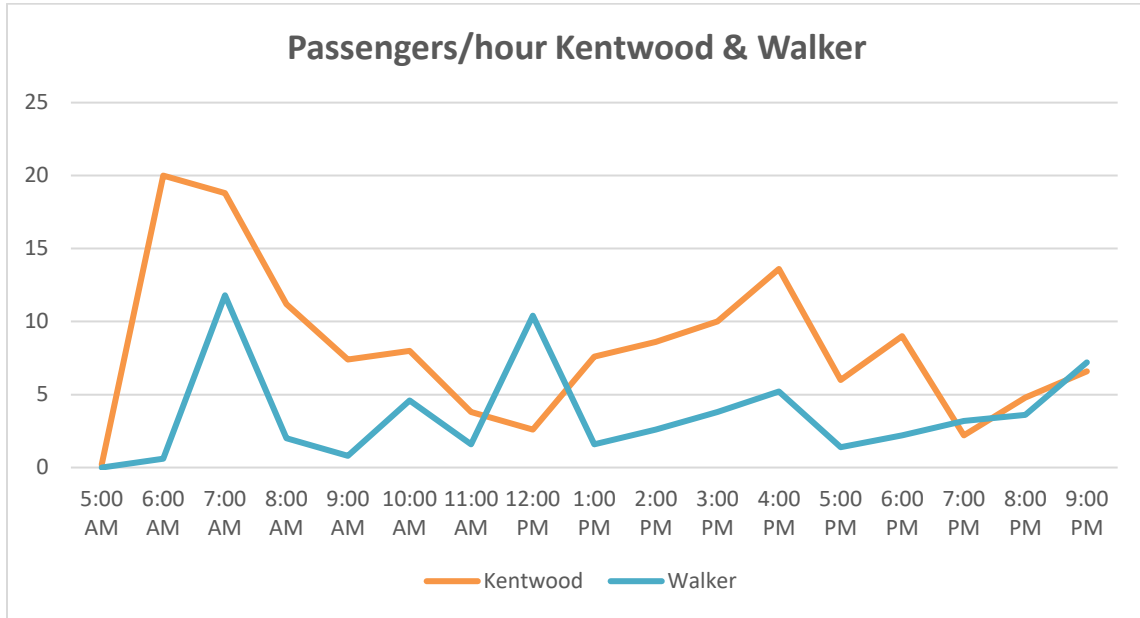


13 Destinations were visited in the expanded zone for September 2024.

- 555 Center Dr NW
- 745 Center Dr NW
- 1739 Vinecroft St NW
- 2263 E Oak St. NW
- 2200 Alpine Ave NW
- 3000 Alpine Ave NW
- 3165 Alpine Ave NW
- 3248 Alpine Ave NW
- 3343 Alpine Ave NW
- 3378 Alpine Ave NW
- 3462 Alpine Ave NW
- 3583 Alpine Ave NW
- 3596 Alpine Ave NW

Interurban Transit Partnership

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





Date: December 4, 2024
To: ITP Board
From: Tim Roseboom – Senior Planner
Subject: FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – October 2024

OVERVIEW: This ridership memo is updated from the November 12 Present Performance & Service Committee. In October 2024, there was a 15.9% increase in total monthly route ridership as compared to October 2023. Contract services increased 33.5%, and regular fixed routes services increased 7.1%. It should be noted that October 2024 had one more weekday and one less Sunday than October 2023. Ridership compared to October 2019 prior to the Covid remains 35.5% down.

BACKGROUND INFORMATION

Monthly Ridership

	October 2024	October 2023	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	433,142	404,540	7.1%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	270,702	202,711	33.5%
Total Monthly Fixed Route Ridership	703,844	607,251	15.9%

Daily Average Ridership

	October 2024	October 2023	% Change
Weekday Total	27,804	24,977	11.3%
Weekday Evening	3,959	3,310	19.6%
Saturday	10,927	8,360	30.7%
Sunday	5,158	4,862	6.1%

Productivity Summary

	October 2024	October 2023	% Change
Average passengers per hour per route	16.4	14.1	16.6%
Average passengers per mile per route	1.22	1.04	17.2%
Average farebox recovery percent per route	11.0%	11.7%	-5.9%

Fiscal Year Ridership

	FY 2025	FY 2024	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	433,142	404,540	7.1%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	270,702	202,711	33.5%
Total Fixed Route Ridership YTD	703,844	607,251	15.9%

COMPARISON OF OCTOBER 2024 TO OCTOBER 2019

Monthly Ridership

	October 2024	October 2019	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	433,141	712,559	-39.2%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	270,702	379,151	-28.6%
Total Monthly Fixed Route Ridership	703,843	1,091,710	-35.5%

Daily Average Ridership

	October 2024	October 2019	% Change
Weekday Total	27,804	43,545	-36.1%
Weekday Evening	3,959	5,910	-33.0%
Saturday	10,927	15,858	-31.1%
Sunday	5,158	6,685	-22.8%

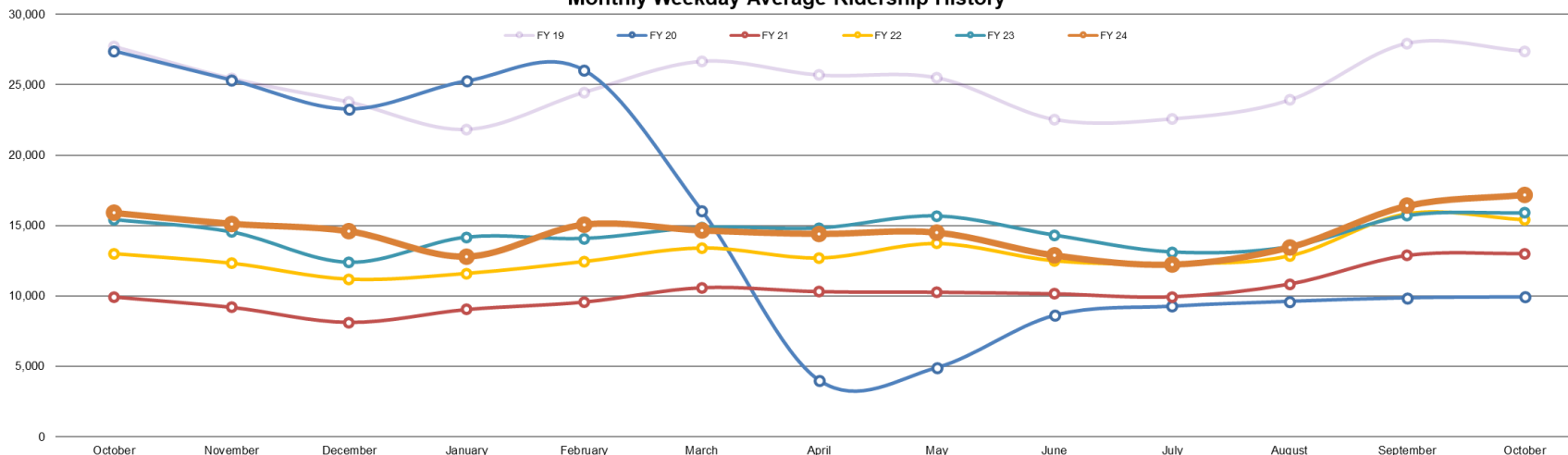
Productivity Summary

	October 2024	October 2019	% Change
Average passengers per hour per route	16.4	21.8	-24.8%
Average passengers per mile per route	1.22	1.67	-27.1%
Average farebox recovery percent per route	11.4%	24.9%	-54.3%

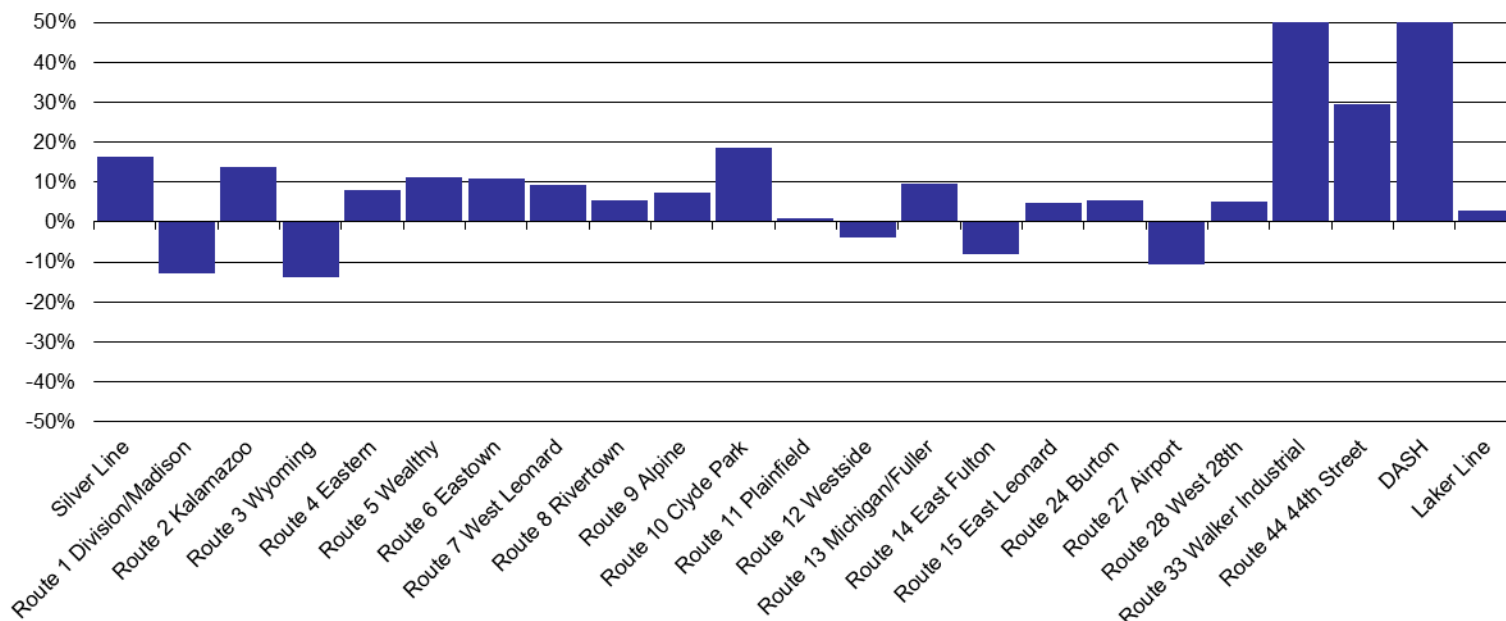
Fiscal Year Ridership

	FY 2025	FY 2019	% Change
Regular Fixed Route Service (<i>Routes 1–44</i>)	433,141	712,559	-39.2%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	270,702	379,151	-28.6%
Total Fixed Route Ridership YTD	703,843	1,091,710	-35.5%

Monthly Weekday Average Ridership History



Percent Change by Route: October 2024 compared to October 2023





Interurban Transit Partnership

Date: December 4, 2024
To: ITP Board of Directors
From: Linda Medina, Director of Finance
Subject: Preliminary September 2024 Operating Statement, Grant Statement, and Professional Development Report

Attached are the financial reports for general operating and grants through September 2024 along with the Professional Development report. Our auditor, BDO USA, is currently conducting our annual audit. During the audit process, expense and revenue adjustments may occur. Any adjustments will be reflected in the audited financial statements and single audit report, which will be presented to the Board for approval in January 2025.

FY 23/24 YTD Operating Statement Analysis

Overall, revenue is 1.5% (\$780,136) over forecasted

- Fare revenue is under by 4.8% compared to budget, but increased 2.7% from FY 22/23
- Fixed route ridership is below budget by 6.2%, but increased 0.4% from FY 22/23
- Sale of Transportation Services are slightly under budget, while DASH revenue increased with the addition of Monday and Tuesday service
- Advertising and Miscellaneous are favorable due to the Alternative Fuel Credit, RIN credits, interest and a successful bus advertising campaign

Overall, expenses are 17.2% (\$10,299,537) under budget before capitalized operating expenses

- Salaries, wages and fringes are under budget due to lower than budgeted staffing levels
- Materials and Supplies are favorable due to fuel's cost per gallon remaining lower than budgeted
- Insurance and Utilities are under budget due to lower insurance rates and favorable weather conditions

During the audit process, an additional \$1.2 million in eligible operating expenses was capitalized bringing the total to \$3.7 million.

For any further inquiries regarding the attached financial reports, please don't hesitate to contact me directly at (616) 774-1149 or lmedina@ridetherapid.org.

The Rapid Preliminary Operating Statement
Year to Date as of September 30, 2024

	YTD as of September 30, 2024		Variance from Budget		FY 22/23	Variance from FY 22/23	
	Adopted	Preliminary	\$	%	Actual	\$	%
Revenues and Operating Assistance							
Passenger Fares	\$ 4,895,883	\$ 4,658,794	\$ (237,089)	-4.8%	\$ 4,534,783	\$ 124,011	2.7%
Sale of Transportation Services							
CMH Contribution	447,839	361,793	(86,046)	-19.2%	403,637	(41,844)	-10.4%
Dash Contract	1,856,468	2,270,135	413,667	22.3%	1,659,742	610,393	36.8%
Grand Valley State University	3,682,642	3,423,844	(258,799)	-7.0%	3,188,376	235,468	7.4%
Van Pool Transportation	-	-	-	0.0%	(1,243)	1,243	-100.0%
Township Services	185,836	197,217	11,381	6.1%	388,759	(191,542)	-49.3%
Other	218,635	193,473	(25,162)	-11.5%	203,024	(9,551)	-4.7%
Subtotal Sale of Transportation Services	6,391,421	6,446,462	55,042	0.9%	5,842,295	604,167	10.3%
State Operating	18,870,616	15,983,070	(2,887,546)	-15.3%	14,310,222	1,672,848	11.7%
Property Taxes	19,661,002	20,623,945	962,943	4.9%	18,867,978	1,755,967	9.3%
Advertising & Miscellaneous	714,020	3,600,806	2,886,786	404.3%	1,907,029	1,693,776	88.8%
Subtotal Revenues and Operating Assistance	50,532,941	51,313,077	780,136	1.5%	45,462,308	5,850,769	12.9%
Grant Operating Revenue					8,321,660	(8,321,660)	-100.0%
Unrestricted Net Reserves	5,474,451		(5,474,451)	100.0%	-	-	100.0%
Total Revenues and Operating Assistance	\$ 56,007,392	\$ 51,313,077	\$ (4,694,315)	-8.4%	\$ 53,783,968	\$ (2,470,891)	-4.6%
Expenses							
Salaries and Wages							
Administrative	\$ 7,226,977	\$ 6,061,416	\$ (1,165,561)	-16.1%	\$ 5,131,008	\$ 930,408	18.1%
Operators	16,033,168	12,879,850	(3,153,319)	-19.7%	13,492,487	(612,638)	-4.5%
Maintenance	2,782,858	2,527,823	(255,034)	-9.2%	2,445,572	82,252	3.4%
Subtotal Salaries and Wages	26,043,003	21,469,090	(4,573,913)	-17.6%	21,069,067	400,022	1.9%
Benefits	10,842,785	7,693,422	(3,149,363)	-29.0%	8,075,922	(382,501)	-4.7%
Contractual Services	3,912,166	3,156,470	(755,697)	-19.3%	3,475,406	(318,936)	-9.2%
Materials and Supplies							
Fuel and Lubricants	3,026,466	2,276,303	(750,164)	-24.8%	2,716,979	(440,676)	-16.2%
Other	1,969,374	1,859,260	(110,114)	-5.6%	1,748,878	110,382	6.3%
Subtotal Materials and Supplies	4,995,840	4,135,563	(860,278)	-17.2%	4,465,857	(330,294)	-7.4%
Utilities, Insurance, and Miscellaneous	5,699,115	4,201,388	(1,497,727)	-26.3%	4,420,126	(218,739)	-4.9%
Purchased Transportation	8,514,483	9,051,923	537,441	6.3%	7,269,465	1,782,458	24.5%
Expenses Before Capitalized Operating	60,007,392	49,707,855	(10,299,537)	-17.2%	48,775,844	932,011	1.9%
Capitalized Operating Expenses	(4,000,000)	(2,497,902)	1,502,098	0.0%	(3,186,414)	688,512	0.0%
Total Operating Expenses	\$ 56,007,392	\$ 47,209,953	\$ (8,797,439)	-15.7%	\$ 45,589,430	\$ 1,620,522	3.6%
Net Surplus/(Deficit) without Net Reserves		\$ 4,103,124			\$ (127,123)		
Net Surplus/(Deficit) with Net Reserves		\$ 4,103,124			\$ 8,194,538		

Interurban Transit Partnership
Grant Revenues & Expenditures
Month Ended 09/30/24

	Adopted Budget	Amended Budget	Month To Date	Year To Date	Balance	Percent Target 100%
<u>Grant Revenue</u>						
1. Federal Grant Assistance	16,232,189	22,632,189	5,183,262	20,750,856	1,881,333	92%
2. State Grant Assistance	4,058,047	5,658,047	1,295,816	5,187,714	470,333	92%
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	28,290,236	6,479,078	25,938,570	2,351,666	92%
<u>Labor</u>						
7. Administrative Salaries	0	5,800	2,826	5,742	58	99%
8. Driver Wages	0	0	0	0	0	100%
9. Temporary Wages	0	0	0	0	0	100%
10. Fringe Benefit Distribution	0	1,800	675	1,735	65	96%
11. Total Labor	0	7,600	3,501	7,477	123	98%
<u>Material & Supplies</u>						
12. Tires & Tubes	322,000	316,400	42,396	274,847	41,553	87%
13. Office Supplies	0	0	0	0	0	100%
14. Printing	0	0	0	0	0	100%
15. Total Material & Supplies	322,000	316,400	42,396	274,847	41,553	87%
<u>Purchased Transportation</u>						
16. Purchased Transportation	1,200,000	1,243,000	116,846	1,242,603	397	100%
17. Specialized Services	0	1,086,369	496,617	1,085,474	895	100%
18. Total Purchased Transportation	1,200,000	2,329,369	613,463	2,328,077	1,292	100%
<u>Other Expenses</u>						
19. Dues & Subscriptions	26,000	27,432	0	27,432	0	100%
20. Professional Development	0	0	0	0	0	100%
21. Miscellaneous	0	1,859	0	0	1,859	0%
22. Total Other Expenses	26,000	29,291	0	27,432	1,859	94%
<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	12,920,079	4,755,210	12,655,405	264,674	98%
28. Facilities	3,617,625	3,325,642	50,125	2,891,888	433,754	87%
29. Equipment	675,298	1,057,609	49,352	754,646	302,963	71%
30. Other	1,742,950	3,877,091	310,133	3,876,332	759	100%
31. Total Capital	10,355,952	21,180,421	5,164,820	20,178,271	1,002,150	95%
32. Planning Services	4,932,231	973,102	37,055	624,564	348,538	64%
33. Capitalized Operating	3,454,053	3,454,053	617,843	2,497,902	956,151	72%
34. Total Expenditures	20,290,236	28,290,236	6,479,078	25,938,570	2,351,666	92%

PROFESSIONAL DEVELOPMENT & TRAVEL REPORT
 ALL EMPLOYEES
 SEPTEMBER 2024

AMOUNT	PURPOSE	EMPLOYEE (s)	LOCATION
\$ 2,200.00	Employee Civil Discourse Training	Bus Operators	Allendale, MI
\$ 824.05	Michigan Public Transit Association (MPTA) Annual Meeting	S. Clapp, D. Prato	Thompsonville, MI
\$ 1,075.00	2024 APTA Transform Conference	D. Prato	Anaheim, CA
\$ 1,164.51	APTA Tech Conference	A. Prokopy	Philadelphia, PA
\$ 1,160.96	Mobility Pact (MPACT) Conference Registration	J. King	Philadelphia, PA
\$ 350.00	Michigan Emergency Management Association Conference	M. Wieringa	Bellaire, MI
\$ 580.96	APTA Sustainability Conference	T. Roseboom	Washington D.C.
<u>\$ 7,355.48</u>			

*This total does not include incidental travel and meeting expenses such as mileage, parking, lunch meetings, etc.



Future Planning & Technology Committee Members

Mayor Rosalynn Bliss

Jack Hoffman

Andy Guy

Terry Schweitzer (Chair)

Paul Troost

Citizen Members:

Ryan Anderson

Dave Bulkowski

PLANNING & TECHNOLOGY COMMITTEE MEETING MINUTES

Monday, September 9, 2024 – 8:30 a.m.

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

ATTENDANCE:

Committee Members Present:

Terry Schweitzer, Jack Hoffman, Dave Bulkowski, Paul Troost, Andy Guy

Committee Members Absent:

Mayor Bliss, Ryan Anderson

Rapid Attendees:

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

Public Attendees:

Clover Brown (GVMC), Max Dillivan (Mobile GR), Lydia Shongle

Chairman Schweitzer called the meeting to order at 8:30 a.m.

1. PUBLIC COMMENT

No public comments

2. MINUTES – May 13, 2024 (*July 15, 2024, was canceled*)

Chairman Schweitzer asked for any changes or corrections to the meeting minutes of May 13, 2024, and there were none.

The meeting minutes were approved as submitted.

3. DISCUSSION

a. **TMP Update (AECOM) Mr. Andrew Ittigson (Virtual), Ms. Catherine Osborn (Virtual)**

Mr. Ittigson began by providing context for the Transportation Master Plan (TMP) update. He explained that the focus over the past few months has been on evaluating progress and determining the future direction of the project, specifically as they approach its final phases. He emphasized the shift from the previous TMP, which primarily emphasized a long-range service plan centered around Bus Rapid Transit (BRT) systems, to a more comprehensive long-range vision strategic plan. This new approach is intended to be a dynamic, living document. It aims to provide reliable guidance that is adaptable to various developments. Mr. Ittigson highlighted the importance of incorporating a flexible framework that considers various potential scenarios. He spoke about the necessity of planning for different outcomes – essentially laying out “what if, then” scenarios which will allow the TMP to remain relevant and effective in addressing the transportation needs of the community as

circumstances change. Mr. Ittigson then passed the conversation to Ms. Osborn, who stepped in to provide her updates on the Transportation Master Plan (TMP).

Ms. Osborn began by outlining recent activities and milestones achieved by the TMP team. She focused on the completion of various stakeholder engagement efforts, which included surveys, community meetings, and feedback sessions aimed at gathering insights from the community, businesses, and local organizations. Ms. Osborn highlighted how this input has been invaluable in shaping the direction of the plan.

She also discussed the analysis of transportation trends and data over the past few months, emphasizing key findings that will influence future strategies. Ms. Osborn shared specific areas of focus, such as enhancing multi-modal transportation options, improving accessibility, and promoting sustainability in transit solutions.

Furthermore, she illustrated how the team is developing the “what if, then” scenarios that Mr. Ittigson mentioned earlier. By exploring different possibilities for future growth and change, the TMP aims to identify the best strategies for maintaining an efficient and responsive transportation system.

In response to Mr. Schweitzer’s inquiry about the color codes used on the charts, Ms. Osborn took a moment to clarify their meanings. She explained that each color on the charts was strategically chosen to represent different types of data or categories related to the Transportation Master Plan (TMP).

Ms. Osborn acknowledged Mr. Bulkowski’s concern regarding the importance of collaboration with key stakeholders such as the Michigan Department of Transportation (MDOT), highway agencies, and the Metro Council. She explained that engagement with these organizations has been a critical component of the planning process for the Transportation Master Plan (TMP).

She detailed that the team has conducted several meetings and discussions with representatives from MDOT and regional transportation authorities to ensure that the TMP aligns with boarder transportation strategies and regulatory requirements. These conversations have focused on various elements, including highway capacities, potential enhancements, and integration of state policies with local initiatives.

Mr. Bulkowski raised an important point about the need for these discussions to inform and potentially adjust the conceptual vision laid out in the TMP. Ms. Osborn agreed and assured him that the team is committed to incorporating feedback from these stakeholders as they continue to refine their strategies. This iterative process ensures that the plans are not only visionary but also grounded in the realities of implementation, fostering a collaborative approach to addressing transportation challenges in the region.

Ms. Osborn welcomed Mr. Ittigson’s observation regarding the purple and green areas on the chart, noting their significance in terms of land use and transportation planning. She explained that the purple areas typically represent zones designated for mixed-use developments, which are intended to encourage higher density and promote walkability, while the green areas symbolize spaces allocated for parks, greenways, and sustainable infrastructure. The integration of these elements supports both community well-being and enhanced transportation options.

Mr. Hoffman then highlighted the importance of recognizing the organization as a significant landscape owner. He explained that their holdings can greatly influence local development strategies, particularly by providing opportunities for joint developments that align with transit planning. By collaborating with developers and the community, the organization can help create hubs around transit stations, enhancing accessibility and functionality.

In reply to Mr. Bulkowski’s inquiry about the recent housing study and joint development initiatives, Ms. Osborn elaborated on the findings of the study, which emphasized the correlation between transit accessibility and housing density. The study suggests that transit investments should be strategically placed in areas expected to see increased housing density, thereby maximizing ridership and overall effectiveness of the transit system.

Mr. Osborn pointed out that joint development is crucial for achieving this goal. It involves partnerships between transit agencies, developers, and local government to create transit-adjacent housing and commercial spaces that encourage residents to utilize public transportation. She stressed that this approach not only improves the success of transit routes but also contributes to vibrant, livable communities.

Mr. Monoyios expressed interest in the Intercounty Corridor Analysis, prompting Ms. Osborn to provide a detailed overview of its key components. She outlined the various corridors identified in the analysis, emphasizing their significance in addressing regional transportation challenges.

1. **Future Growth:** Ms. Osborn explained that the analysis considers anticipated growth in specific areas, including projected population increases and economic development. This forward-looking approach helps identify where infrastructure improvements and expanded transit services are needed to support future demands.
2. **Current Demands:** She noted that understanding existing travel patterns and demand is critical for effective planning. The analysis evaluates current ridership levels, modal splits, and the performance of existing transit services. This data sets a baseline for assessing where enhancements or new routes might be necessary.
3. **Transportation Needs:** Ms. Osborn highlighted that the analysis also delves into gaps in transportation, specifically areas underserved by transit or lacking sufficient infrastructure. This assessment aims to ensure that transportation options align with the needs of the region's residents, particularly in areas with limited mobility options.

She pointed out that certain locations with the corridors, such as Holland and Muskegon, already have established transit services. Ms. Osborn emphasized that leveraging these existing services for expansion and improvement is essential. This could involve better integration of routes, increasing frequency, or enhancing connectivity between communities to ensure a seamless travel experience for residents. By identifying both current and future transportation needs, the Intercounty Corridor Analysis aims to provide a strategic framework for making informed decisions about investments in transit infrastructure.

Mr. Ittigson provided an insightful overview of the various funding tools available for supporting transportation projects, emphasizing the importance of both short-term and long-term strategies to secure financial resources. He outlined several key areas:

1. **Discretionary/One-Time Funding:** Mr. Ittigson discussed the nature of discretionary funding, which often comes from federal or state resources as one-time allocations for specific projects. He noted that while this funding can be crucial for initiating projects, dependence on such sources may lead to challenges in sustainability once initial funds are exhausted.
2. **Federal Grants and State Funding:** He highlighted the importance of federal grants, which can provide substantial financial support for transportation initiatives. State funding also plays a critical role, as it can help bridge gaps in project financing and support local initiatives. Mr. Ittigson encouraged the group to explore opportunities for federal and state grants that align with the strategic goals of the transportation plan.
3. **Long-Term Funding:** He stressed that sustainable, long-term funding mechanisms are essential for maintaining and expanding transit services over time. This includes looking into various potential revenue streams which could support ongoing operational costs and capital improvements.
4. **Sales Tax:** One potential long-term funding mechanism discussed was the implementation of a dedicated sales tax for transportation projects. This approach can provide a stable revenue stream, though it would likely require public buy-in and potentially a referendum to approve.
5. **Joint Development and TIP Abilities:** Mr. Ittigson noted that joint development opportunities could be a valuable source of funding. By collaborating with developers on transit-adjacent projects, transit agencies may be able to create revenue shares or funding

contributions that enhance overall project viability. He also pointed out the importance of leveraging Transportation Improvement Programs (TIP) to prioritize and fund projects strategically.

6. Value Capture: Finally, he introduced the concept of value capture, which refers to methods of financing public infrastructure by capturing the increased land values that result from the improvements. This could include mechanisms like Tax Increment Financing (TIF) or special assessment districts that allow local governments to recoup investments through future increased tax revenues.

Mr. Ittigson concluded by emphasizing that while there are numerous potential funding avenues, it is critical to carefully assess each option's feasibility and challenges. He encouraged the group to think creatively about combinations of these tools to build a robust funding strategy and to consider stakeholder engagement in garnering support for these funding mechanisms.

During the discussion, Mr. Hoffman emphasized the need for radical reform in state transportation funding. He voiced his belief that the current systems are becoming outdated, and that transformation is not only necessary but inevitable. He argued that future funding structures will need to be more organized and coherent, both at the state and federal levels, to address the growing demands on transportation systems.

In response, Mr. Bulkowski raised a question regarding the budget of The Rapid over the next 1-5 years. He pointed out the importance of understanding the legal realities surrounding funding and budget allocation, noting that these factors will significantly influence the feasibility of proposed changes. He stressed that clarity on budget constraints is essential for effective planning and execution of transportation projects.

Mr. Monoyios then shifted the discussion towards the scope of the proposed reforms. He inquired about the political viability of the initiatives being discussed, asking the participants to display all available opportunities for garnering support. He highlighted the importance of understanding the political landscape to identify champions who could advocate for these changes.

In agreement, Mr. Hoffman echoed these sentiments, suggesting that the identification of local champions and the formation of effective teams will be crucial for bringing these initiatives to fruition by 2029. He expressed optimism about the current fluid situation, suggesting that adaptability and openness to various solutions will be critical. He encouraged the group to explore all potential options for funding and reform, including the consideration of millages as a viable funding source.

Mr. Ittigson projected that the first five years would be crucial as the organization begins to implement changes and gain access to additional funding tools. He expressed optimism that as projects progress, new capabilities and resources would emerge.

Mr. Hoffman voiced concerns about the current landscape, stating that unless there is a substantial reshuffling of existing resources and funding structures, meaningful changes may be difficult to achieve. He highlighted his apprehension about returning to voters for additional funding, indicating that voter fatigue or resistance could hinder future initiatives.

In the context of recent studies, Mr. Ittigson reported that the analysis of the fleet and facilities found that The Rapid is in good repair. However, he noted that the study revealed some interesting opportunities to explore, particularly in terms of vehicle technology. The findings suggested considering options like battery electric and hydrogen fuel technologies, which, while not widely adopted yet, pose significant potential for improving sustainability and efficiency in transportation. He stressed the need for forward thinking strategies that may involve investing in these emerging technologies as part of a longer-term vision.

In the discussion regarding transportation infrastructure and service delivery, topics such as CNG (Compressed Natural Gas) fueling, snow clearing, and the storage and maintenance of vehicles were highlighted as critical elements to ensure operational efficiency and service reliability.

Mr. Bulkowski posed significant questions about the infrastructure necessary for implementing these changes. He asked about specifics of the fueling station, including its location and size, noting that these factors represent substantial barriers to optimizing transit operations.

In response, Mr. Ittigson clarified that the reference to “stations” pertains to bus stops, highlighting that ensuring adequate infrastructure at these points is essential for maximizing transit coverage and service efficiency. He pointed out that areas identified as having the most potential for development or improvement must be prioritized in policy considerations and performance measures.

The key takeaway from this segment of the meeting is the need to balance technical and operational requirements such as infrastructure and maintenance with social responsibilities, ensuring that transit systems are equipped to meet the diverse needs of the community, especially those most reliant on the service.

Mr. Ittigson noted the updates from the Spring and Summer activities:

Overall, the spring engagement activities and subsequent summer survey provided a comprehensive overview of community perspectives, emphasizing the need for enhanced service frequency, improved infrastructure, and targeted outreach efforts to build a more robust and user-friendly transit system.

Next Steps for AECOM:

Finalize Funding Strategies: AECOM is tasked with developing and finalizing strategies to secure funding for the planned projects and initiatives within the implementation plan. This includes identifying potential sources of funding, such as state and federal grants, public-private partnerships, and other financial mechanisms that can support transit improvements.

b. **IT Strategic Plan, Mr. Andy Prokopy**

Mr. Prokopy outlined several key findings and recommendations regarding the need for a more detailed and technology-focused plan for transit services. His insights are structured around four main tasks designed to enhance meaningful engagement with customers and stakeholders while staying abreast of industry trends and best practices.

1. **Desire for a Granular Technology Plan:** Mr. Prokopy emphasized the necessity for a detailed and specific technology plan that goes beyond surface-level strategies. This will allow for greater precision in identifying and fulfilling technological needs within the system.
2. **Engagement with Customers and Stakeholders:** Meaningful engagement with current and potential customers, as well as other stakeholders, is vital. This ensures the transit service can adapt and evolve in line with user needs and expectations.
3. **Industry Trends and Peer Comparisons:** By reviewing trends within the industry and assessing peer agencies, valuable insights can be gained that may inform and enhance service delivery.

Breakdown of Tasks:

1. Discovery and Information Gathering
2. Customer Engagement
3. Peer Agency Review
4. Conducting Gap Analysis Workshop

In conclusion, Mr. Prokopy’s comprehensive approach combines stakeholder engagement, industry best practices, and clear prioritization of actionable steps. By focusing on a granular technology plan and specific projects aimed at customer service and website enhancements, the transit authority is set on a path toward greater efficiency and user satisfaction.

c. Transportation Funding Reform Update, Mr. Jack Hoffman

At the board meeting, Mr. Hoffman expressed significant concerns about the current state of the transit system and its operational framework. His comments highlighted critical issues surrounding the dominance of trucking and construction agencies and the structural challenges that face the Michigan Department of Transportation (MDOT) and other related agencies. He remarked that the entire transit system is on the verge of collapse due to the current operational and funding structures. The implications of this could be far-reaching, potentially affecting service delivery and community mobility in profound ways. Mr. Hoffman acknowledged that while the issues are serious, resolving them will take time. He critiqued the current system for being designed to keep transit afloat rather than to foster its success. He emphasized that the old ways of operating within the transportation system are becoming obsolete. There is a pressing need to adapt to new practices and paradigms that prioritize sustainable and effective transit solutions.

d. Fare Equity Evaluation Status, Mr. Nick Monoyios, verbal update

Mr. Monoyios presented important updates regarding the fare structure and associated roadmaps, as well as considerations regarding communication strategies for both the board and the public.

Key Points Discussed:

- 1. Fare Structure Roadmaps:** Mr. Monoyios shared comparative analyses of the current fare structure against peer agencies.
- 2. Target Date for Implementation:** The committee identified April 1 as the target date for the implementation of any new fare changes. This timeline is essential for aligning stakeholder expectations and operational planning.
- 3. Form Completion Inquiry:** Mr. Schweitzer inquired about the necessary forms needed for finalizing preparations related to the fare changes, indicating a need for procedural clarity as the committee progresses.
- 4. Title VI Considerations:** Mr. Monoyios discussed Title VI compliance, referencing a 20% disparity threshold that provides some latitude in fare adjustments. This is crucial for ensuring any changes made align with federally mandated equity standards and assist in making informed decisions.
- 5. Communication Strategy:** Mr. Guy raised the importance of thoughtful messaging surrounding the fare changes, particularly regarding framing the changes to minimize public concern. He highlighted the sensitivity of the timing, suggesting that the messaging must be crafted carefully to avoid misinformation.
- 6. Emphasis on Over-communication:** Ms. Prato responded to Mr. Guy's concerns by emphasizing that the strategy would focus on over-communicating with the public. She clarified that the messaging would emphasize that this is not a fare increase but rather a cap on daily fares, which could help to frame the initiative positively.

e. Rapid Connect, Mr. Nick Monoyios, verbal update

Mr. Monoyios announced the decision to decommission Rapid Connect, outlining the comprehensive steps being taken to ensure a smooth closure of the service.

Key Points Discussed:

- 1. Decommissioning of Rapid Connect:** He emphasized that all relevant departments are interconnected to streamline communication during this transition.
- 2. Over-communication Strategy:** The team's approach prioritizes over-communication to ensure that everyone involved is informed about the steps necessary to wind down the service effectively.
- 3. Comprehensive Action List:** A detailed list of all tasks required to conclude the service has been compiled to ensure all aspects of the decommissioning process are addressed systematically.

4. **Board Approval Inquiry:** Mr. Bulkowski questioned when the decision to decommission Rapid Connect was made by the board and whether this information is documented in board records.
5. **Resource Allocation:** Ms. Prato brought up the possibility of maximizing resources in the wake of decommissioning Rapid Connect, indicating that there may be opportunities for reallocation or better utilization of existing services.

f. APTA Conference take aways, Mr. Andy Prokopy and Mr. Tim Roseboom

Mr. Prokopy and Mr. Roseboom shared insights from their respective conferences, highlighting important trends and developments related to technology, sustainability, and ridership in public transit.

Tech Conference Insights (Mr. Prokopy)

1. **Cyber Security:** Emphasized the importance of training and awareness in combating threats in the IT landscape
2. **AI in Transit:** Explored the potential applications of artificial intelligence, particularly in addressing fare evasion and supporting dispatch operations.
3. **Increased Cash Collection:** He noted that cash transactions have increased, indicating a need to understand the implications for operation and service delivery.

APTA Sustainability Conference (Mr. Roseboom)

1. **Ridership Trends:** Mr. Roseboom shared takeaways from the conference indicating that ridership is returning, but with significant changes in patterns. The resurgence is particularly notable for Saturday and Sunday services, which have gained importance during the recovery.
2. **Electric Vehicles (EVs):** He highlighted the role of electric vehicles in reducing the carbon footprint of transit agencies. The Rapid is ahead of many peers in implementing EV initiatives, positioning itself as a leader in the industry.

Mr. Hoffman inquired whether sustainability measures discussed were financially compatible or mutually exclusive. Mr. Roseboom addressed this by emphasizing that while there are challenges, initiatives like the adoption of EVs and other sustainability efforts are crucial for long-term viability and reducing carbon emissions.

4. INFORMATION

Upcoming APTA, Mpact Events, Mr. Nick Monoyios

- a. APTA TRANSform, Anaheim, CA September 29 – October 2
- b. APTA Transit Ballot Initiatives, Cincinnati, OH December 9 – December 11
- c. Mpact: Transit & Community, Philadelphia, PA October 20 – October 23

5. ADJOURNMENT

This meeting was adjourned at 9:45 p.m.

The next meeting is scheduled for November 4, 2024

Respectfully submitted,



Kris Heald, Board Secretary



Interurban Transit Partnership

Present Performance & Service Committee Members

Charis Austin Tracie Coffman David Bilardello (Chair) Rick Baker Robert Postema

PRESENT PERFORMANCE AND SERVICE COMMITTEE MEETING MINUTES

Tuesday, July 23, 2024 – 4:00 p.m.

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

ATTENDANCE:

Committee Members Present:

David Bilardello, Charis Austin, Rick Baker

Committee Members Absent:

Tracie Coffman, Robert Postema

Rapid Attendees:

Steve Clapp, Kris Heald, Jeffrey King, Deron Kippen, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Tim Roseboom, Steve Schipper, Mike Wieringa, Kevin Wisselink

Public Attendees:

Vice Chairman Bilardello called the meeting to order at 4:02 p.m.

1. PUBLIC COMMENT

No Public Comment

2. MINUTES – June 12, 2024 (rescheduled from May 21, 2024)

Vice Chairman Bilardello entertained a motion to approve the meeting minutes from June 12, 2024. Mr. Baker motioned to approve, and Ms. Austin supported it. The motion passed unanimously.

3. DISCUSSION

A. Ridership and Metrics – Mr. Jason Prescott

Mr. Prescott reported a commendable 94.4% On-Time Performance for July. This achievement reflects consistent efforts aimed at improving service delivery and operational efficiency in Paratransit operations.

He noted Transdev currently employs 82 full-time drivers and has an additional three drivers in training. This robust staffing level is vital for meeting demand and maintaining a high-quality service.

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

With high On-Time Performance rates established, Mr. Prescott plans to shift his focus toward:

- Enhancing Customer Service: Developing initiatives that will improve customer experience.
- Identifying Fleet Efficiencies: Looking for ways to optimize operations and reduce costs without compromising service quality.

Mr. Baker inquired what specifically contributed to the excellent numbers.

Mr. Prescott identified several critical factors that contributed to the impressive On-Time Performance:

Leadership Collaboration: Strong teamwork between The Rapid Leadership and Transdev has been essential in driving improvements in performance metrics.

New Vehicles: The integration of new vehicles into the fleet has significantly enhanced reliability and operational efficiency, enabling better service provision.

Robust Driver Staff: A committed team of full-time drivers has ensured that The Rapid can adequately meet customer demand while maintaining high service levels.

Mr. Prescott reported a significant decrease in On-Demand ridership for June:

In Kentwood, average weekly riders have dropped from approximately 50 to 30.
In Walker, ridership has decreased to about 15 individual riders per week.

A notable trend observed is that customers are increasingly favoring trips to the transit hub instead of using direct On-Demand services. This suggests passengers may prefer whichever service arrives first, be it Rapid Connect or the Fixed Route system.

Mr. Baker pointed out that the ridership numbers for June and July this year are consistent with the previous year's trends, indicating an ongoing pattern in user behavior. He raised the idea of exploring other areas in the city where On-Demand services could potentially be implemented to boost ridership.

Mr. Prescott indicated that this topic will be further addressed later in today's meeting. He also shared that a comprehensive study has recently been completed in collaboration with Nelson Nygard and VIA. This study evaluated our entire service area and identified key potential areas for enhancements.

Fixed Route Ridership – May/June 2024, Mr. Tim Roseboom

Mr. Roseboom reported in May that we experienced a promising increase in ridership, with an overall rise of 6%. However, this trend did not continue in June, when we experienced a significant decrease of nearly 7%. It's important to note that June 2023 had some unusual factors contributing to the earlier spike in ridership, including an extra day in the month and the occurrence of clean air action days, which covered about one-third of the month. When we look at the year-to-date figures compared to FY'23, we are currently just under a 6% increase, which is a positive sign despite the recent fluctuations.

On-Time Performance – May/June 2024, Mr. Nick Monoyios

Mr. Monoyios provided an update regarding our On-Time Performance (OTP) metrics for May, which stood at 78.3%. This figure reflects a decrease compared to previous months. Several factors contributing to this decline include ongoing construction projects that have led to detours on multiple routes. It's worth mentioning that May 6 marked the beginning of our new schedule adjustments, which we hope will help improve our performance moving forward.

During the discussion, Mr. Bilardello raised a question regarding the impact of a late bus on subsequent routes. Mr. Monoyios explained that while late arrivals can affect the timing of subsequent routes, a buffer known as recovery time is built into the schedule to help mitigate these

effects. Additionally, Mr. Monoyios assured us that his team is actively monitoring and identifying problem areas, allowing for timely adjustments to enhance overall service reliability.

B. Operational Financial/Impacts

1. Rapid Connect Recommendation

Ms. Prato provided an update on the Rapid Connect service following the study conducted by Nelson Nygard and VIA approximately six (6) months ago. According to the findings, the service currently serves a limited number of users, with only 19 users in Walker and 69 unique users in Kentwood. Notably, five of these users are located more than a mile away from the service points. One of the key recommendations from Nelson Nygard is to explore a pre-booked option for Uber/Lyft, which may enhance our offerings. While the On-Demand service has shown high value, it appears to be at the expense of our line haul operations. Considering these factors and the low utilization rates of the Rapid Connect service, Ms. Prato has recommended that we consider discontinuing the service effective January 1, 2025. This decision will allow us to redirect resources towards more effective transportation solutions.

Mr. Bilardello inquired whether the findings and recommendations regarding the Rapid Connect service had been discussed with another committee, Ms. Prato confirmed that these matters were indeed addressed at the Finance Committee.

Mr. Bilardello emphasized the importance of involving the two Mayors from the On-Demand zones for their input and insights into the community needs and perspectives.

Mr. Baker raised a concern during the discussion, seeking clarification regarding the impact of discontinuing the Rapid Connect service. He noted that if 86% of the trips originate in Kentwood, we need to consider how users in that area will be able to access transportation options to get to work once the service is discontinued.

Ms. Prato mentioned that many people are willing to walk up to a quarter mile to access transportation options, which could influence our planning as we consider potential alternatives. She highlighted that the decision regarding the Rapid Connect service is a challenging one and suggested that we might allocate funds toward establishing a partnership with Lyft to enhance our transportation offerings. Additionally, she emphasized the need to develop a user-friendly app to support this service, enabling residents to access transportation easily. This initiative was initially designed as a pilot program to gauge what works effectively and what may need adjustment.

C. Employees

Negotiations Update, Mr. Steve Schipper

Mr. Schipper noted we have conducted ten (10) bargaining sessions to date, and the current contract has expired. At this point, it is the responsibility of the union to request an extension to ensure that operations continue smoothly while we work toward a resolution. Our primary focus remains on seeking clarification on various areas of the contract and establishing a predictive service that meets the needs of all stakeholders involved. We recognize the urgency of reaching an agreement, particularly as we have been working toward a wage increase for approximately 18 months now. It is essential for us to maintain open lines of communication and remain committed to this process.

Open Hiring Event, Ms. Deb Prato

Ms. Prato reported that we had a successful turnout at the Open Hiring Event with 65 attendees, and she is thrilled to inform you that 43 individuals received job offers on the spot. This demonstrates our strong recruitment efforts and the demand for positions within our organization. Additionally, she would like to highlight the status of our training programs. The class that began on July 28th now has 20 students enrolled, which is an encouraging sign of interest and talent coming into our team. We are also exploring a proposed \$1 shift incentive, as well as a \$4 incentive for senior operators willing to take on some of the less desirable shifts, particularly those that are harder to fill. Looking ahead,

she is pleased to report that we already have eight (8) candidates lined up for the August class, which underscores our ongoing recruitment success. Furthermore, she is pleased to report we are currently fully staffed with technicians, ensuring that our operational needs are met.

D. Fleet and Facilities

RCS Security and Info Booth Update, Mr. Deron Kippen

Mr. Kippen reported we are making significant progress, and while there are still a few items left to complete, we anticipate that the space will be ready in approximately four (4) weeks. This renovation is designed to enhance our operations and improve the overall experience for both our staff and customers.

Busch Drive Update, Mr. Kevin Wisselink

Mr. Wisselink reported on a couple items going on at Busch Drive. A proposal has been submitted to the Federal Transit Administration (FTA) to secure environmental approval for our projects. Please note that this process can be lengthy, and we appreciate your understanding as we navigate through the necessary steps. We have received an earmark for the purchase of twelve (12) Electric Vans. This marks a significant step towards our commitment to sustainable transportation. However, before we can fully deploy these vehicles, certain electrical work will need to be completed. These vans will represent our first service with electric vehicles, and we are eager to integrate them into our operations.

Mr. Bilardello asked if The Rapid has an EV port.

Mr. Wisselink confirmed that we currently have two (2) service vehicles equipped with EV capabilities at the Wealthy location. Additionally, we are planning to install an EV port along with an operator as the Busch facility. This project will enhance our ability to support our electric fleet as we continue to grow our sustainable transportation initiatives.

Mr. Bilardello asked if the charging ports are indoors, or outdoors, to which Mr. Wisselink replied, outdoors.

4. ADJOURNMENT

This meeting was adjourned at 5:03 p.m.

The next meeting is scheduled for September 17, 2024

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, June 12, 2024 – 4:00 p.m.

Rapid Central Station Conference Room (250 Grandville Avenue, SW)

ATTENDANCE:

Committee Members Present:

Mayor Kepley, Mayor Carey, Mayor Maas

Committee Members Absent:

Mayor Favale, Steven Gilbert

Rapid Attendees:

Cassi Cooper, Kris Heald, Steve Luther, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Tim Roseboom, Steve Schipper, Peter Sillanpaa, Mike Wieringa, Kevin Wisselink

Public Attendees:

Andrew Ittigson (AECOM), Becca Smiles (AECOM)

Mayor Kepley called the meeting to order at 4:02 p.m.

1. PUBLIC COMMENT

No public comment

2. MINUTES – April 17, 2024

Vice Chair Mayor Kepley asked Ms. Heald to make one minor change to the meeting minutes from April 17th. then he entertained a motion to approve the meeting minutes from April 17, 2024, per the correction.

Mayor Maas motioned to approve the meeting minutes with a minor correction. Mayor Carey supported it. The motion passed unanimously.

3. DISCUSSION

a. AECOM – TMP – Mr. Andrew Ittigson

Mr. Ittigson from AECOM provided an update on the progress of the Transit Master Plan (TMP) and emphasized that the focus of the discussion would be on various funding tools that have been identified.

Draft Recommendation Concepts:

Mr. Ittigson highlighted several key concepts to consider moving forward:

- Community Awareness and Education: Enhancing understanding and support for transit initiatives.
- Existing Service Improvements: Making enhancements to current transit offerings.
- Future Service Expansion: Planning for new services to meet growing demands.
- Transit Oriented Development (TOD): Encouraging development that supports transit use.
- Innovation and Technology: Implementing new technologies to improve transit services.
- Regional Partnerships: Collaborating with regional stakeholders to enhance transit efficacy.

Strategies:

The following strategies were identified for achieving the objectives:

- Sustainable Funding: Establishing reliable funding sources for maintenance and expansion of transit services.
- Internal Workforce Development: Investing in training and development for staff to ensure efficient service delivery.

Public Outreach:

Mr. Ittigson shared that the outreach team had engaged with the public on transit platforms, gathering feedback from riders on both existing services and potential expansions. Focus groups also revealed significant interest in Community Awareness initiatives as well as Innovation and Technology.

Funding Tools:

Mr. Ittigson listed various funding sources that are currently available and emphasized the need to explore all options. Among the tools discussed:

- State Assistance: Existing support from state funding.
- Fares: Revenue generated from ticket sales, which has undergone changes due to post-pandemic trends.
- Federal Assistance: Grants and funding programs from the federal government.
- Aspirational Peers: Learning from other successful transit systems that have employed innovative funding strategies.

Mayor Kepley clarified that the local millage rate is currently a primary funding mechanism for The Rapid, which Mr. Ittigson confirmed.

The team reviewed a preliminary analysis of various funding tools, which includes:

- Fare Funding: Adjustments in fare structure post-pandemic.
- Concessions and the Sale of Transportation Services: Generating income through partnerships and offering services.
- Advertising: Utilizing advertising space to generate revenue.
- Large Scale Park and Rides: Establishments that can reduce congestion and increase ridership.
- Local Property: Local taxes that can contribute to funding.
- Gas Tax: Potential for an increase in allocation for transit.
- Alcohol and Lottery Tax: Leveraging specific taxes for transit funding.
- General Revenue: Broad tax revenue sources.
- Rental Care and TNC Tax: taxes on services like rideshares and rental cars.
- Motor Vehicle Tax: A further funding source tied to vehicle registration or use.

In conclusion, Mr. Ittigson indicated that further discussions would refine the identified funding tools and provide clarity on how these could be implemented within the context of the TMP's 20-year planning horizon. The importance of engaging the community and exploring innovative financing options will be key to successfully advancing the TMP objectives.

b. April Operating Statement – Ms. Linda Medina

Ms. Medina presented the April Operating Statement, providing insights into the financial performance of the transit System.

Key Financial Highlights:

Passenger Fare:

- Currently running slightly under budget, mainly due to Paratransit services trending lower than anticipated.

Sale of Transportation Services:

- Down 3% compared to projections, attributed to higher ridership estimates in the budget that did not materialize.
- Grand Valley: Decrease in revenue due to a recent route change.
- DASH Service: Increased usage due to additional service hours.

State Operating Assistance:

- Experienced a 15% decrease, impacting overall funding.

Expenses:

- Overall expenditure is under budget, at 14.2%.
- Salaries and Wages: Focus on aggressive recruitment and retention strategies despite current spending.
- Benefits: Currently 23% below budget, showing a positive trend.
- Fuel & Lubricants: Actual costs exceeded budget estimates; however, transitioning from Diesel to CNG has led to some cost efficiencies.
- Utilities and Insurance: Down by 8.5%, reflecting cost management efforts.
- Purchased Transportation Costs: Increased due to a lower-than-expected average of 1.5 riders per revenue hour versus the anticipated 2 riders.
- Miscellaneous Revenue: This is primarily driven by interest income from reserves, contributing positively to financial performance.

Capital Budget Adjustment:

Ms. Medina noted that from the \$4 million budgeted for preventative maintenance expenses, \$944,202 had been identified as eligible and subsequently moved out of the operating budget and into the capital budget. This adjustment reflects a strategic shift in funding allocation to better align with eligibility criteria.

c. Fare History – Mr. Nick Monoyios

Mr. Monoyios provided an overview of the fare history and policies associated with the transit system. Here are the key points he highlighted:

Fare History Recap:

Fare Policy Development:

- A comprehensive Fare Policy was created in 2014 and adopted by the board. This policy was grounded in guidelines established in 2013.

Fare Structure Changes (2018):

- In 2018, the board approved changes to the fare structure, which included the implementation of the e-Fare system. This system features capped fares aimed at providing riders with more predictable and equitable pricing.

Standardization of Discount Fare Program (July 2021):

- In July 2021, significant adjustments were made to the fare policies:
- The discount fare program was standardized, ensuring consistency in fare offerings for eligible riders.
- The 7-day weekly capped service was eliminated, which replaced a previous option for riders to limit their costs over a weekly period.
- The negative balance feature on Wave cards was removed, meaning that riders could no longer use their cards when their balance fell below zero, promoting a more responsible approach to fare management.

In conclusion, Mr. Monoyios' recap aimed to provide context on the evolution of fare policies and structures, influencing how riders interact with the fare system today. These adjustments reflect The Rapids' ongoing efforts to streamline operations, enhance rider experience, and ensure fair accessibility to transit services.

d. 2022 NTD Peer Fare Comparison – Mr. Nick Monoyios

Mr. Monoyios presented a comprehensive peer fare comparison, analyzing the Rapid's fare structure against five peer groups that are both larger and smaller based on factors such as population, ridership, operating budget, and state positioning within Michigan.

Peer Fare Comparison:

- The analysis included fellow transportation systems that vary in size and operational scale to understand competitive pricing and fare structure.
- At a set fare of \$1.75, that data provided insights into potential revenue generation and the implications for monthly pass caps.
- The findings suggest significant revenue potential associated with the established fare, emphasizing the importance of a well-structured fare system in maintaining financial viability.

Mr. Monoyios indicated that if further detailed analysis is desired, it would require a timeline of five to six months to complete.

Discussion Points:

- Concerns for Future Viability (2029):

Mayor Kepley raised concerns regarding the financial sustainability of The Rapid by the year 2029 and asked for clarity on the anticipated funding needs to prevent a steep decline in service.

Ms. Prato responded that approximately \$5 million would be necessary to ensure stability, emphasizing the limited options available within The Rapid's control. She noted behavioral elasticity among customers, suggesting that changes in service or pricing could influence ridership patterns.

Ms. Prato expressed doubt that ridership would return to the previous equilibrium of one-third funded by fares, one-third by local funds, and one-third by state and federal funding. However, she highlighted a positive trend with increasing ridership on Sunday's year-over-year.

Strategic Needs:

Ms. Prato stressed the necessity for The Rapid to enhance its service offerings, focusing on convenience, frequency, and geographic expansion to position itself as a viable transportation alternative.

Next Steps:

Ms. Prato proposed further discussion on these matters in the upcoming Budget Board Workshop in July, allowing for a more in-depth examination of the budgetary implications and strategies to support The Rapid's future success. This discussion will be crucial for formulating actionable plans that could mitigate potential funding gaps in the coming years.

e. Farebox Recovery Rate

Mr. Monoyios presented data reflecting a decline in farebox recovery rates since 2015. He noted that according to the Fare Policy, a farebox recovery rate falling below 25% serves as a critical indicator to re-evaluate fare structures. Currently, the farebox recovery is reported to be just above 10%, raising significant financial concerns.

The graph demonstrated a noticeable decline in the farebox recovery, emphasizing the growing gap between operating costs and fare revenues. The 25% threshold established in the Fare Policy acts as an alarm for the need to reconsider fare strategies, given the current rate is so low.

Ms. Prato acknowledged that while this metric has been tracked, it hasn't been a primary focus in recent reviews. However, it remains a crucial element of their budgetary considerations.

Mayor Kepley sought clarity on the optimal timing for implementing any necessary fare adjustments or changes.

Ms. Prato emphasized that, from a financial standpoint, acting sooner is preferable to delaying. She expressed concern over the current state-level solutions, which are less promising than previously anticipated. She noted the importance of proactively working on fare adjustments to stabilize revenue streams.

Mayor Kepley expressed gratitude for the detailed analysis and peer comparisons presented, validating the need for ongoing assessment and potential adjustments to fare structures. The discussion underscored the urgency of addressing farebox recovery rates and the need for a comprehensive strategy to ensure the financial health of The Rapid moving forward. The sentiment was clear that timely actions are critical in mitigating future financial challenges and enhancing the sustainability of transit services.

f. Budget Guidelines #8 – Fare Analysis – Ms. Linda Medina

Ms. Medina gave a fare analysis summary which included fare capping, partner fares, state operating assistance (SOA), and contract partner cost.

4. ADJOURNMENT

This meeting was adjourned at 5:18 p.m.

The next meeting is scheduled for August 14, 2024 (meeting was canceled)

Respectfully submitted,



Kris Heald, Board Secretary