



Board of Directors Meeting

Thursday, January 16, 2025
SEMCOG Offices, Woodward Room
1001 Woodward Avenue, Suite 1400
Detroit, MI 48226

[Zoom Virtual Public Participation](#)

1:00 PM

AGENDA

1. Call to Order
2. Roll Call
3. **Approval of Agenda**
4. Public Comment- Time Limitation for Public Comment = 3 minutes per speaker
5. Executive Directors Report
6. Presentations
 - a. **QLINE Annual Overview**
7. Consent Agenda
 - a. **Approval of the November 2024 Board Meeting Summary**
 - b. **Approval of October, November and December 2024 Financial Reports**
8. Closed Session
 - a. Executive Director Performance Review
9. Regular Agenda
 - a. **Approval of 2024 Regional Transit Master Plan (RTMP) Update**
 - b. **Approval of Board Governance Items**
 - c. **Approval of Board of Directors Officers**
 - d. **Approval of Procurement Policy Updates**
 - e. **Approval of Project Change Order Knorr Brakes Overhaul**
10. New Business
11. Adjourn

The Board may, at its discretion, revise this agenda or take up any other issues as needed, and time allows. Request for reasonable accommodation at RTA meetings requires advanced reservations. Individuals with disabilities requiring assistance should contact RTA Information Services at least 48 hours in advance of the meeting. Documents and information are available in a variety of formats. Contact the RTA at info@rtamichigan.org or call 313-402-1020 to discuss your format needs.



Proposed Meeting Summary
Board of Directors
 Thursday, November 21, 2024
 1:00 PM

1. Call to Order at 1:00 PM

2. Roll Call:

| Board of Directors members | Government Entity | Attendance Status |
|-----------------------------------|--------------------------|--------------------------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

Absent (A); Present (P); Virtual (V) means participating online, yet unable to vote on official business.

Member Robertson joined the meeting at 1:03 pm.

RTA Representatives Present:

Ben Stupka, Rachel Schmuhl, Melanie Piana, Julia Roberts, Corri Wofford, Kristin Caffray, Travis Grubb, Khalil Davis, Isaac Constans, Kameron Bloye

Other Meeting Participants:

DDOT – Stephanie Davis
 Rehmann - Michelle Hodges
 Mario Morrow Associates (MMA) - Ryan Bridges
 Bhadala - Farai Gundan (Mobility Wallet)
 Citizen Advisory Council members – Robert Pawlowski, Lukas Lasecki

3. Approval of Agenda

Moved by Treasurer Smith and supported by Member Bradshaw. The November 21, 2024, Agenda was approved. The motion carried on the following roll call vote:

| Board of Directors members | Government Entity | Vote |
|--------------------------------|-------------------|------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

4. Public Comment

- Robert Pawlowski: Robert Pawlowski spoke on the QLINE acquisition and the major improvements they have noticed. They emphasized that there is still a lot of work to be done, including improvements needed to QLINE infrastructure and cleaning in order to leave a good impression for residents and visitors.
- Brother Cunningham: Brother Cunningham shared that DDOT had a meeting on Thursday, November 21st from 5-6:30 pm at Rosa Parks Transit Center with pizza included. They can be found @handwarmersneeded on Instagram and reached at (313) 444-9114.

5. Executive Directors Report

- Executive Director Stupka presented the Executive Directors Report to the Board, providing a summary concerning:
 - QLINE ridership – 1,000,000 riders hit last week (6 weeks earlier than last year)
 - Performance
 - Member Bradshaw asked about the correlation between on-time performance and ridership.
 - On-time Performance/Delay
 - Safety

- Chair Massaron asked how many cars are deployed at once and if safety often affects QLINE’s ability to get all four cars out at the same time.
 - Executive Director Stupka answered that four cars are typically in service at one time, with a fifth as a replacement and a sixth in rotation.
- Service news and notes
 - Executive Director Stupka mentioned that the day before Thanksgiving is a big training day and that the operation is shut down on the 27th and 28th.
- D2A2/DAX
 - Performance
 - Member Bradshaw asked about holiday advertising with DAX. Executive Director Stupka also mentioned the Auto Show in January and that External Affairs will be working on this. Member Bradshaw also noted that the QLINE should be emphasized for the Auto Show since it is within walking distance of Huntington Place.
 - Media Relations/Communications
- Administration Updates

6. Presentations

a. Regional Transit Master Plan

- Julia Roberts presented the Planning and Innovation report on the Regional Transit Master Plan, including (A) What is the RTMP? (B) Goals (C) Timeline and (D) Process.

7. Consent Agenda

a. Approval of the October 2024 Board Meeting Summary

b. Approval of the Reports Mobility Wallet Application RFP Award

- Moved by Vice Chair Morandini and supported by Member Zack. The motion carried on the following roll call vote:

| Board of Directors members | Government Entity | Vote |
|-----------------------------------|--------------------------|-------------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |

| | | |
|--------------------------------|------------------|---|
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

8. Regular Agenda

a. Approval of Equal Employer Opportunity (EEO) Policy

- Moved by Vice Chair Morandini and supported by Member Zack. The motion carried on the following roll call vote:
- Executive Director Stupka presented on the changes to RTA EEO policies and the reason for the requested approval.
 - Chair Massaron asked if the RTA has enough staff to manage this new EEO policy.

| Board of Directors members | Government Entity | Vote |
|--------------------------------|-------------------|------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

b. Approval of Disadvantaged Business Enterprise (DBE) Policy

- Moved by Treasurer Smith and supported by Member Zack. The motion carried on the following roll call vote:
- Executive Director Stupka presented on the changes to RTA DBE policies and the reason for the requested approval.

| Board of Directors members | Government Entity | Vote |
|----------------------------|-------------------|------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |

| | | |
|--------------------------------|------------------|---|
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

c. Approval of Americans with Disabilities Act (ADA) Compliance Policy

- Moved by Member Moore and supported by Member Robertson. The motion carried on the following roll call vote:
- Executive Stupka presented on the changes to RTA ADA policies and procedures and the reason for the requested approval.

| Board of Directors members | Government Entity | Vote |
|-----------------------------------|--------------------------|-------------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

d. Approval of QLINE Battery Purchase

- Moved by Member Zack and supported by Vice Chair Morandini. The motion carried on the following roll call vote:
- Executive Director Stupka presented on the process of installing eight new QLINE batteries, with the opportunity to purchase two more.
 - Chair Massaron asked if we are looking to change our Procurement policies with the change in organization size.
 - Executive Director Stupka answered affirmatively and noted that the RTA will have more information on that in the future.

| Board of Directors members | Government Entity | Vote |
|-----------------------------------|--------------------------|-------------|
| Jeannette Bradshaw | Oakland County | P |
| Freman Hendrix (Secretary) | City of Detroit | A |

| | | |
|--------------------------------|-------------------|---|
| June Lee | Wayne County | A |
| Dave Massaron (Chair) | State of Michigan | P |
| Jon Moore | Macomb County | P |
| Don Morandini (Vice Chair) | Macomb County | P |
| Dr. Erica Robertson | Wayne County | P |
| Alma Wheeler Smith (Treasurer) | Washtenaw County | P |
| Ned Staebler | Washtenaw County | A |
| Helaine Zack | Oakland County | P |

e. Executive Director Review

- Chair Massaron asked about the Executive Director review process and if there would be any volunteers from other Board members.
 - Vice Chair Morandini asked what the criteria would be for this review. Chair Massaron explained that this would be determined in coming meetings.
 - Member Zack, Treasurer Smith, and Vice Chair Morandini volunteered to support Chair Massaron on the Executive Director review.

9. New Business

There was no new business.

10. Meeting adjourned at 1:46 PM.

Regional Transit Authority of Southeast Michigan
Statement of Net Position - Governmental Activities
as of
October 31, 2024

| | Current Yr | Prior Yr |
|---|-----------------------|---------------------|
| | 10/31/2024 | 10/31/2023 |
| Assets | | |
| Cash and Cash Equivalents | \$ 1,610,470 | \$ 64,020 |
| Accounts Receivable | 6,579,594 | 955,701 |
| Prepays and Other Current Assets | 117,050 | 11,125 |
| Capital Assets | 104,715,300 | 329,058 |
| Total Assets | \$ 113,022,414 | \$ 1,359,904 |
| Liabilities | | |
| Accounts Payable | \$ 2,432,180 | \$ 904,015 |
| Accrued Payroll and Related Liabilities | 536,235 | 36,396 |
| Refundable Advance | 81,361 | 82,486 |
| Total Liabilities | \$ 3,049,776 | \$ 1,022,898 |
| Net Assets | | |
| Fund Balance | \$ 110,749,811 | \$ 351,178 |
| Net Revenue | (777,173) | (14,171) |
| Total Net Assets | \$ 109,972,638 | \$ 337,007 |
| Total Liabilities and Net Assets | \$ 113,022,414 | \$ 1,359,904 |

Regional Transit Authority of Southeast Michigan
PRELIMINARY
Statement of Activities - Governmental Activities
Month Ending
October 31, 2024

| | Total YTD |
|--|----------------------|
| Revenue | |
| Fares | \$ 65,532 |
| Federal Grants | 365,248 |
| State Grants - Matching | 61,408 |
| State Grants | 493,023 |
| In-Kind Revenue | 22,752 |
| Other | 2,099 |
| Total Revenue | \$ 1,010,062 |
| Administrative Expenses | |
| Operating: | |
| Personnel | \$ 331,062 |
| Conferences/Events/Training | 36,418 |
| Board & Public Mtg Management | 496 |
| Finance, Legal, Government Relations | 23,786 |
| Insurance | 62,325 |
| Rent and Utilities | 15,098 |
| Telephone and Internet | 882 |
| Computer Equipment and IT Support | 9,016 |
| Services | 436,651 |
| Supplies | 378,868 |
| Total Operating | 1,294,602 |
| Planning: | |
| Planning Services | 16,256 |
| CHSTP | 3,518 |
| Total Planning | 19,774 |
| External Affairs: | |
| External Communications | 12,000 |
| Website | 800 |
| Miscellaneous Items | 1,248 |
| Total External Affairs | 14,048 |
| Other: | |
| Depreciation/Amortization | 458,811 |
| Total Other | 458,811 |
| Total Expenses | \$ 1,787,235 |
| Net Increase/(Decrease) in Net Assets | \$ (777,173) |

This financial report is for internal use only. It has not been audited, and no assurance is provided.

Regional Transit Authority of Southeast Michigan
PRELIMINARY
Statement of Revenues, Expenditures and Changes in Fund Balance
Month Ending
October 31, 2024

| | Gen Admin | | D2A2 | | DAX | | One Click/One Call | | Mobility Wallet | | Access to Transit | | Qline | | Total YTD | Budget YTD | Annual Budget |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|------------------|-----------------|------------------|-------------------|-------------------|---------------------|--------------------|---------------------|---------------------|----------------------|
| | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | | | |
| Revenue | | | | | | | | | | | | | | | | | |
| Fares | \$ - | \$ - | \$ 38,256 | \$ 28,040 | \$ 27,276 | \$ 22,667 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 133,333 | \$ - | \$ - | \$ 65,532 | \$ 184,040 | \$ 608,480 |
| Federal Grants | 119,619 | 226,539 | 134,127 | 142,562 | 111,502 | 75,680 | - | 33,333 | - | - | - | - | - | 91,667 | 365,248 | 569,780 | 8,437,361 |
| State Grants - Matching | - | - | 33,532 | 9,255 | 27,876 | 13,333 | - | 8,333 | - | - | - | 33,333 | - | 22,917 | 61,407 | 87,172 | 1,046,060 |
| State Grants | 161,528 | 95,478 | - | 42,127 | - | 14,987 | - | - | - | 50,000 | - | 113,616 | 331,495 | 245,718 | 493,023 | 561,926 | 6,743,114 |
| Local Grants | - | - | - | - | - | - | - | - | - | - | - | - | - | 491,667 | - | 491,667 | 5,900,000 |
| In-Kind Revenue | - | - | 12,555 | 11,683 | 10,196 | 6,667 | - | - | - | - | - | - | - | - | 22,752 | 18,350 | 220,200 |
| Other | 1,349 | - | - | - | - | - | - | - | - | - | - | - | 750 | - | 2,099 | - | - |
| Total Revenue | \$ 282,496 | \$ 322,017 | \$ 218,469 | \$ 233,667 | \$ 176,850 | \$ 133,333 | \$ - | \$ 41,667 | \$ - | \$ 50,000 | \$ - | \$ 280,283 | \$ 332,245 | \$ 851,968 | \$ 1,010,061 | \$ 1,912,935 | \$ 22,955,215 |
| Administrative Expenses | | | | | | | | | | | | | | | | | |
| Operating: | | | | | | | | | | | | | | | | | |
| Personnel | \$ 73,454 | \$ 159,585 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 257,608 | \$ 342,250 | \$ 331,062 | \$ 501,835 | \$ 6,022,016 |
| Conferences/Events/Training | 20,899 | 9,386 | - | - | - | - | - | - | - | - | - | - | 15,520 | - | 36,418 | 9,386 | 112,628 |
| Board & Public Mtg Management | 300 | 1,300 | - | - | - | - | - | - | - | - | - | - | 196 | - | 496 | 1,300 | 15,600 |
| Finance, Legal, Government Relations | 23,786 | 27,005 | - | - | - | - | - | - | - | - | - | - | - | 39,018 | 23,786 | 66,022 | 792,269 |
| Insurance | 1,398 | 1,398 | - | - | - | - | - | - | - | - | - | - | 60,927 | 105,333 | 62,325 | 106,731 | 1,280,770 |
| Rent and Utilities | 105 | 10,650 | - | - | - | - | - | - | - | - | - | - | 14,993 | 39,917 | 15,098 | 50,567 | 606,800 |
| Telephone and Internet | 882 | 703 | - | - | - | - | - | - | - | - | - | - | - | - | 882 | 703 | 8,430 |
| Computer Equipment and IT Support | 2,091 | 8,918 | 180 | - | - | - | - | - | - | - | - | - | 6,744 | - | 9,015 | 8,918 | 107,015 |
| Services | - | - | 218,289 | 233,667 | 176,850 | 133,333 | - | 41,667 | - | 50,000 | - | 280,283 | 41,512 | 10,750 | 436,651 | 749,700 | 8,996,395 |
| Supplies | 26 | 208 | - | - | - | - | - | - | - | - | - | - | 378,841 | 332,083 | 378,867 | 332,292 | 3,987,500 |
| Total Operating | 122,941 | 219,151 | 218,469 | 233,667 | 176,850 | 133,333 | - | 41,667 | - | 50,000 | - | 280,283 | 776,340 | 869,351 | 1,294,600 | 1,827,452 | 21,929,423 |
| Planning: | | | | | | | | | | | | | | | | | |
| Planning Services | 16,256 | 46,878 | - | - | - | - | - | - | - | - | - | - | - | - | 16,256 | 46,878 | 562,540 |
| Specialized Planning Services | - | 10,417 | - | - | - | - | - | - | - | - | - | - | - | - | - | 10,417 | 125,000 |
| CHSTP | 3,518 | 12,500 | - | - | - | - | - | - | - | - | - | - | - | - | 3,518 | 12,500 | 150,000 |
| Community Engagement | - | 16,667 | - | - | - | - | - | - | - | - | - | - | - | - | - | 16,667 | 200,000 |
| Total Planning | 19,774 | 86,462 | - | - | - | - | - | - | - | - | - | - | - | - | 19,774 | 86,462 | 1,037,540 |
| External Affairs: | | | | | | | | | | | | | | | | | |
| Branding | - | 833 | - | - | - | - | - | - | - | - | - | - | - | - | - | 833 | 10,000 |
| External Communications | 12,000 | 10,417 | - | - | - | - | - | - | - | - | - | - | - | 13,167 | 12,000 | 23,583 | 283,000 |
| Social Media Management | - | 650 | - | - | - | - | - | - | - | - | - | - | - | - | - | 650 | 7,800 |
| Website | 800 | 2,917 | - | - | - | - | - | - | - | - | - | - | - | - | 800 | 2,917 | 35,000 |
| Graphics/Photography | - | 846 | - | - | - | - | - | - | - | - | - | - | - | - | - | 846 | 10,150 |
| Promotional Items | - | 742 | - | - | - | - | - | - | - | - | - | - | - | - | - | 742 | 3,400 |
| Miscellaneous Items | - | - | - | - | - | - | - | - | - | - | - | - | 1,248 | - | 1,248 | - | 5,500 |
| Total External Affairs | 12,800 | 16,404 | - | - | - | - | - | - | - | - | - | - | 1,248 | 13,167 | 14,048 | 29,571 | 354,850 |
| Total Expenses | \$ 155,515 | \$ 322,017 | \$ 218,469 | \$ 233,667 | \$ 176,850 | \$ 133,333 | \$ - | \$ 41,667 | \$ - | \$ 50,000 | \$ - | \$ 280,283 | \$ 777,588 | \$ 882,518 | \$ 1,328,423 | \$ 1,943,484 | \$ 23,321,813 |
| Net Increase/(Decrease) in Net Assets | \$ 126,982 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (445,343) | \$ (30,550) | \$ (318,362) | \$ (30,550) | \$ (366,598) |

PRELIMINARY
Project Budget Tracker

Title **Detroit to Ann Arbor Express Bus (D2A2)**
Description Express bus connecting downtown Detroit to downtown Ann Arbor.
Schedule October 2021 - December 2024

| Budget Tracker | | | |
|---------------------|---------------------|---------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$ 8,723,667 | \$ 8,159,766 | \$563,902 |
| Grants | | | |
| MI-2021-036-01 | \$4,311,592 | \$4,311,592 | (\$0) |
| 2017-0119/P7/R2 | \$1,524,049 | \$1,435,967 | \$88,082 |
| Fares/Contrib | \$955,214 | \$1,236,102 | (\$280,888) |
| MI-2021-036-02 | \$1,373,593 | \$616,886 | \$756,707 |
| ARPA MI-2022-005-02 | \$559,219 | \$559,219 | \$0 |
| | \$8,723,667 | \$7,600,546 | \$563,902 |

*Funding is secured and being amended into the grant.

Title **Regional Mobility Management (MyRide2)**
Description Call center/website with information for seniors and persons with disabilities.
Schedule October 2017 - September 2026

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$1,850,920 | \$1,595,856 | \$255,064 |
| Grants | | | |
| MI-2017-031-02 | \$1,069,444 | \$1,069,444 | \$0 |
| 2017-0119/P2/R4 | \$267,361 | \$267,361 | \$0 |
| MI-2024-009-01 | \$411,292 | \$207,241 | \$204,051 |
| 2022-0126/P7 | \$102,823 | \$51,810 | \$51,013 |
| | \$1,850,920 | \$1,595,856 | \$255,064 |

FY2024 Q4 Invoicing not available yet

Title **Universal Basic Mobility Pilot**
Description Mobility wallet fare technology pilot focused on Detroit jobseekers.
Schedule June 2023 - July 2026

| Budget Tracker | | | |
|----------------|--------------------|------------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$1,025,000 | \$436,741 | \$588,259 |
| Grants | | | |
| 2022-0126-P3 | \$1,025,000 | \$436,741 | \$588,259 |
| | \$1,025,000 | \$436,741 | \$588,259 |

Title **Downtown to Airport Express**
Description Express bus connecting downtown Metro Airport to Downtown Detroit.
Schedule March 2024 - March 2025

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$3,019,087 | \$1,445,746 | \$1,573,341 |
| Grants | | | |
| MI-2024-002 | \$2,000,000 | \$947,898 | \$1,052,102 |
| 2022-0126-P4 R1 | \$500,000 | \$236,975 | \$263,025 |
| Fares/Contrib | \$519,087 | \$260,873 | \$258,214 |
| | \$3,019,087 | \$1,445,746 | \$1,573,341 |

Title **Access to Transit Program**
Description Grant program for safety and access improvements at bus stops.
Schedule October 2024 - December 2026

| Budget Tracker | | | |
|----------------|--------------------|------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$2,000,000 | \$0 | \$2,000,000 |
| Grants | | | |
| FY2024 CMAQ* | \$1,600,000 | \$0 | \$1,600,000 |
| State Grant* | \$400,000 | \$0 | \$400,000 |
| | \$2,000,000 | \$0 | \$2,000,000 |

*Funding is secured. Will be amended into the grant at a future date.

Title **Regional Technology Strategic Plan**
Description Inventory and assessment of providers technology and identification of goals.
Schedule October 2024 - June 2025

| Budget Tracker | | | |
|----------------|------------------|----------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$125,000 | \$7,106 | \$117,894 |
| Grants | | | |
| 2017-0119/P10 | \$125,000 | \$7,106 | \$117,894 |

Regional Transit Authority of Southeast Michigan
Statement of Net Position and
Governmental Funds Balance Sheet
November 30, 2024

| | General Fund | Adjustments | Statement of Net Position | Prior Year (for comparison) |
|---|---------------------|-----------------------|------------------------------|--------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 5,659,816 | \$ - | \$ 5,659,816 | \$ 732,737 |
| Accounts receivable | 2,156,712 | - | 2,156,712 | 296,041 |
| Prepays and other assets | 96,550 | - | 96,550 | 1,224 |
| Capital assets, net of depreciation | - | 104,256,490 | 104,256,490 | 314,751 |
| Other Assets | - | - | - | - |
| Total assets | <u>\$ 7,913,078</u> | <u>\$ 104,256,490</u> | <u>\$ 112,169,568</u> | <u>\$ 1,344,752</u> |
| Liabilities | | | | |
| Accounts payable | \$ 2,824,016 | - | \$ 2,824,016 | \$ 915,989 |
| Accrued payroll and related liabilities | 511,241 | - | 511,241 | 23,441 |
| Refundable advance | 81,361 | - | 81,361 | 82,486 |
| Total liabilities | <u>3,416,618</u> | <u>-</u> | <u>3,416,618</u> | <u>1,021,916</u> |
| Fund balance | | | | |
| Fund balance | 5,575,699 | (5,575,699) | - | - |
| Current year change in fund balance | <u>(1,079,239)</u> | <u>1,079,239</u> | - | - |
| Total fund balance | <u>4,496,460</u> | | | |
| Total liabilities and fund balance | <u>\$ 7,913,078</u> | | | |
| Net position | | | | |
| Investment in capital assets | | 104,256,490 | 104,256,490 | 314,751 |
| Unrestricted | | 6,493,321 | 6,493,321 | 36,426 |
| Current year change in net position | | <u>(1,996,861)</u> | <u>(1,996,861)</u> | <u>(28,341)</u> |
| Total net position | | <u>\$ 108,752,950</u> | <u>\$ 108,752,950</u> | <u>\$ 322,836</u> |

Regional Transit Authority of Southeast Michigan
Statement of Activities and
Governmental Revenues, Expenditures and Changes in Fund Balance
For the Month Ended November 30, 2024

| | General Fund | Adjustments | Statement of Activities |
|--|-----------------------|---------------------|----------------------------|
| Revenue | | | |
| Fares | \$ 121,124 | \$ - | \$ 121,124 |
| Federal grants | 914,662 | - | 914,662 |
| State grants - matching | 126,122 | - | 126,122 |
| State grants | 966,443 | - | 966,443 |
| Local grants | - | - | - |
| In-kind revenue | 44,040 | - | 44,040 |
| Project match revenue | - | - | - |
| RTA regional planning set-aside | - | - | - |
| Other | 8,897 | - | 8,897 |
| | <u>2,181,288</u> | <u>-</u> | <u>2,181,288</u> |
| Total revenue | \$ 2,181,288 | \$ - | \$ 2,181,288 |
| Expenditures/expenses | | | |
| Operating: | | | |
| Personnel | \$ 688,807 | \$ - | \$ 688,807 |
| Conferences/events/training | 49,037 | - | 49,037 |
| Board & public meeting management | 913 | - | 913 |
| Finance, legal, government relations | 50,592 | - | 50,592 |
| Insurance | 163,020 | - | 163,020 |
| Rent and utilities | 58,309 | - | 58,309 |
| Telephone and internet | 1,914 | - | 1,914 |
| Computer equipment and IT support | 49,035 | - | 49,035 |
| Services | 986,533 | - | 986,533 |
| Supplies | 975,859 | - | 975,859 |
| Total operating | <u>3,024,019</u> | <u>-</u> | <u>3,024,019</u> |
| Planning: | | | |
| Planning services | 120,302 | - | 120,302 |
| Specialized planning services | - | - | - |
| CHSTP | 81,068 | - | 81,068 |
| Community engagement | - | - | - |
| Total planning | <u>201,370</u> | <u>-</u> | <u>201,370</u> |
| External affairs: | | | |
| Branding | - | - | - |
| External communications | 28,725 | - | 28,725 |
| Social media management | - | - | - |
| Website | 3,365 | - | 3,365 |
| Graphics/photography | 1,800 | - | 1,800 |
| Promotional items | - | - | - |
| Miscellaneous items | 1,248 | - | 1,248 |
| Total external affairs | <u>35,138</u> | <u>-</u> | <u>35,138</u> |
| Other - | | | |
| Depreciation/amortization | - | 917,622 | 917,622 |
| | <u>-</u> | <u>917,622</u> | <u>917,622</u> |
| Total expenditures/expenses | \$ 3,260,527 | \$ 917,622 | \$ 4,178,149 |
| Change in fund balance/net position | \$ (1,079,239) | \$ (917,622) | \$ (1,996,861) |

Regional Transit Authority of Southeast Michigan
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
For the Month Ended November 30, 2024

| | General Admin | | D2A2 | | DAX | | One Click/One Call | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|------------------|
| | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget |
| Revenue | | | | | | | | |
| Fares | \$ - | \$ - | \$ 71,678 | \$ 56,080 | \$ 49,446 | \$ 45,333 | \$ - | \$ - |
| Federal grants | 410,172 | 453,078 | 276,297 | 285,123 | 228,193 | 151,359 | - | 66,667 |
| State grants - matching | - | - | 69,074 | 18,510 | 57,048 | 26,667 | - | 16,667 |
| State grants | 184,552 | 190,956 | - | 84,254 | - | 29,974 | - | - |
| Local grants | - | - | - | - | - | - | - | - |
| In-kind revenue | - | - | 24,007 | 23,367 | 20,033 | 13,333 | - | - |
| Project match revenue | - | - | - | - | - | - | - | - |
| RTA regional planning set-aside | - | - | - | - | - | - | - | - |
| Other | 3,012 | - | - | - | - | - | - | - |
| Total revenue | \$ 597,736 | \$ 644,034 | \$ 441,056 | \$ 467,333 | \$ 354,721 | \$ 266,667 | \$ - | \$ 83,333 |
| Expenditures | | | | | | | | |
| Operating: | | | | | | | | |
| Personnel | \$ 162,484 | \$ 319,169 | \$ - | \$ - | \$ - | - | \$ - | \$ - |
| Conferences/events/training | 25,174 | 18,771 | - | - | - | - | - | - |
| Board & public meeting management | 300 | 2,600 | - | - | - | - | - | - |
| Finance, legal, government relations | 47,819 | 54,009 | - | - | - | - | - | - |
| Insurance | 41,166 | 2,795 | - | - | - | - | - | - |
| Rent and utilities | 210 | 21,300 | - | - | - | - | - | - |
| Telephone and internet | 1,914 | 1,405 | - | - | - | - | - | - |
| Computer equipment and IT support | 35,064 | 17,836 | 386 | - | - | - | - | - |
| Services | - | - | 440,669 | 467,333 | 354,721 | 266,667 | - | 83,333 |
| Supplies | 313 | 417 | - | - | - | - | - | - |
| Total operating | 314,445 | 438,302 | 441,056 | 467,333 | 354,721 | 266,667 | - | 83,333 |
| Planning: | | | | | | | | |
| Planning services | 106,929 | 93,757 | - | - | - | - | - | - |
| Specialized planning services | - | 20,833 | - | - | - | - | - | - |
| CHSTP | 81,068 | 25,000 | - | - | - | - | - | - |
| Community engagement | - | 33,333 | - | - | - | - | - | - |
| Total planning | 187,997 | 172,923 | - | - | - | - | - | - |
| External affairs: | | | | | | | | |
| Branding | - | 1,667 | - | - | - | - | - | - |
| External communications | 24,000 | 20,833 | - | - | - | - | - | - |
| Social media management | - | 1,300 | - | - | - | - | - | - |
| Website | 1,600 | 5,833 | - | - | - | - | - | - |
| Graphics/photography | - | 1,692 | - | - | - | - | - | - |
| Promotional items | - | 1,483 | - | - | - | - | - | - |
| Miscellaneous items | - | - | - | - | - | - | - | - |
| Total external affairs | 25,600 | 32,808 | - | - | - | - | - | - |
| Total expenditures | \$ 528,042 | \$ 644,034 | \$ 441,056 | \$ 467,333 | \$ 354,721 | \$ 266,667 | \$ - | \$ 83,333 |
| Change in fund balance | \$ 69,694 | \$ - | \$ - |

continued...

| Mobility Wallet | | Access to Transit | | Qline | | Total Year to Date | | Annual |
|-----------------|------------|-------------------|------------|----------------|--------------|--------------------|--------------|---------------|
| Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Budget |
| \$ - | \$ - | \$ - | \$ 266,667 | \$ - | \$ - | \$ 121,124 | \$ 368,080 | \$ 608,480 |
| - | - | - | - | - | 183,333 | 914,662 | 1,139,560 | 8,437,361 |
| - | - | - | 66,667 | - | 45,833 | 126,122 | 174,343 | 1,046,060 |
| - | 100,000 | - | 227,233 | 781,892 | 491,436 | 966,443 | 1,123,852 | 6,743,114 |
| - | - | - | - | - | 983,333 | - | 983,333 | 5,900,000 |
| - | - | - | - | - | - | 44,040 | 36,700 | 220,200 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | 5,885 | - | 8,897 | - | - |
| \$ - | \$ 100,000 | \$ - | \$ 560,566 | \$ 787,777 | \$ 1,703,936 | \$ 2,181,289 | \$ 3,825,869 | \$ 22,955,215 |
| \$ - | - | \$ - | - | \$ 526,322 | \$ 684,500 | \$ 688,807 | \$ 1,003,669 | \$ 6,022,016 |
| - | - | - | - | 23,863 | - | \$ 49,037 | 18,771 | 112,628 |
| - | - | - | - | 613 | - | \$ 913 | 2,600 | 15,600 |
| - | - | - | - | 2,773 | 78,036 | \$ 50,592 | 132,045 | 792,269 |
| - | - | - | - | 121,854 | 210,667 | \$ 163,021 | 213,462 | 1,280,770 |
| - | - | - | - | 58,099 | 79,833 | \$ 58,309 | 101,133 | 606,800 |
| - | - | - | - | - | - | \$ 1,914 | 1,405 | 8,430 |
| - | - | - | - | 13,585 | - | \$ 49,035 | 17,836 | 107,015 |
| - | 100,000 | - | 560,566 | 191,143 | 21,500 | \$ 986,533 | 1,499,399 | 8,996,395 |
| - | - | - | - | 975,545 | 664,167 | \$ 975,858 | 664,583 | 3,987,500 |
| - | 100,000 | - | 560,566 | 1,913,798 | 1,738,702 | 3,024,019 | 3,654,904 | 21,929,423 |
| - | - | - | - | 13,373 | - | 120,302 | 93,757 | 562,540 |
| - | - | - | - | - | - | - | 20,833 | 125,000 |
| - | - | - | - | - | - | 81,068 | 25,000 | 150,000 |
| - | - | - | - | - | - | - | 33,333 | 200,000 |
| - | - | - | - | 13,373 | - | 201,370 | 172,923 | 1,037,540 |
| - | - | - | - | - | - | - | 1,667 | 10,000 |
| - | - | - | - | 4,725 | 26,333 | 28,725 | 47,167 | 283,000 |
| - | - | - | - | - | - | - | 1,300 | 7,800 |
| - | - | - | - | 1,765 | - | 3,365 | 5,833 | 35,000 |
| - | - | - | - | 1,800 | - | 1,800 | 1,692 | 10,150 |
| - | - | - | - | - | - | - | 1,483 | 3,400 |
| - | - | - | - | 1,248 | - | 1,248 | - | 5,500 |
| - | - | - | - | 9,538 | 26,333 | 35,138 | 59,142 | 354,850 |
| \$ - | \$ 100,000 | \$ - | \$ 560,566 | \$ 1,936,709 | \$ 1,765,036 | \$ 3,260,527 | \$ 3,886,969 | \$ 23,321,813 |
| \$ - | \$ - | \$ - | \$ - | \$ (1,148,932) | \$ (61,100) | \$ (1,079,238) | \$ (61,100) | \$ (366,598) |

concluded.

Project Budget Tracker

Title **Detroit to Ann Arbor Express Bus (D2A2)**
Description Express bus connecting downtown Detroit to downtown Ann Arbor.
Schedule October 2021 - December 2024

| Budget Tracker | | | |
|---------------------|---------------------|---------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$ 8,723,667 | \$ 8,372,052 | \$351,615 |
| Grants | | | |
| MI-2021-036-01 | \$4,311,592 | \$4,311,592 | (\$0) |
| 2017-0119/P7/R2 | \$1,524,049 | \$1,471,509 | \$52,540 |
| Fares/Contrib | \$955,214 | \$1,270,676 | (\$315,462) |
| MI-2021-036-02 | \$1,373,593 | \$759,056 | \$614,537 |
| ARPA MI-2022-005-02 | \$559,219 | \$559,219 | \$0 |
| | \$8,723,667 | \$7,812,833 | \$351,615 |

Title **Regional Mobility Management (MyRide2)**
Description Call center/website with information for seniors and persons with disabilities.
Schedule October 2017 - September 2026

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$1,850,920 | \$1,595,856 | \$255,064 |
| Grants | | | |
| MI-2017-031-02 | \$1,069,444 | \$1,069,444 | \$0 |
| 2017-0119/P2/R4 | \$267,361 | \$267,361 | \$0 |
| MI-2024-009-01 | \$411,292 | \$207,241 | \$204,051 |
| 2022-0126/P7 | \$102,823 | \$51,810 | \$51,013 |
| | \$1,850,920 | \$1,595,856 | \$255,064 |

FY2025 Q1 Invoicing not available yet

Title **Universal Basic Mobility Pilot**
Description Mobility wallet fare technology pilot focused on Detroit jobseekers.
Schedule June 2023 - July 2026

| Budget Tracker | | | |
|----------------|--------------------|------------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$1,025,000 | \$436,741 | \$588,259 |
| Grants | | | |
| 2022-0126-P3 | \$1,025,000 | \$436,741 | \$588,259 |
| | \$1,025,000 | \$436,741 | \$588,259 |

Title **Downtown to Airport Express**
Description Express bus connecting downtown Metro Airport to Downtown Detroit.
Schedule March 2024 - March 2025

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$3,019,087 | \$1,623,616 | \$1,395,471 |
| Grants | | | |
| MI-2024-002 | \$2,000,000 | \$1,064,590 | \$935,410 |
| 2022-0126-P4 R1 | \$500,000 | \$266,147 | \$233,853 |
| Fares/Contrib | \$519,087 | \$292,880 | \$226,207 |
| | \$3,019,087 | \$1,623,616 | \$1,395,471 |

Title **Regional Technology Strategic Plan**
Description Inventory and assessment of providers technology and identification of goals.
Schedule October 2024 - June 2025

| Budget Tracker | | | |
|----------------|------------------|----------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$125,000 | \$7,106 | \$117,894 |
| Grants | | | |
| 2017-0119/P10 | \$125,000 | \$7,106 | \$117,894 |

Title **Access to Transit Program**
Description Grant program for safety and access improvements at bus stops.
Schedule October 2024 - December 2026

| Budget Tracker | | | |
|----------------|--------------------|------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$3,363,395 | \$0 | \$3,363,395 |
| Grants | | | |
| P2022-0126-P6 | \$1,363,395 | \$0 | \$1,363,395 |
| FY2024 CMAQ* | \$1,600,000 | \$0 | \$1,600,000 |
| State Grant* | \$400,000 | \$0 | \$400,000 |
| | \$3,363,395 | \$0 | \$3,363,395 |

*Funding is secured. Will be amended into the grant at a future date.

Regional Transit Authority of Southeast Michigan
Statement of Net Position and
Governmental Funds Balance Sheet
December 31, 2024

| | General Fund | Adjustments | Statement of Net Position | Prior Year (for comparison) |
|---|---------------------|-----------------------|----------------------------------|------------------------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 5,443,578 | \$ - | \$ 5,443,578 | \$ 181,370 |
| Accounts receivable | 1,853,452 | - | 1,853,452 | 117,044 |
| Prepays and other assets | 117,550 | - | 117,550 | - |
| Capital assets, net of depreciation | - | 103,797,678 | 103,797,678 | 300,444 |
| Other Assets | - | - | - | - |
| Total assets | \$ 7,414,580 | \$ 103,797,678 | \$ 111,212,258 | \$ 598,858 |
| Liabilities | | | | |
| Accounts payable | \$ 2,515,379 | - | \$ 2,515,379 | \$ 180,188 |
| Accrued payroll and related liabilities | 533,616 | - | 533,616 | 28,715 |
| Refundable advance | 81,361 | - | 81,361 | 81,361 |
| Total liabilities | 3,130,356 | - | 3,130,356 | 290,265 |
| Fund balance | | | | |
| Fund balance | 5,575,701 | (5,575,701) | - | - |
| Current year change in fund balance | (1,291,477) | 1,291,477 | - | - |
| Total fund balance | 4,284,224 | | | |
| Total liabilities and fund balance | \$ 7,414,580 | | | |
| Net position | | | | |
| Investment in capital assets | | 103,797,678 | 103,797,678 | 300,444 |
| Unrestricted | | 6,952,133 | 6,952,133 | 50,733 |
| Current year change in net position | | (2,667,909) | (2,667,909) | (42,585) |
| Total net position | | \$ 108,081,902 | \$ 108,081,902 | \$ 308,593 |

Regional Transit Authority of Southeast Michigan
Statement of Activities and
Governmental Revenues, Expenditures and Changes in Fund Balance
For the Month Ended December 31, 2024

| | General Fund | Adjustments | Statement of Activities |
|--|-----------------------|-----------------------|----------------------------|
| Revenue | | | |
| Fares | \$ 162,760 | \$ - | \$ 162,760 |
| Federal grants | 1,420,017 | - | 1,420,017 |
| State grants - matching | 191,867 | - | 191,867 |
| State grants | 1,444,518 | - | 1,444,518 |
| Local grants | - | - | - |
| In-kind revenue | 65,259 | - | 65,259 |
| Project match revenue | - | - | - |
| RTA regional planning set-aside | - | - | - |
| Other | 21,699 | - | 21,699 |
| Total revenue | <u>\$ 3,306,120</u> | <u>\$ -</u> | <u>\$ 3,306,120</u> |
| Expenditures/expenses | | | |
| Operating: | | | |
| Personnel | \$ 1,104,035 | \$ - | \$ 1,104,035 |
| Conferences/events/training | 52,318 | - | 52,318 |
| Board & public meeting management | 1,378 | - | 1,378 |
| Finance, legal, government relations | 93,226 | - | 93,226 |
| Insurance | 225,345 | - | 225,345 |
| Rent and utilities | 73,407 | - | 73,407 |
| Telephone and internet | 1,914 | - | 1,914 |
| Computer equipment and IT support | 58,062 | - | 58,062 |
| Services | 1,463,302 | - | 1,463,302 |
| Supplies | 1,185,733 | - | 1,185,733 |
| Total operating | <u>4,258,720</u> | <u>-</u> | <u>4,258,720</u> |
| Planning: | | | |
| Planning services | 156,252 | - | 156,252 |
| Specialized planning services | - | - | - |
| CHSTP | 114,556 | - | 114,556 |
| Community engagement | - | - | - |
| Total planning | <u>270,808</u> | <u>-</u> | <u>270,808</u> |
| External affairs: | | | |
| Branding | - | - | - |
| External communications | 45,241 | - | 45,241 |
| Social media management | - | - | - |
| Website | 17,630 | - | 17,630 |
| Graphics/photography | 3,825 | - | 3,825 |
| Promotional items | - | - | - |
| Miscellaneous items | 1,373 | - | 1,373 |
| Total external affairs | <u>68,069</u> | <u>-</u> | <u>68,069</u> |
| Other - | | | |
| Depreciation/amortization | - | 1,376,432 | 1,376,432 |
| Total expenditures/expenses | <u>\$ 4,597,597</u> | <u>\$ 1,376,432</u> | <u>\$ 5,974,029</u> |
| Change in fund balance/net position | <u>\$ (1,291,477)</u> | <u>\$ (1,376,432)</u> | <u>\$ (2,667,909)</u> |

Regional Transit Authority of Southeast Michigan
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
For the Month Ended December 31, 2024

| | General Admin | | D2A2 | | DAX | | One Click/One Call | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|
| | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget |
| Revenue | | | | | | | | |
| Fares | \$ - | \$ - | \$ 93,624 | \$ 84,120 | \$ 69,136 | \$ 68,000 | \$ - | \$ - |
| Federal grants | 652,550 | 679,617 | 415,479 | 427,685 | 351,988 | 227,039 | - | 100,000 |
| State grants - matching | - | - | 103,870 | 27,765 | 87,997 | 40,000 | - | 25,000 |
| State grants | 221,131 | 286,434 | - | 126,380 | - | 44,961 | - | - |
| Local grants | - | - | - | - | - | - | - | - |
| In-kind revenue | - | - | 35,030 | 35,050 | 30,230 | 20,000 | - | - |
| Project match revenue | - | - | - | - | - | - | - | - |
| RTA regional planning set-aside | - | - | - | - | - | - | - | - |
| Other | 7,564 | - | - | - | - | - | - | - |
| Total revenue | \$ 881,245 | \$ 966,051 | \$ 648,002 | \$ 701,000 | \$ 539,351 | \$ 400,000 | \$ - | \$ 125,000 |
| Expenditures | | | | | | | | |
| Operating: | | | | | | | | |
| Personnel | \$ 305,171 | \$ 478,754 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Conferences/events/training | 27,822 | 28,157 | - | - | - | - | - | - |
| Board & public meeting management | 300 | 3,900 | - | - | - | - | - | - |
| Finance, legal, government relations | 90,454 | 81,014 | - | - | - | - | - | - |
| Insurance | 42,564 | 4,193 | - | - | - | - | - | - |
| Rent and utilities | 315 | 31,950 | - | - | - | - | - | - |
| Telephone and internet | 1,914 | 2,108 | - | - | - | - | - | - |
| Computer equipment and IT support | 38,572 | 26,754 | 518 | - | 200 | - | - | - |
| Services | 3,085 | - | 647,484 | 701,000 | 539,151 | 400,000 | - | 125,000 |
| Supplies | 430 | 625 | - | - | - | - | - | - |
| Total operating | 510,627 | 657,454 | 648,002 | 701,000 | 539,351 | 400,000 | - | 125,000 |
| Planning: | | | | | | | | |
| Planning services | 121,596 | 140,635 | - | - | - | - | - | - |
| Specialized planning services | - | 31,250 | - | - | - | - | - | - |
| CHSTP | 114,556 | 37,500 | - | - | - | - | - | - |
| Community engagement | - | 50,000 | - | - | - | - | - | - |
| Total planning | 236,152 | 259,385 | - | - | - | - | - | - |
| External affairs: | | | | | | | | |
| Branding | - | 2,500 | - | - | - | - | - | - |
| External communications | 36,000 | 31,250 | - | - | - | - | - | - |
| Social media management | - | 1,950 | - | - | - | - | - | - |
| Website | 14,900 | 8,750 | - | - | - | - | - | - |
| Graphics/photography | - | 2,538 | - | - | - | - | - | - |
| Promotional items | - | 2,225 | - | - | - | - | - | - |
| Miscellaneous items | 125 | - | - | - | - | - | - | - |
| Total external affairs | 51,025 | 49,213 | - | - | - | - | - | - |
| Total expenditures | \$ 797,804 | \$ 966,051 | \$ 648,002 | \$ 701,000 | \$ 539,351 | \$ 400,000 | \$ - | \$ 125,000 |
| Change in fund balance | \$ 83,441 | \$ - | \$ - |

continued...

| Mobility Wallet | | Access to Transit | | Qline | | Total Year to Date | | Annual |
|-----------------|------------|-------------------|------------|----------------|--------------|--------------------|--------------|---------------|
| Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Budget |
| \$ - | \$ - | \$ - | \$ 400,000 | \$ - | \$ - | \$ 162,760 | \$ 552,120 | \$ 608,480 |
| - | - | - | - | - | 275,000 | 1,420,017 | 1,709,341 | 8,437,361 |
| - | - | - | 100,000 | - | 68,750 | 191,867 | 261,515 | 1,046,060 |
| 4,655 | 150,000 | - | 340,849 | 1,218,733 | 737,154 | 1,444,518 | 1,685,778 | 6,743,114 |
| - | - | - | - | - | 1,475,000 | - | 1,475,000 | 5,900,000 |
| - | - | - | - | - | - | 65,259 | 55,050 | 220,200 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | 14,135 | - | 21,699 | - | - |
| \$ 4,655 | \$ 150,000 | \$ - | \$ 840,849 | \$ 1,232,868 | \$ 2,555,904 | \$ 3,306,121 | \$ 5,738,804 | \$ 22,955,215 |
| \$ - | - | \$ - | - | \$ 798,363 | \$ 1,026,750 | \$ 1,103,534 | \$ 1,505,504 | \$ 6,022,016 |
| - | - | - | - | 24,496 | - | \$ 52,318 | 28,157 | 112,628 |
| - | - | - | - | 1,078 | - | \$ 1,378 | 3,900 | 15,600 |
| - | - | - | - | 2,773 | 117,054 | \$ 93,226 | 198,067 | 792,269 |
| - | - | - | - | 182,782 | 316,000 | \$ 225,346 | 320,193 | 1,280,770 |
| - | - | - | - | 73,092 | 119,750 | \$ 73,407 | 151,700 | 606,800 |
| - | - | - | - | - | - | \$ 1,914 | 2,108 | 8,430 |
| - | - | - | - | 18,771 | - | \$ 58,062 | 26,754 | 107,015 |
| - | 150,000 | - | 840,849 | 273,581 | 32,250 | \$ 1,463,301 | 2,249,099 | 8,996,395 |
| - | - | - | - | 1,185,805 | 996,250 | \$ 1,186,235 | 996,875 | 3,987,500 |
| - | 150,000 | - | 840,849 | 2,560,741 | 2,608,054 | 4,258,721 | 5,482,356 | 21,929,423 |
| 4,655 | - | - | - | 30,001 | - | 156,252 | 140,635 | 562,540 |
| - | - | - | - | - | - | - | 31,250 | 125,000 |
| - | - | - | - | - | - | 114,556 | 37,500 | 150,000 |
| - | - | - | - | - | - | - | 50,000 | 200,000 |
| 4,655 | - | - | - | 30,001 | - | 270,808 | 259,385 | 1,037,540 |
| - | - | - | - | - | - | - | 2,500 | 10,000 |
| - | - | - | - | 9,241 | 39,500 | 45,241 | 70,750 | 283,000 |
| - | - | - | - | - | - | - | 1,950 | 7,800 |
| - | - | - | - | 2,730 | - | 17,630 | 8,750 | 35,000 |
| - | - | - | - | 3,825 | - | 3,825 | 2,538 | 10,150 |
| - | - | - | - | - | - | - | 2,225 | 3,400 |
| - | - | - | - | 1,248 | - | 1,373 | - | 5,500 |
| - | - | - | - | 17,044 | 39,500 | 68,069 | 88,713 | 354,850 |
| \$ 4,655 | \$ 150,000 | \$ - | \$ 840,849 | \$ 2,607,786 | \$ 2,647,554 | \$ 4,597,598 | \$ 5,830,453 | \$ 23,321,813 |
| \$ - | \$ - | \$ - | \$ - | \$ (1,374,918) | \$ (91,650) | \$ (1,291,477) | \$ (91,650) | \$ (366,598) |

concluded.

Project Budget Tracker

Title **Detroit to Ann Arbor Express Bus (D2A2)**
Description Express bus connecting downtown Detroit to downtown Ann Arbor.
Schedule October 2021 - December 2024

| Budget Tracker | | | |
|---------------------|---------------------|---------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$ 8,723,667 | \$ 8,556,330 | \$167,337 |
| Grants | | | |
| MI-2021-036-01 | \$4,311,592 | \$4,311,592 | (\$0) |
| 2017-0119/P7/R2 | \$1,524,049 | \$1,506,305 | \$17,744 |
| Fares/Contrib | \$955,214 | \$1,280,976 | (\$325,762) |
| MI-2021-036-02 | \$1,373,593 | \$898,238 | \$475,355 |
| ARPA MI-2022-005-02 | \$559,219 | \$559,219 | \$0 |
| | \$8,723,667 | \$7,997,111 | \$167,337 |

Title **Regional Mobility Management (MyRide2)**
Description Call center/website with information for seniors and persons with disabilities.
Schedule October 2017 - September 2026

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|------------------|
| | Total | ITD | Balance |
| Cost | \$1,850,920 | \$1,595,856 | \$255,064 |
| Grants | | | |
| MI-2017-031-02 | \$1,069,444 | \$1,069,444 | \$0 |
| 2017-0119/P2/R4 | \$267,361 | \$267,361 | \$0 |
| MI-2024-009-01 | \$411,292 | \$207,241 | \$204,051 |
| 2022-0126/P7 | \$102,823 | \$51,810 | \$51,013 |
| | \$1,850,920 | \$1,595,856 | \$255,064 |

FY2025 Q1 Invoicing not available yet

Title **Universal Basic Mobility Pilot**
Description Mobility wallet fare technology pilot focused on Detroit jobseekers.
Schedule June 2023 - July 2026

| Budget Tracker | | | |
|----------------|--------------------|------------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$1,025,000 | \$441,318 | \$583,682 |
| Grants | | | |
| 2022-0126-P3 | \$1,025,000 | \$441,318 | \$583,682 |
| | \$1,025,000 | \$441,318 | \$583,682 |

Title **Downtown to Airport Express**
Description Express bus connecting downtown Metro Airport to Downtown Detroit.
Schedule March 2024 - March 2025

| Budget Tracker | | | |
|-----------------|--------------------|--------------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$3,019,087 | \$1,808,247 | \$1,210,840 |
| Grants | | | |
| MI-2024-002 | \$2,000,000 | \$1,188,385 | \$811,615 |
| 2022-0126-P4 R1 | \$500,000 | \$297,096 | \$202,904 |
| Fares/Contrib | \$519,087 | \$322,766 | \$196,321 |
| | \$3,019,087 | \$1,808,247 | \$1,210,840 |

Title **Regional Technology Strategic Plan**
Description Inventory and assessment of providers technology and identification of goals.
Schedule October 2024 - June 2025

| Budget Tracker | | | |
|----------------|------------------|----------------|------------------|
| | Cost | ITD | Balance |
| Cost | \$125,000 | \$7,106 | \$117,894 |
| Grants | | | |
| 2017-0119/P10 | \$125,000 | \$7,106 | \$117,894 |

Title **Access to Transit Program**
Description Grant program for safety and access improvements at bus stops.
Schedule October 2024 - December 2026

| Budget Tracker | | | |
|----------------|--------------------|------------|--------------------|
| | Cost | ITD | Balance |
| Cost | \$3,363,395 | \$0 | \$3,363,395 |
| Grants | | | |
| P2022-0126-P6 | \$1,363,395 | \$0 | \$1,363,395 |
| FY2024 CMAQ* | \$1,600,000 | \$0 | \$1,600,000 |
| State Grant* | \$400,000 | \$0 | \$400,000 |
| | \$3,363,395 | \$0 | \$3,363,395 |

*Funding is secured. Will be amended into the grant at a future date.



BOARD OF DIRECTORS MEMORANDUM

TO: RTA Board of Directors

FROM: Julia Roberts, Planning & Innovation Director

SUBJECT: RTA 2024 Regional Transit Master Plan Update

DATE: January 16, 2025

REQUESTED ACTION: Board of Directors Approval

Approval Request:

Motion to adopt the RTA 2024 Regional Transit Master Plan (RTMP) Update.

Background Information:

The previous RTA 2023 RTMP Update was adopted in February 2024. Staff worked with the transit providers and community members in the Southeast Michigan region to develop an RTMP update this year, including 3 priority investment categories and sub-activities, for the RTA Board of Director's to review, consider and approve. RTA staff posted a final draft of the [RTA 2024 Regional Transit Master Plan \(RTMP\)](#) and [Appendix Priorities Matrix](#) on the RTA's Master Plan webpage (<https://rtamichigan.org/regional-transit-master-plan-2024>).

The next update is planned for fall 2025. Staff are working to move the date forward to coincide with budget timing.

Attachment: Executive Summary for the RTA 2024 RTMP.



Regional Transit Authority
Of Southeast Michigan

2024
Regional Transit
Master Plan

Executive Summary



RTAmichigan.org



The Regional Transit Authority of Southeast Michigan (RTA) has spearheaded and led regional transit planning efforts in the Detroit and Ann Arbor metropolitan area since the authority was created in 2012. Working alongside transit providers and local governments, the RTA explores new strategies for improving transit coverage and service, secures and oversees funding and increases accessibility to transit offerings.

Part of RTA's ongoing planning work includes annual updates to the Regional Transit Master Plan (RTMP). RTA's [Regional Transit Master Plan \(RTMP\)](#) and [Inclusion, Diversity, Equity, and Accessibility \(IDEA\) Roadmap](#) are two guiding documents which help the RTA achieve its vision of a Southeast Michigan region where advances in transit create greater prosperity for all.

RTA revises the RTMP annually to provide status updates on recent regional transit accomplishments, to identify any trends in the national transit industry, and to summarize recent public feedback received on the strengths, areas for improvement, and opportunities for public transit in the region. The updated 2024 RTMP document fulfills the requirements to annually update the regional transit plan as outlined in the Regional Transit Authority Act, Public Act 387 of 2012.

The previous 2023 RTMP included a consolidated list of the top ten regional transit investment priorities for RTA to focus its efforts on. This 2024 update of the RTMP now includes a categorization of those top ten priorities into three focus areas:



**Move
People**



**Strengthen
Access**



**Enhance
Experience**

Further updates also include revisions of many of the implementation activities included for each of the ten priorities. Each implementation activity also has newly added supporting activities in the [RTMP priorities matrix Appendix](#), which will help to identify clear next steps towards successful implementation, including high-level cost estimates, prospective initiation timelines, RTA's role, and regional partnerships.

RTA's Role

RTA's mission is to create new and better ways to move and connect people in Southeast Michigan, with a vision of a region where advances in transit create greater prosperity for all.

Leaning on its values of creativity, empathy, and opportunity, the RTA plans, funds, coordinates, and implements regional transit services, projects, and programs in the region, which comprises all of Macomb, Oakland, Washtenaw, and Wayne counties, including the City of Detroit. In addition to planning, RTA also pilots new transit services, applies for grants, and secures new regional funding sources for public transit. RTA annually allocates over \$95 million in federal and state funding to the region's transit agencies and community transportation services.

Serving a unique role in the region, RTA pools resources and generates ideas to solve decades-long public transit challenges in Southeast Michigan and tackles difficult shared problems that riders have identified as deficiencies in the regional network. To achieve its vision for transit in Southeast Michigan, RTA must pursue new projects and programs through both short-term and long-term funding opportunities. A new infusion of dedicated, long-term funding is required to sustainably expand transit services and improve mobility infrastructure that can support the existing and future growth of the region's population, businesses, and communities.

While working towards a long-term regional funding source, RTA is also committed to pursuing short-term - or one-time - funding opportunities to pilot and advance key regional transit priorities. Through this focus on short-term projects, planning studies, and

pilot programs, RTA can showcase new services to riders, regional stakeholders, and elected officials. Successfully building and transitioning these short-term projects into sustainable services helps to make a case to the public and regional stakeholders for additional long-term funding to further advance transit in Southeast Michigan.



Fund Transformative Mobility

Position Southeast Michigan for economic success by increasing funding and aligning regional policy advocacy.



Improve Existing Services

Upgrade the frequency, reliability, comfort, safety, and speed of existing transit services, including fixed-route and demand-response services.



Expand Transit Coverage

Connect more people to more destinations in Southeast Michigan through an expanded regional transit system with a focus on expanding access for equity populations.



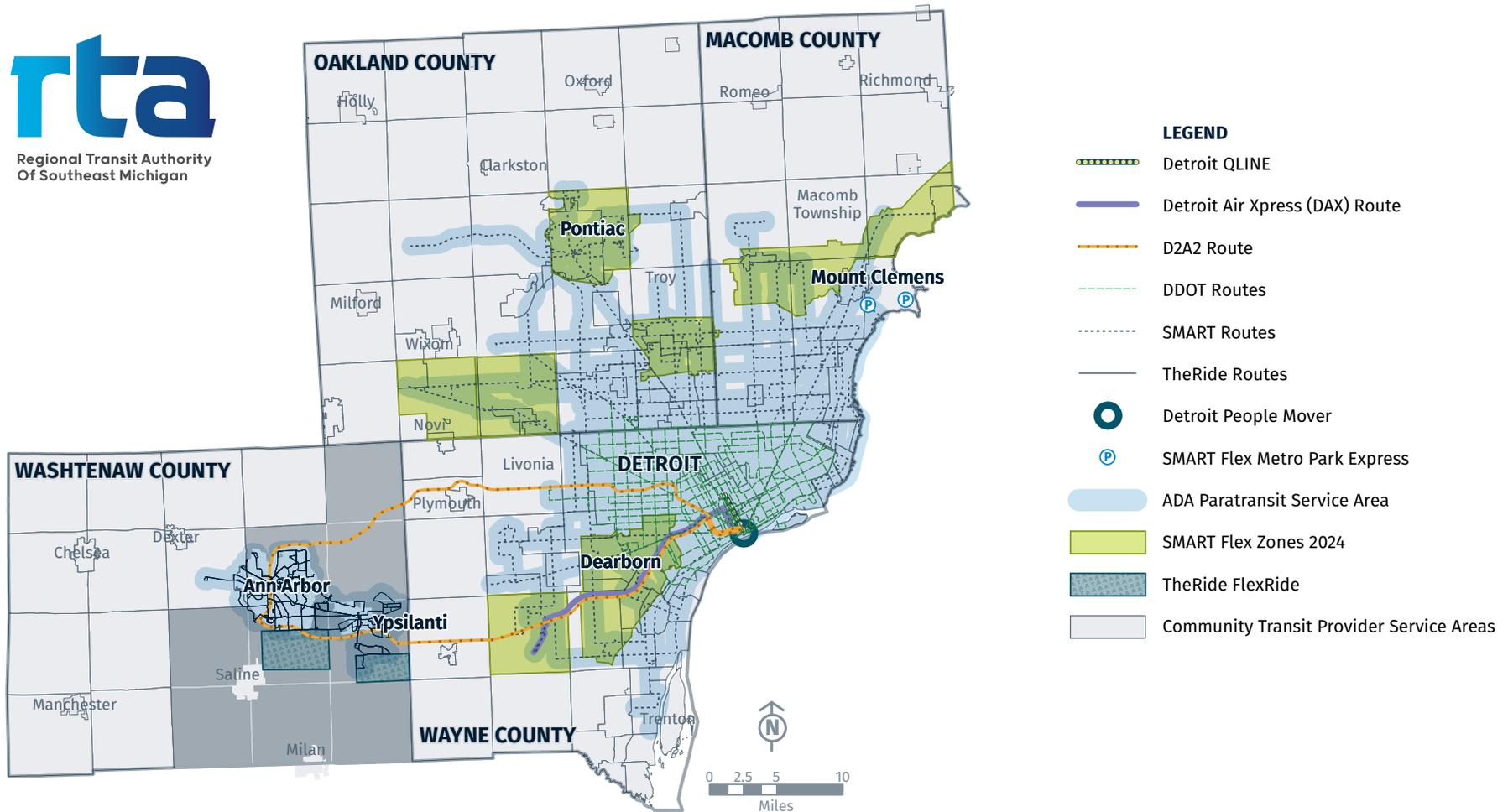
Innovate Resilient Projects

Implement expansion programs through active coordination and partnership with local transit providers and nonprofits.



Sustain Future Programs

Implement innovative programs and pilot projects to improve transit, increase flexibility, and encourage transit providers to adopt new technologies.



The Region's Transit System

Southeast Michigan has a large, public transit network that covers the majority of the region, although there are some gaps where transit service is not available or where it is restricted to certain population groups, such as seniors or people with disabilities.

Five larger public transit agencies operate fixed-route bus or rail service in the region: the Ann Arbor Area Transportation Authority (AAATA, also known as TheRide), Detroit Department of Transportation (DDOT), Suburban Mobility Authority for Regional

Transportation (SMART), Detroit Transportation Corporation (DTC, operating as the Detroit People Mover [DPM]), and RTA's QLINE streetcar. (RTA owns and operates the QLINE as of October 2024 following the acquisition of the QLINE from the previous owner and operator, M-1 RAIL).

Over 80 community-sponsored transit providers also serve the region, in addition to several other organizations and companies that supplement transportation and mobility services.

Trends, Accomplishments, and Opportunities

Each annual update to the RTMP includes summaries of national transit trends, recent regional transit accomplishments, and future opportunities for transit in Southeast Michigan. These updates help to inform the public and stakeholders about the progress achieved by RTA and local transit providers while also defining the region's top transit priorities.



National and Regional Trends in Transit

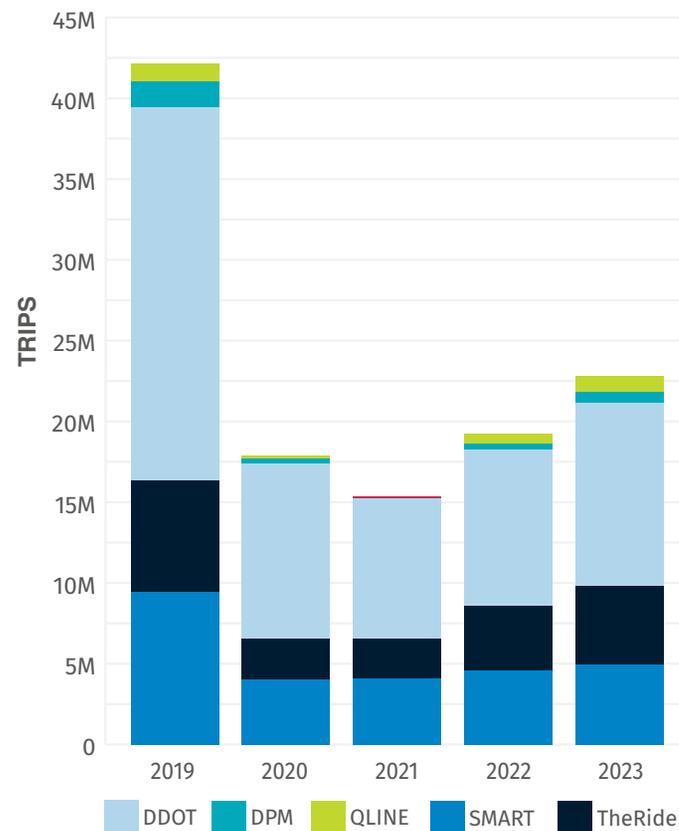
Understanding public transit trends, both nationally and regionally, can help to guide future transit priorities and investments. By reviewing these trends annually, RTA and regional transit providers can track progress and identify best practices from peer agencies and regions that can be appropriately applied within the context of Southeast Michigan.

- ▶ Post-Pandemic Ridership Impacts
- ▷ Workforce
- ▷ Funding
- ▷ Low/No Emissions Vehicles
- ▷ Transit Oriented Development
- ▷ Bus Rapid Transit
- ▷ Mobile Applications
- ▷ Barriers to Transit Accessibility

Post-Pandemic Ridership Impacts

Beginning in 2022, Southeast Michigan transit ridership has been trending upward from pandemic lows in 2021. In 2023, people rode transit over 22.8 million times, 54 percent of pre-pandemic ridership. At the time of this report publication, 2024 regional transit ridership was on track to surpass 2023 ridership total, further continuing the upward trend in public transit use.

Both nationally and regionally, transit ridership has not yet returned to pre-pandemic levels, though it is gradually recovering. National ridership stands at 79 percent of pre-pandemic levels, while regional transit ridership continues to grow, as seen in the chart to the right.





National and Regional Trends in Transit

- ▷ Post-Pandemic Ridership Impacts
- ▶ Workforce
- ▶ Funding
- ▶ Low/No Emissions Vehicles
- ▶ Transit Oriented Development
- ▷ Bus Rapid Transit
- ▷ Mobile Applications
- ▷ Barriers to Transit Accessibility



Workforce

Transit agencies in Southeast Michigan and across the country continue to face hiring and retention challenges.

Funding

Transit agencies across the country are struggling with short- and long-term operational funding challenges. While Covid relief funding has helped bridge operational deficits, those funds are not replenishable or sustainable.

Low/No Emissions Vehicles

Transit agencies are exploring or adopting alternative fuel technologies for their fleets, such as electric batteries, hydrogen fuel cells, compressed natural gas, and propane.

Transit Oriented Development

Cities and communities across the country continue to implement land use policies to encourage more walkable and people-oriented places, which are in increasingly high demand.



National and Regional Trends in Transit

- ▷ Post-Pandemic Ridership Impacts
- ▷ Workforce
- ▷ Funding
- ▷ Low/No Emissions Vehicles
- ▷ Transit Oriented Development
- ▶ Bus Rapid Transit
- ▶ Mobile Applications
- ▶ Barriers to Transit Accessibility



Bus Rapid Transit

Implementation of bus rapid transit (BRT) continues in cities and regions across the United States, including in peer Midwest cities such as Indianapolis, Cincinnati, and Columbus.

Mobile Applications

The rise of smartphone apps has changed how passengers expect to access and pay for transportation services. Some transit agencies have developed their own public apps, while others are working with and integrating with private technology providers.

Barriers to Transit Accessibility

Transit agencies across the region and the country have a renewed focus on supporting access to jobs, services, and goods by implementing transit infrastructure improvements and better integrating micromobility services.



Recent Regional Transit Accomplishments

In the past year, RTA and its partners have achieved a number of accomplishments, including transfer of the QLINE to RTA, developing new and expanded services, undertaking planning initiatives, and proceeding and completing capital projects that will improve transit and help advance RTA's vision and goals.

- ▶ QLine Ownership Transfer
- ▶ New, Improved, and Expanded Services
 - ▷ Micromobility
 - ▷ Expansion of Low-and No-Emissions Transit Vehicles
 - ▷ Mobile Technologies and Fare Payment System Integration
 - ▷ Planning Initiatives
 - ▷ Major Capital Projects



QLINE Ownership Transfer

In September 2024, the QLINE transitioned ownership from M-1 Rail to the RTA following board approval. The transition of the QLINE to public ownership was always considered as the long-term plan for the system. With the transition to RTA ownership, the QLINE can now access critical public funding resources. This includes eligibility for MDOT (Michigan Department of Transportation) capital match funding, federal funding programs, and the state Comprehensive Transportation Fund. This change positions the QLINE for long-term success by ensuring sustainable investments that will enhance and expand the system for years to come.

New, Improved, and Expanded Services

The recent success of new transit services and pilot transit services provides an example of how expanded transit services can positively impact residents and communities across Southeast Michigan. New and expanded services over the last year include D2A2 (Detroit to Ann Arbor), Detroit Airport Express, Oakland County transit expansions, Washtenaw Avenue Express, and fare-free pilot programs for QLINE and DPM in Downtown Detroit.



Recent Regional Transit Accomplishments

- ▷ QLine Ownership Transfer
- ▷ New, Improved, and Expanded Services
- ▶ Micromobility
- ▶ Expansion of Low- and No-Emissions Transit Vehicles
- ▷ Mobile Technologies and Fare Payment System Integration
- ▷ Planning Initiatives
- ▷ Major Capital Projects



Micromobility

In 2024, people took almost 100,000 rides on MoGo, the bikeshare provider in Detroit. A system expansion will be implemented in 2025 and will add up to 20 new station locations and up to 60 e-bikes.

Expansion of Low- and No-Emissions Transit Vehicles

Regional efforts are underway to deploy low- and no-emission vehicles to work towards the State of Michigan's and SEMCOG's Healthy Climate Plan goals, which include increasing access to clean transportation options by 15 percent annually as well as reaching net zero emissions by 2050.

In July 2024, both DDOT and TheRide received FTA Low/No Emission grant awards to fund alternative fueling infrastructure and vehicles, with DDOT receiving \$36 million and TheRide receiving \$25 million.



Recent Regional Transit Accomplishments

- ▷ QLine Ownership Transfer
- ▷ New, Improved, and Expanded Services
- ▷ Micromobility
- ▷ Expansion of Low-and No-Emissions Transit Vehicles
- ▶ Mobile Technologies and Fare Payment System Integration
- ▷ Planning Initiatives
- ▷ Major Capital Projects



Mobile Technologies and Fare Payment System Integration

In Southeast Michigan, transit riders and micromobility users can access several apps to look up trip information and pay fares, however there are differing systems used by the region's transit and mobility providers. To address this issue, the RTA will pilot a mobility wallet to enable users to pay for public transportation trips through a single shared system.

Through a \$1 million grant from MDOT and the Office of Future Mobility and Electrification (OFME), RTA has selected a contractor to lead the Mobility Wallet pilot, with a planned kickoff of the second phase of the pilot in January 2025.



Recent Regional Transit Accomplishments

- ▷ QLine Ownership Transfer
- ▷ New, Improved, and Expanded Services
- ▷ Micromobility
- ▷ Expansion of Low-and No-Emissions Transit Vehicles
- ▷ Mobile Technologies and Fare Payment System Integration
- ▶ Planning Initiatives
- ▷ Major Capital Projects



Planning Initiatives

DDOT, SMART, and TheRide all have ongoing or recently completed service planning initiatives.

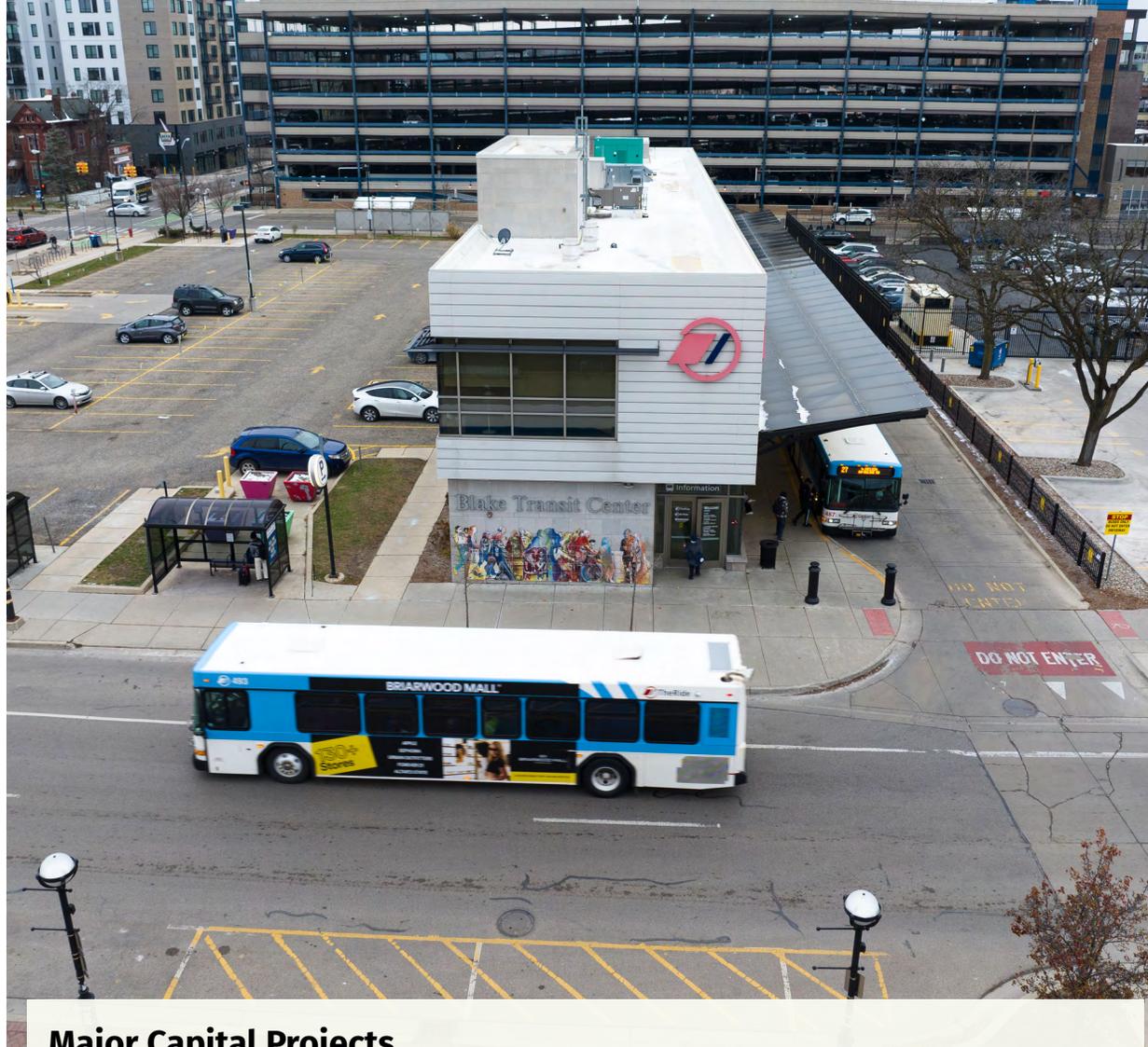
- In 2022, TheRide adopted TheRide2045, a long-range plan for the transit system.
- DDOT Reimagined is a draft plan (pending City Council approval) for redesigning DDOT's bus network and identifying improvements to better connect Detroiters to opportunities.
- SMART's SMARTer Mobility Program is an effort to evaluate existing services in order to expand and integrate services, create a mobile app, and make SMART Flex a permanent service. A draft SMARTer bus network is anticipated to be released in early 2025.
- DPM will be kicking off two planning studies in 2025. Included will be a post-pandemic planning study, a comprehensive long-range system plan, and a downtown mobility study.

There have also been various corridor planning studies for all or some of the segments along many of the region's major transit corridors, including Michigan Avenue, Washtenaw Avenue, Gratiot Avenue, and Woodward Avenue. As the "owner" of the roads, MDOT has recently prepared or begun more detailed comprehensive studies of sections on several of these corridors. These new plans describe options that consider the needs of motorists and trucks but also focus on improving use and safety for pedestrians, cyclists, and transit users. All of the plans describe how transit reliability and infrastructure can be improved (transit signal priority, exclusive transit lanes, queue jumps, pedestrian crossings along the roadways, etc.).



Recent Regional Transit Accomplishments

- ▷ QLine Ownership Transfer
- ▷ New, Improved, and Expanded Services
- ▷ Micromobility
- ▷ Expansion of Low-and No-Emissions Transit Vehicles
- ▷ Mobile Technologies and Fare Payment System Integration
- ▷ Planning Initiatives
- ▶ Major Capital Projects



Major Capital Projects

Major capital projects underway or recently completed across the region include:

- DDOT's Coolidge Terminal (under construction)
- DDOT's Jason Hargrove Transit Center (opened in May 2024).
- TheRide's Ypsilanti Transit Center (projected 2027 opening)
- TheRide's Blake Transit Center (projected 2027 or 2028 opening)
- DPM's Track Improvement Project (completed in 2024)



Regional Opportunities

There has been significant progress toward improving transit in Southeast Michigan through capital projects, programs, service expansions, and planning studies in recent years. These successes can also lead to new and additional opportunities that can be pursued by RTA and local transit providers as a way to further improve, expand, innovate, and sustain transit across the region.

- ▶ Improve and Expand Transit and Mobility Services
- ▷ Innovate and Modernize Infrastructure & Technologies
- ▷ Grow and Sustain Partnerships and Coordination



Improve and Expand Transit and Mobility Services

RTA's regional vision includes new and expanded transit services across the region's communities, including further integration of micromobility services. The continued growth of pilot services and the expansion of transit services through recently passed transit referendums in Oakland and Washtenaw counties have shown that new services and expanded services can be successful, provided that funding is identified to launch and sustain these services. This presents additional opportunities for fixed route improvements, new regional express services, and expanded micromobility services.



Regional Opportunities

- ▷ Improve and Expand Transit and Mobility Services
- ▶ Innovate and Modernize Infrastructure & Technologies
- ▶ Grow and Sustain Partnerships and Coordination



Innovate and Modernize Infrastructure & Technologies

The need to modernize transit infrastructure and technology is a key issue facing transit operators, both nationally and regionally. RTA has several programs underway to prioritize infrastructure and technology improvements. This includes ongoing and upcoming RTA initiatives such as the Rapid Transit Corridors Framework, the Access to Transit Program, the Strategic Technology Plan, and continued investment in modernized vehicles, facilities, and equipment.

Grow and Sustain Partnerships and Coordination

As a regional authority, the success of RTA's programs, policies, and projects is heavily dependent on regular coordination and cooperation with the regional partners and stakeholders. There are many shared issues and challenges facing local transit providers - such as workforce recruitment and retention - which provide opportunities for shared learning and shared resources to address these challenges.

Additionally, RTA must closely coordinate with non-transit partners - including MDOT and municipal and township transportation departments - who have jurisdiction over the roadways where transit services operate. Further strengthened partnerships and ongoing coordination can create new opportunities for regional transit improvements.

Public Engagement

From August to November of 2024, RTA set up booths at 12 events across the four counties and spoke with residents, riders, and transit providers. Staff efforts focused on gathering feedback about the RTA's new program Mobility 4 All (M4A), a regional initiative to improve transit solutions in Southeast Michigan, with a particular focus on assisting people with disabilities, older adults, and those with limited incomes. RTA engaged with the public at popular community events and through an online survey. Surveys were shared at public events, distributed to transit providers, and made available on RTA's website. Over 500 people participated in the survey, providing input that will help shape the region's Coordinated Human Services Transportation Plan (CHSTP).

DDOT, TheRide, and SMART all continue to engage the public through their ongoing planning processes as well. TheRide's public engagement in 2024 has been focused on future improvements to the Ypsilanti Transit Center. SMART has continued to engage the public around its ongoing SMARTer Mobility Plan, with the next round of engagement planned in early 2025. Much of DDOT's engagement for the DDOT Reimagined plan was conducted in previous years, with 2024 focused on implementation of the community-driven plan.

RTA also coordinated with local transit agencies to ensure that the RTMP is aligned with their goals and initiatives, and with what they have heard from the public in recent engagement around their plans and projects.



Key Findings

The data collected to date indicates that the public and stakeholders want and need more transit flexibility and options. With respect to flexibility, questionnaire respondents and those we engaged in person at events wished for more service availability on weekends and evening hours. Stakeholders also desired access to more locations and to have more and better regional connections.

Regional Transit Priorities

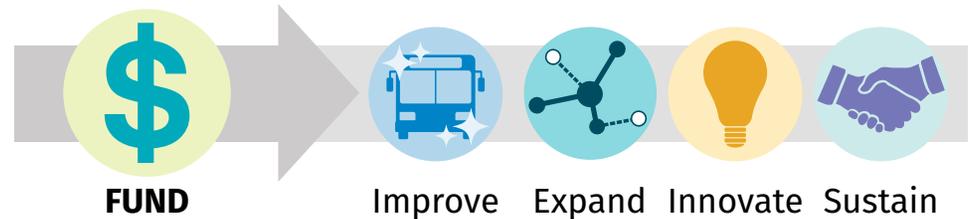
In the previous RTMP update, RTA reviewed the strategies and actions in previous versions and consolidated them into ten regional transit priorities for investment based on public input, transit industry trends, recent accomplishments, and ongoing projects in Southeast Michigan. RTA's goals guided the development of these regional transit priorities. Each priority supports aspects of RTA's overarching regional goals and serves as a crucial step toward achieving them.

This update of the RTMP includes a simplified categorization of those top ten priorities into three focus areas: **Move People**, **Strengthen Access**, and **Enhance Experience**. Additionally, this update revises some of the previously identified Implementation Activities, while also adding additional supporting actions that outline a clear path for each identified Implementation Activity.

RTA has three strategies for its goal to Fund Transformative Mobility that are organized around different funding levels:

- 1. Current Funding:** Execute a multi-year budget and business plan to align with advocacy for advancing regional policies.
- 2. One-Time Funding:** Collaborate on regional grant applications and support provider funding initiatives.
- 3. New Ongoing Funding:** Elevate per capita transit spending for greater services in Southeast Michigan.

RTA sets out to lead, guide, and support the accomplishment of these ten regional priorities through activities that plan, fund, coordinate, and accelerate them in the region.



REGIONAL TRANSIT PRIORITIES

Move People



- Increase Frequency, Reliability, and Hours on Fixed-Route Services
- Build On and Coordinate Demand-Response Services
- Grow Mobility Access to Local Communities and Regional Destinations

Strengthen Access



- Invest in and Implement a Rapid Transit Network
- Advance Accessibility, Comfort, and Well-Being at Transit Stops
- Upgrade Multimodal Connections To and Between Services
- Regionalize Trip Planning and Fare Payment Systems

Enhance Experience



- Enhance Ride Quality and Promote On-Board Safety
- Modernize and Maintain Infrastructure in a State of Good Repair
- Recruit, Develop, and Retain a Thriving Workforce



MOVE PEOPLE

Increase Frequency, Reliability, and Hours on Fixed-Route Services

Develop a core network of transit routes with frequencies of at least every 15 to 30 minutes for 18 hours every day of the week and increase the number of 24-hour bus and rail routes. Implement improvements that increase reliability and on-time performance, such as dedicated lanes, traffic queue jumps, streamlined boarding, and transit signal priority (TSP).

Build On and Coordinate Demand-Response Services

Improve mobility for people who rely on demand-response transit services by offering same-day services, increasing hours of operation, expanding eligibility to more people, and streamlining transfers between services.

Grow Mobility Access to Local Communities & Regional Destinations

Ensure transit service that is tailored to local needs is available in every community in Southeast Michigan. This can include demand-response and microtransit services in lower-density areas, new or extended fixed-route services in higher-density areas, and express services that serve major regional destinations and provide access to other regions.



STRENGTHEN ACCESS

Invest In and Implement a Rapid Transit Network:

Plan, design, fund, and operationalize rapid transit services along regionally significant corridors that support TOD, and work with local communities to develop mobility-oriented development (MOD) plans that encourage equitable economic growth.

Advance Accessibility, Comfort, and Well-being at Transit Stops:

Ensure transit stops meet ADA standards and have amenities and security features to help all riders feel healthy and comfortable waiting for their vehicle. This can include improving sidewalks and curb ramps and providing seating, shelters, lighting, real-time signage, and greenscaping.

Upgrade Multimodal Connections To and Between Services:

Increase access to and from public transit by improving pedestrian and cyclist infrastructure at and near transit stops, promoting complete street designs, enhancing park-and-ride services, and increasing the availability of microtransit and micromobility options.

Regionalize Trip Planning and Fare Payment Services:

Implement a regional multimodal fare collection system that simplifies payment and transfers between services and modes, and streamlines fare policies across providers, creating a seamless navigation experience. Deploy a trip planning platform that helps riders plan and schedule trips, and that is integrated with the regional fare system.



ENHANCE EXPERIENCE

Modernize and Maintain Infrastructure in a State of Good Repair:

Maintain transit infrastructure, including buses and trains, passenger and maintenance facilities, and service vehicles, in a state of good repair to ensure continuous and safe operations. When replacing infrastructure, integrate innovative technologies and best practices that improve operational efficacy and environmental impacts.

Enhance Ride Quality and Promote On-Board Safety:

Enhance the rider experience by addressing real and perceived safety and cleanliness concerns through marketing campaigns, staff training upgraded onboard technologies, and a transit ambassadors' program that is focused on customer service, community outreach, rider support, and a sense of security.

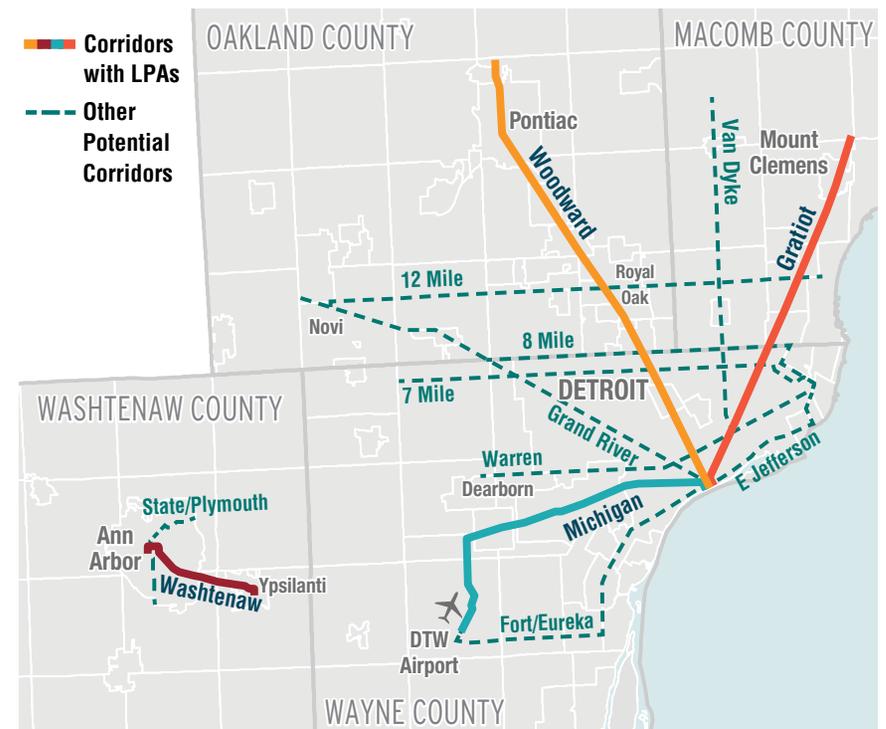
Recruit, Develop, and Retain a Thriving Workforce:

Engage, support, and sustain a diverse and talented workforce to continue reliable operations of current service and the ability to expand services in the future. Ensuring competitive compensation and benefits packages, providing training on new technologies and career advancement, and updating recruitment practices will attract new employees while helping current employees grow and thrive.

The Path Forward

Together, RTA and its partners can carry out implementation activities and supporting actions outlined in this plan to improve, expand, innovate, and sustain transit services in Southeast Michigan. While RTA will continue to pursue and execute new programs and projects that are funded through short term funding and grants, a stable regional funding source is required to sustainably invest in the region's long-term transit priorities in order to further transform mobility in the region.

RTA is authorized to collect a property tax millage and a vehicle registration tax in Southeast Michigan, subject to voter approval. If and when RTA runs a ballot initiative, it would develop an expenditure plan that proposes a multi-year program of projects that can be carried out with projected revenues. The planning process involves considering different project scenarios (for example, which routes to increase frequency on or where to construct rapid transit corridors). Through public engagement, RTA will determine which scenario to adopt and then create referendum language for a property tax and/or a vehicle registration tax to support the preferred scenario, which could then be voted on by the public. In the interim, RTA will work with state and local stakeholders to pursue competitive grants and develop alternative funding options for priority projects.



Stay Engaged!

RTA cannot achieve its vision alone. The priorities outlined in this plan will require engagement, coordination, support, leadership, and action from RTA's regional partners, including you! Upcoming opportunities for community engagement include the RTA's [IDEA Roadmap](#) goal for planning a community engagement guide in 2025. **Tune in to participate!**

You can support RTA and its vision by signing up for newsletters, following RTA on social media (@rtamichigan), attending public meetings, or applying to join RTA's Citizens Advisory Committee (CAC). Information on public meetings is available on RTA's website. Most importantly, you can support RTA by riding public transit and talking to your friends, families, and colleagues about how important it is to you and to the region.



BOARD OF DIRECTORS MEMORANDUM

TO: RTA Board of Directors

FROM: Melanie Piana, Program Director

SUBJECT: Board Governance Items: Conflict of Interest Policy and Disclosure Form, 2025 Public Meeting Calendar, and 2025 Board Meeting Projected Activity

DATE: January 16, 2025

REQUESTED ACTION: Board of Directors Approval

Approval Request: This memorandum requests Board approval of the updated Conflict of Interest Policy and Disclosure Form, and RTA’s 2025 public meeting calendar.

Background Information:

A) Conflict of Interest Policy & Disclosure Form

The board adopted an updated 2024 Conflict of Interest Policy and Disclosure Form in February 2024. RTA’s legal counsel reviewed the agency’s Conflict of Interest Policy and Disclosure form to identify potential changes as the new operator of the QLINE streetcar. Only minor edits were made.

B) Board, Providers Advisory Council, and Citizens Advisory Council Public Meetings

Public Act 387 and the RTA’s Board bylaws require the board to adopt a public meeting calendar for the next calendar year, including the Providers Advisory Council (PAC) and the Citizens Advisory Council (CAC).

All RTA public meetings follow the Michigan Open Meetings Act and American Disability Act (ADA) requirements. Public meeting documents are available at www.rtamichigan.org.



C) Board of Directors Board Meeting Activity Projection - Informational

The RTA leadership team projects the following 2025 board business activity for funding, administration, and project approvals and/or overview presentations.

| Meeting Date | Funding | Administration | Projects |
|----------------|----------------------------------|---|--|
| January 16th | | * Approval of Updates to Procurement Policy * Brand Update Complete | * 2024 Regional Transit Master Plan (RTMP) Update Presentation |
| February 20th | * State Funding Application | * Approval of CY25 Legislative Agenda | * 2024 Approval of RTMP Update * Mobility Wallet App Launch |
| March 20th | | * Approval of FY24 Financial Audit * Acceptance of Annual Legislative Report * Provider Presentations | * DAX Service Overview |
| April 17th | * 5310 Funding Approval | * Provider Presentations * Approval of Public Transit Agency Safety Plans | * 5310 Program Management Plan |
| May 15th | * Federal Funding Split Approval | * Provider Presentations * New Website Launch Complete * FTA Triennial Review Begins | |
| June 19th | | | * Access to Transit Program Launch |
| July 17th | | * FY26 Draft Budget Overview * FTA Safety Review Begins (QLINE) | |
| August 21st | | * FY25-26 Budget Details Draft * FY25-26 Budget Public Hearing * Financial Services Contract * Legal Services Contract * QLINE Services Contracts (TBD) | * Strategic Technology Plan * Mobility for All Plan |
| September 18th | | * Adopt FY26 Budget & Business Plan * D2A2 and DAX Contract Updates | * 2025 RTMP Update Presentation * Access to Transit Project Selection |
| October 16th | | * FTA Triennial Review Final Report * FTA Safety Review Final Report (QLINE) | * 2025 Approval of RTMP Update |
| November 20th | | | |
| December 18th | | * Executive Director Review Process | * Mobility Wallet Pilot Completion |

Attachments

- 2025 Updated RTA Conflict of Interest Policy
- 2025 Updated RTA Conflict of Interest Disclosure Form
- 2025 Public Meeting Calendar

CONFLICT OF INTEREST POLICY

Adopted by Board of Directors, January 16, 2025

It is the policy of the Regional Transportation Authority of Southeast Michigan (the “RTA”) that all its employees and Board members conduct themselves in an ethical, professional, and transparent manner. Thus, no employee or Board member should have, or appear to have, personal interests or relationships that actually or potentially conflict with the interests of the RTA. To that end, employees and Board members must avoid being placed in situations where they are participating in a discussion, taking action, or making a decision, or where they have the ability to influence any action or decision of the RTA that involves a conflict of interest, or the reasonable perception of a conflict of interest. RTA employees and Board members are accordingly prohibited from using their position with the RTA for their personal advantage or gain, or for the personal advantage or gain of an Affiliate (as defined below).

To the extent that employees or Board members suspect or believe that a conflict of interest exists or potentially exists, they must immediately disclose this information in accordance with this policy for prompt resolution. This disclosure includes personal conflicts of interest and any known actual or potential conflicts of interest involving other RTA employees or Board members. Consistent with the foregoing, all employees and Board members shall be required to complete a Conflict-of-Interest Disclosure Form annually to disclose any actual or potential conflicts of interest or the appearance of conflicts of interest that may have occurred in the past year. Thus, upon becoming a Board member, and on an annual basis, Board members must complete the Form by no later than January 31, and RTA employees must complete the Form upon hire and at the time of their annual performance evaluation.

For purposes of this policy, the following may constitute a conflict of interest:

1. *Conflict of Interest* - Legally, a conflict of interest arises whenever an employee or Board member uses their position with the RTA for private personal advantage or gain. This includes use of RTA information, materials, or equipment. Conflicts can involve the financial or non-financial interests of the employee or Board member, or their Affiliate (as defined below). Examples of inappropriate conduct are included below.
2. *Conflict of Commitment* - This occurs when one interest of an employee or Board member, or of their Affiliate, which may or may not be a private interest or non-RTA interest, may harm or interfere with the productivity or involvement of the employee or Board member with respect to their

responsibilities to the RTA. For example, an employee or Board member's involvement, or the involvement of their Affiliate, with certain community organizations may present a conflict of commitment for purposes of this policy.

3. *Existence of a close personal relationship (Affiliate)* - A relationship between an employee or Board member and their relative¹, family member², financial dependent, a close friend, domestic partner³, significant other⁴, or any other person with whom there is currently, or has been, an intimate or close relationship (collectively referred to herein as an "Affiliate") may present a conflict of interest in employment, or in one's capacity as a Board member.
4. *Financial Interest* – If an employee or Board member, or their Affiliate, (a) has any direct or indirect debt, loans, ownership/equity interest, options, or other convertible rights (other than less than two percent (2%) of the forgoing, of a publicly held corporation whose stock is traded in a national securities exchange); or (b) is engaged or employed by, or seeks employment or consulting arrangements with, any individual or entity the RTA does business with, or seeks to contract with for some purpose, the employee or Board member has a conflict of interest.

In addition to the above, the following conduct is expressly prohibited pursuant to this policy:

- Board members and employees shall not be a party, directly or indirectly, to any contract between themselves and the RTA, except as permitted by law.
- Board members and employees may not use RTA resources, personnel, property, or funds for their personal gain or benefit.
- Board members and employees shall not, directly, or indirectly, engage in business transactions in which they may profit, financially or otherwise, from the employee's or Board member's position with the RTA.
- Board members and employees shall not, directly, or indirectly, use any confidential information that the Board member or employee may be privy to, which they in turn utilize for their own financial gain, or the financial gain of their Affiliate.

¹ Relative is defined as a spouse, child, parent, sibling, grandparent, grandchild, aunt, uncle, first cousin, or corresponding in-law or step-relation.

² Family member includes any individual residing in the same household as the employee or Board member, and any relative (as defined herein) regardless of where he/she resides.

³ Domestic partner is defined as an individual who resides in the same household as an employee or Board member and is involved in a relationship with the employee or Board member. The domestic partner and employee or Board member often hold themselves out to the public as marital partners, but they are not legally married.

⁴ Significant others are defined as individuals who are dating or engaged to be married but may or may not reside together.

- Board members and employees must not engage in or accept employment or render services (even if volunteering) for another entity if those services or employment conflict with the discharge of their duties for the RTA.
- Board members and employees shall not participate in the negotiation or execution of contracts with or in the supervision of a business entity in which they or their Affiliate have a financial interest.
- Board members and employees may not divulge confidential information acquired in the course of their association with the RTA to any entity or person in advance of the time prescribed for its authorized release to the public.
- Board members and employees are prohibited from soliciting or accepting a gift, loan of money, favors, goods, services, discounts and/or any benefits from vendors, contractors or any other person or entity doing business, or seeking to do business, with the RTA.
- Board members and employees may not participate either formally or informally in decisions (including rendering advice on decisions) on personnel matters affecting their Affiliate, including but not limited to, the supervision of these individuals in any manner whatsoever, as well as any decisions related to hiring, retention, promotion or the determination of salary or benefits.

If and when an employee or Board member believes or suspects that a conflict of interest exists or potentially exists, the following steps must be taken:

1. Immediately disclose the conflict to the Chair of the Board (for Board members), or their immediate supervisor (for employees).
2. If the employee or Board member is in doubt as to whether a conflict exists, they should seek advice from the Chair of the Board (for Board members) and their immediate supervisor (for employees), and the RTA's Executive Director. If the Executive Director ultimately determines that a conflict does exist, then the Board member or employee must complete a Conflict-of-Interest Disclosure Form and submit it to the Executive Director.
3. If the Executive Director is in doubt as to whether a conflict arises, the RTA's Legal Counsel shall be consulted to make a final determination.
4. If the Executive Director believes or suspects that he/she has a conflict of interest or potentially has a conflict of interest, he/she must seek advice from the Chair of the RTA Board of Directors for a final determination in this regard.
5. If the Chair of the Board believes or suspects that he/she has a conflict of interest or potentially has a conflict of interest, he/she must seek advice from the RTA's Legal Counsel, with the final determination made by a majority vote of the other members of the Board.

As noted above, all employees and Board members must complete a Conflict-of-Interest Disclosure Form annually. This is true, regardless of whether an employee or Board member believes or suspects that an actual or perceived conflict of interest is present. The Conflict-of-Interest forms shall be maintained by the Executive Director and/or the Legal Counsel's Office (as applicable).

Once a conflict of interest is identified and the employee or Board member has completed and submitted the Conflict-of-Interest Form, the employee's supervisor, or the Board Chair, in conjunction with the Executive Director and/or Legal Counsel, must devise an appropriate plan to resolve or manage the conflict. A management plan shall include and state the following:

1. The nature of the personal interest of the employee or Board member.
2. The interest(s) of the RTA with which the employee or Board member's personal interests do or could conflict.
3. The likelihood of the interests actually coming into conflict.
4. The decisions or actions that the employee or Board member can take or engage in, but only with the written approval and/or consent of the Executive Director, the Board Chair, or the Board. Absent such written approval, an employee and Board member shall not participate in a discussion, take action, make a decision, or have the ability to influence any action or decision of the RTA.

In addition:

1. The management plan must be signed by the employee or Board member, an immediate supervisor, or the Chair of the Board (as applicable), and/or the Board, or Executive Director.
2. The management plan must be reviewed annually at the time of the employees' performance review, or for Board members, at the beginning of each fiscal year. Adjustments to the plan must be made in accordance with any new developments with respect to the identified conflict.
3. The management plan must be marked "Confidential" and will be placed in an employee's personnel file, and for Board members, the Office of the Legal Counsel shall retain it.

Failure to comply with this policy or any applicable procedures may result in a recommendation for appropriate disciplinary action (employee) or sanction (Board Member), up to and including discharge (employee) and removal (Board Member).

ACKNOWLEDGMENT OF RECEIPT

I hereby acknowledge that I have received and read the RTA Conflict of Interest Policy.

Print Name

Date

Signature

**EMPLOYEE AND BOARD MEMBER
ANNUAL CONFLICT OF INTEREST DISCLOSURE FORM
Adopted by Board of Directors, January 16, 2025**

The Regional Transportation Authority of Southeast Michigan (the “RTA”) requires all employees and Board members to complete an Annual Conflict of Interest Disclosure Form. This Form is to be completed by employees during onboarding and by Board members upon confirmation of selection. Employees and Board members will be required to complete this form annually. Employees will complete this form during their year-end performance evaluation and Board members will complete the form by no later than January 31.

It is important that you provide accurate and complete answers to the questions outlined below. Failure to truthfully and completely answer all questions, or to file the Annual Conflict of Interest Disclosure Form within the timeframe outlined above, may result in a recommendation for appropriate disciplinary action for employees, up to and including discharge, and appropriate sanction, up to and including removal, for Board members, in accordance with the RTA’s Code of Conduct and Conflicts of Interest Policy (hereafter “Policy”).

Please complete the following by indicating “Yes” or “No.” If you answer “Yes” to any question(s), please provide an explanation in the space provided after each question, and on the last page if additional space is required. Also, when answering “Yes” or “No” to the following questions you must consider past, present or future occurrences (to the extent possible) of the events detailed below which involve you, your family members, relatives, significant other, close friend, domestic partner, financial dependent, or any other person with whom there is currently, or has been, an intimate or close relationship (collectively referred to as an “Affiliate”). When used herein, “you” includes the employee’s or Board member’s Affiliate.

Questions for Employees and Board Members

- 1. Do you have a financial interest as defined in the Policy, either directly or indirectly, in any entity or company that contracts¹ with the RTA?** Yes No
- 2. Have you entered into any contractual agreements with any entity that contracts, or has contracted,² with the RTA?** Yes No
- 3. Have you sold or received any supplies, materials, equipment, or other personal property, to or from any entity that contracts, or has contracted, with the RTA?** Yes No
- 4. Are you currently employed by, or have you ever been employed by any entity that contracts, or has contracted, with the RTA?** Yes No

¹ RTA will provide a list of current and past contractors as Exhibit A

5. **Have you had, or do you currently have a personal or business relationship with any entity that contracts, or has contracted, with the RTA?** Yes No
6. **Have you received, or do are you currently receiving, directly or indirectly, any payments, gifts, or anything else of value from any entity that contracts, or has contracted, with the RTA?** Yes No
7. **Do you currently serve as a member of the board of any public transportation agency?** Yes No
8. **Have you provided or received a loan from any entity that contracts, or has contracted with the RTA?**
 Yes No
9. **Do you serve on a governing or advisory board, or in a fiduciary or managerial role for, or as a partner or member of, an entity that contracts, or has contracted with the RTA, with or without pay?** Yes No
10. **Have you received a gift or a direct personal benefit (e.g., airline tickets, hotel accommodations) that were not paid or reimbursed through the RTA from an entity that contracts, or has contracted with the RTA?**
 Yes No
11. **Have you previously benefited, or expect to benefit in the coming year, with travel sponsored or reimbursed by any entity that contracts with, or has contracted with the RTA?** Yes No
12. **Is any Affiliate of yours employed with the RTA?** Yes No

Question for Board Members Only

1. **Does or will any other individual, board, group, corporation, or entity believe it has a right to control or have input on votes that you may cast as a Board member?** Yes No
2. **Are you or an affiliate employed with the RTA?** Yes No

Additional Information (List question number or numbers).

CERTIFICATION

I acknowledge that all information submitted with the RTA's Annual Conflict of Interest Disclosure Form becomes a matter public record, subject to disclosure upon request to members of the general public. I agree to release, hold harmless and indemnify the RTA, its officers, employees, or authorized agents from liability for or related to the disclosure of any information related to my representation(s) contained herein.

I hereby certify that all information contained in this document (and all corresponding attachments) is true and complete to the best of my knowledge, and I agree to notify the RTA's Board Chairperson (Board members) or my supervisor (employees) immediately of any omitted information or change that may create a conflict of interest. I further certify that I have reported any known actual or potential conflicts of interest of any other RTA employee or Board member in accordance with the RTA's Code of Conduct and Conflicts of Interest Policy. I also recognize and acknowledge that falsification or failure to comply with the Policy may result in recommendation for appropriate disciplinary action, up to and including discharge (employees) or removal (Board members).

I hereby acknowledge that I was given a copy of the RTA's Code of Conduct and Conflicts of Interest Policy at the same time that I was given a copy of this Conflict of Interest Disclosure Form and that the Policy defines family member, domestic partner, and significant others.

Printed Name

Date

Signature

2025 RTA Public Meeting Schedule Board of Directors and Committee Meetings

| Board of Directors | Citizens Advisory Committee | Providers Advisory Committee |
|---|--|---|
| <i>All meetings are regularly held on the third Thursday of each month at 1:00 PM.</i> | <i>All meetings are regularly held bi-monthly on the second Monday of the month at 6:00 PM. *Dates are tentative and to be finalized by the Committee.</i> | <i>All meetings are regularly held quarterly on the second Tuesday of the month at 1:00 PM.</i> |
| January 16 February 20 March 20 April 17 May 15 June 12 (second Thursday) July 17 August 21 September 18 October 16 December 4 (combined November-December meeting) | February 10 April 14 June 9 August 11 October 13 December 9 | February 11 May 13 August 12 November 11 |

**The RTA's website and social media will announce all public meeting cancellations and reschedules.*



BOARD OF DIRECTORS MEMORANDUM

TO: RTA Board of Directors

FROM: Melanie Piana, Program Director

SUBJECT: RTA Board of Directors Officer Elections

DATE: January 16, 2025

REQUESTED ACTION: Board of Directors Approval

Approval Request: This memorandum requests Board approval to confirm the election of the following RTA Board of Directors Officer positions for Vice Chair, Secretary, and Treasurer.

Background Information: The officer positions serve for one-year terms and are currently filled by the following members:

- Don Morandini, Macomb County, Vice Chair
- Freman Hendrix, City of Detroit, Secretary
- Alma Smith, Washtenaw County, Treasurer

All three current officers have agreed to remain in their respective roles.



BOARD OF DIRECTORS MEMORANDUM

TO: RTA Board of Directors

FROM: Travis Grubb, Procurement and Contracts Manager

SUBJECT: Procurement Policy Updates

DATE: January 16, 2025

REQUESTED ACTION: Board of Directors Approval

Approval Request: This memo requests board approval of the following proposed amendments to the RTA Procurement Policy, which will replace the Procurement Policy and Procedures Manual, last amended in February 2024. If approved at the January 2025 Board meeting, these updates will apply to all contracts solicited after the effective date.

Background Information: The proposed amendments are designed to streamline our procurement process, improve compliance, and enhance the transparency of contract management. These updates have been carefully drafted to ensure RTA's procurement policies reflect current best practices, align with legal requirements, and provide greater clarity for staff, stakeholders, and the Board. The key updates include:

- **Document Consolidation:** The previous "Procurement Policy and Procedures Manual" has been consolidated into a single Procurement Policy document. This change eliminates redundancy and ensures that all policy-related matters are contained in a single comprehensive document under the board's authority, while more operational details will be included in a separate RTA Policy Procedure Manual for staff reference.
- **Board Action on Contract Awards and Change Orders:** The threshold for Board action has been clarified to ensure appropriate oversight of significant procurements. Board approval is required for contract awards exceeding the previously established federal threshold of \$250,000 and for all change orders exceeding \$50,000. This ensures that the Board maintains oversight of critical procurement decisions while allowing for efficiency in less impactful procurements.
- **Monthly Advisory Notices:** To further improve transparency, the Procurement Administrator will provide monthly advisory notice. This notice will report all procurements exceeding



\$50,000, ensuring that the Board is informed of contract awards and other key procurement activities promptly and regularly.

- **General Rewrites and Simplifications:** The Procurement Policy has undergone a thorough rewrite to clarify and simplify language. This includes removing outdated or redundant procedures, making the document more user-friendly and accessible to staff.
- **Procurement Methods:** The process for determining procurement methods has been clarified to ensure consistency and transparency. The Procurement Administrator will handle decisions regarding which procurement method to use, ensuring that all methods are applied consistently and in accordance with best practices.
- **Contract Authority:** The authority for contract signing has been more clearly defined. This ensures that only the appropriate parties are authorized to execute contracts, streamlining the process and eliminating ambiguity around authority levels.
- **Solicitation Drafts:** The previous requirement for Board review of solicitation drafts has been removed. Historically, the Board has not reviewed drafts, and this change aligns the policy with existing practices, streamlining the procurement process by eliminating unnecessary steps.
- **Change Order Approval:** Previously outlined in the procedure section, the requirement for Board approval of change orders is now included in the policy itself. This ensures all change orders over \$50,000 receive proper review and approval.
- **Threshold for Full and Open Competition:** When utilizing state or federal funding, the threshold for full and open competition has been raised to the federally recommended limit of \$10,000. This adjustment ensures compliance with funding guidelines while streamlining procurement for lower-cost contracts where possible.
- **SAM.gov Debarment Check:** The threshold for performing a SAM.gov debarment check has been lowered from \$25,000 to \$10,000. This change ensures that all vendors participating in RTA's solicitation process are screened for debarment or suspension before receiving a contract award, further strengthening RTA's compliance with federal regulations.
- **Adequate Competition:** The policy now adopts the FTA's "adequate competition" definition, requiring at least two independent, responsible bidders or offerors to submit responsive bids or proposals. This replaces the previous requirement for a minimum of three quotations. The change aligns RTA's practices with federal standards, ensures competitive pricing, and allows for flexibility based on the procurement's specific nature.



- **RFQ and S-RFP Methods:** The RFQ (Request for Quotation) and Simplified Request for Proposal (S-RFP) methods have been added for small procurements. These methods provide greater flexibility and efficiency in sourcing low-cost contracts, streamlining the procurement process for routine purchases while encouraging full and open competition.
- **ICE (Independent Cost Estimate) Requirement:** An Independent Cost Estimate (ICE) is now required for purchases exceeding \$250,000 and recommended for procurements over \$10,000. This addition helps to ensure that procurements are priced fairly and in accordance with market standards.
- **Artificially Divided Procurements:** A new policy has been introduced to prevent artificially dividing procurements to circumvent the established thresholds or procedural requirements. This policy ensures that procurements are aggregated appropriately to reflect their total value and adhere to the required procedures.
- **Gifts:** The policy now clearly prohibits RTA employees, officers, agents, and Board members from soliciting or accepting gifts from vendors or potential vendors. This includes anything of value, such as cash, goods, services, meals, or discounts, with limited exceptions for nominal promotional items. This change reinforces RTA's commitment to ethical procurement practices.

These updates reflect a thoughtful approach to improving procurement at RTA, ensuring greater efficiency, accountability, and compliance with federal and state regulations. These changes will support RTA's ability to manage its contracts effectively while maintaining transparency and oversight at the Board level.



**Regional Transit Authority
Of Southeast Michigan**

Procurement Policy

AMENDED JANUARY 2025

| Revision Log | | |
|----------------------------|--------------------|--|
| Revision Name: | Adopted On: | Update Notes: |
| Original | 2016 | Updated to reflect agency's first procurement and procedures manual |
| Updated (version 2) | July 18, 2023 | Updated to reflect micro and small purchases increases from \$5,000 to \$10,000. |
| Updated (version 3) | February 20, 2024 | Updated to reflect federal procurement contract authority for purchases over \$250,000 following FTA federal recommendations and updated employee job titles. |
| Updated (version 4) | January 16, 2025 | Updated to reflect new RTA brand design for internal policy documents, separated procurement policy from procedures, and clarified contract authority and Board approval thresholds. |

TABLE OF CONTENTS

- Section 1: General Authority and Standards of Conduct.....4
 - 1. Background.....4
 - 1.1 APPLICABILITY AND GOVERNANCE4
 - 1.2 SEVERABILITY AND LEGAL COMPLIANCE4
 - 1.3 PROCUREMENT AUTHORITY.....4
 - 1.4 WRITTEN STANDARDS OF CONDUCT5
 - 1.5 PERSONAL CONFLICTS OF INTEREST5
 - 1.6 ORGANIZATIONAL CONFLICTS OF INTEREST5
 - 1.7 GIFTS.....6
- SECTION 2: CONTRACT AUTHORITY 7
 - 2.1 CONTRACT AUTHORITY 7
- SECTION 3: CONTRACTING STANDARDS.....8
 - 3.1 CONTRACT PROVISIONS8
 - 3.2 BREACH OF CONTRACT8
 - 3.3 TERMINATION8
 - 3.4 LOBBYING RESTRICTIONS.....8
 - 3.5 BUY AMERICA COMPLIANCE.....8
 - 3.6 TIME AND MATERIAL CONTRACTS8
 - 3.7 PERCENTAGE-OF-COST CONTRACTS9
 - 3.8 CONTRACT OVERSIGHT9
- SECTION 4: FULL AND OPEN COMPETITION 10
 - 4.1 FULL AND OPEN COMPETITION.....10
 - 4.2 ADEQUATE COMPETITION10
 - 4.3 GEOGRAPHIC PREFERENCES..... 11
 - 4.4 BONDING REQUIREMENTS..... 11
 - 4.5 DISADVANTAGED BUSINESS ENTERPRISE (DBE) POLICY 11
 - 4.6 RESPONSIBLE VENDORS 11
 - 4.7 PRE-QUALIFICATION..... 13
- SECTION 5: PROCUREMENT METHODS/PROCESS..... 14

5.1 DETERMINATION OF PROCUREMENT METHOD..... 14

5.2 ARTIFICIALLY DIVIDED PROCUREMENTS 14

5.3 AVOIDING UNNECESSARY OR DUPLICATE PURCHASE..... 14

5.4 INDEPENDENT COST ESTIMATE (ICE)..... 15

5.5 MICRO PURCHASES 15

5.6 SMALL PURCHASES 15

5.7 SEALED COMPETITIVE PROCUREMENTS 16

5.8 RFP EVALUATION COMMITTEE 16

5.9 COOPERATIVE PURCHASING AGREEMENTS..... 17

5.10 CHANGE ORDERS 17

5.11 NON-COMPETITIVE PROCUREMENTS..... 17

5.12 COST/PRICE ANALYSIS..... 17

5.13 PROCUREMENT RECORDKEEPING 18

SECTION 6: PROTEST AND DISPUTE RESOLUTION..... 19

 6.1 PROTESTS AND DISPUTE RESOLUTION 19

Section 1: General Authority and Standards of Conduct

1. BACKGROUND

This Procurement Policy (Policy), as amended January 2025, establishes the overarching policy and broad procurement framework for the Regional Transit Authority of Southeast Michigan (RTA) in support of the agency's mission to create new and better ways to move and connect people.

The purpose of the Policy is to provide clear direction for day-to-day procurement activities and contractual conduct, ensuring compliance with applicable laws, regulations, policies, and sound business practices.

1.1 APPLICABILITY AND GOVERNANCE

The Procurement Policy sets forth the standards for processing all contracts unless specifically designated otherwise. It ensures that goods (e.g., equipment, materials, supplies, etc.) and services are obtained using timely, efficient, and economical methods that adhere to the principles of good administrative practices and sound business judgment. This Policy may only be revised by official Board action.

If the RTA applies for and receives State of Michigan or Federal funds that require the RTA to comply with procurement or contracting requirements outside of the RTA Act or the RTA's Procurement Policy, the State or Federal requirements shall take precedence.

1.2 SEVERABILITY AND LEGAL COMPLIANCE

If any provision of the Procurement Policy is deemed invalid, the remaining provisions will remain in effect. In cases of conflict with state or federal laws, the laws will prevail.

1.3 PROCUREMENT AUTHORITY

The RTA Executive Director will designate a staff member to act as the Procurement Administrator, responsible for managing all procurement activities. Any procurement authority delegated to persons or departments will also vest in the Executive Director, the Chairman of the Board, and the Board.

1.4 WRITTEN STANDARDS OF CONDUCT

All RTA Board members and employees must adhere to the RTA Code of Conduct, Conflict of Interest Policy, and applicable procurement regulations, including federal, state, and local laws. Violations will result in disciplinary action as outlined in the RTA policies. RTA Board members and employees must avoid conflicts of interest in procurement-related activities. When a potential or actual conflict arises, it must be promptly reported to the appropriate supervisor or Board Member for review and resolution. Failure to disclose or address violations may lead to disciplinary action, contract termination, or vendor disqualification.

1.5 PERSONAL CONFLICTS OF INTEREST

RTA employees, officers, agents, and Board members must avoid real or perceived conflicts of interest in procurement activities. Conflicts arise when an individual has a financial interest in a firm seeking a contract.

1.6 ORGANIZATIONAL CONFLICTS OF INTEREST

An organizational conflict of interest arises when a Contractor's other activities, relationships, or contracts inhibit, affect, or prevent the Contractor from rendering impartial assistance or advice to RTA. Conflicts may also occur if:

- A Contractor's objectivity in performing contract work is impaired (e.g., a Contractor involved in a design project may have a financial interest in products or systems that could be used to implement the design); or
- A Contractor gains an unfair competitive advantage through prior involvement in the development of solicitation or contract documents, including scopes of work or specifications, except in the case of general industry reviews.

RTA will include an organizational conflict of interest clause in its contracts, requiring offerors to disclose any potential or actual conflicts. This enables RTA to evaluate the disclosure and take necessary actions to avoid or mitigate the conflict. Additionally, conflicts of interest can be minimized through thorough vetting of potential vendors, employees, and Contractors. This includes researching connections and relationships that might lead to conflicts.

RTA's conflict of interest policy requires employees to avoid any activity, practice, or act that conflicts with, or appears to conflict with, the interests of RTA, its customers, or vendors. Adherence to this policy significantly reduces the likelihood of conflicts arising.

If a conflict of interest occurs, RTA can implement measures to mitigate its effects, including:

- **Removal of the Employee:** The RTA employee involved in the conflict can be reassigned or removed from the position that caused the conflict.
- **Recusal and Abstention:** The employee facing the conflict may be required to recuse themselves from the procurement action or decision-making process related to the conflict.
- **Engagement of a Third Party:** If removal or recusal is not feasible, RTA may engage a neutral third party to manage or regulate the process. This could include overseeing interactions between RTA and the affected offeror, or even making procurement decisions impartially.

1.7 GIFTS

RTA employees, officers, agents, or Board members are strictly prohibited from soliciting or accepting gifts, gratuities, or favors from vendors or potential vendors.

For the purposes of this policy, a “gift” includes anything of value, such as cash, goods, services, meals, entertainment, or discounts, regardless of intent. Exceptions include items of nominal value (e.g., promotional items such as pens or calendars valued under \$25) that are broadly distributed by the vendor and not intended to influence decision-making.

SECTION 2: CONTRACT AUTHORITY

2.1 CONTRACT AUTHORITY

Authority and responsibility to enter contracts for RTA is vested in the Executive Director and the Chairman of the Board (or their designees). The following matrix specifies who may authorize and execute contracts:

| Contract Type | Dollar Threshold | Contracting Authority | Board Action Required |
|---|------------------|---|-----------------------|
| Micro Purchases | Up to \$10,000 | Procurement and Contracts Manager, with Executive Director Approval | No |
| Emergency or Public Exigency Contracts | Up to \$250,000 | Executive Director | No |
| Sole Source, Small Purchase, or RFP Contracts | Up to \$250,000 | Executive Director | No |
| Emergency or Public Exigency Contracts | Over \$250,000 | Executive Director, with Chairman of the Board Pre-Approval | Yes |
| All types | Over \$250,000 | Executive Director, with Board Approval | Yes |
| Donations | Any Amount | Executive Director, with Board Approval | Yes |

All procurement types will be reported to the Board through an advisory notice at the first available Board meeting after award if/when the total award exceeds \$50,000.

Emergency or Public Exigency contracts over \$250,000 shall be pre-approved by the Chairman of the Board and executed by the Executive Director and will be reported to the Board for affirmation at the first available Board meeting after the award to ensure a prompt response by RTA to the emergency/exigency.

SECTION 3: CONTRACTING STANDARDS

3.1 CONTRACT PROVISIONS

All contracts will include:

- A well-defined scope of work or specifications.
- Clear terms, pricing, and payment details.
- Required clauses based on federal, state, and local laws.

3.2 BREACH OF CONTRACT

Contracts over the small purchase threshold (\$10,000) must include provisions for legal or administrative remedies if contractors violate terms.

3.3 TERMINATION

Contracts must include termination clauses, specifying how termination will occur and how settlements will be handled.

3.4 LOBBYING RESTRICTIONS

For contracts of \$100,000 or more, contractors must certify they have not and will not use federal funds for lobbying activities, as required by federal regulations.

3.5 BUY AMERICA COMPLIANCE

Applies to purchases of steel, iron, and manufactured products over \$150,000, including labor and subcontracting. Both parties must certify compliance with Buy America provisions in applicable contracts.

3.6 TIME AND MATERIAL CONTRACTS

Time and Material contracts may only be used when a clear scope of work cannot be defined due to unknown factors. Such contracts require written justification explaining why no other contract type is suitable. Time and materials contracts must include a ceiling price that contractors cannot exceed without risk. Efforts should be made to define scope and transition to a more structured contract type.

3.7 PERCENTAGE-OF-COST CONTRACTS

Cost-plus-percentage-of-cost and percentage-of-construction-cost contracting methods are prohibited.

3.8 CONTRACT OVERSIGHT

The Procurement Administrator will implement a contract administration system to ensure vendors meet the terms, conditions, and specifications of their contracts. Oversight responsibilities include resolving disputes, monitoring the timely delivery of goods or services, and investigating causes of cost overruns, scope changes, or delays. All activities must be thoroughly documented to confirm vendor compliance.

SECTION 4: FULL AND OPEN COMPETITION

4.1 FULL AND OPEN COMPETITION

Procurement transactions exceeding \$5,000 must be conducted to maximize full and open competition unless utilizing State or Federal funds, in which case the Federal small purchase threshold of \$10,000 shall take precedence. Awards will only be made to responsive offers from responsible vendors. Responsive offers comply with all solicitation requirements, while responsible vendors have the capacity and integrity to fulfill the contract. RTA will avoid restrictive practices to ensure fair competition. Examples of restrictive practices include:

- Imposing unreasonable qualifications.
- Requiring unnecessary experience or excessive bonding.
- Allowing noncompetitive pricing practices.
- Awarding noncompetitive contracts to retained consultants.
- Specifying brand-name products without allowing alternatives.
- Arbitrary actions during the procurement process.

4.2 ADEQUATE COMPETITION

RTA adheres to the Federal Transit Administration (FTA) definition of adequate competition as a situation in which two or more responsible bidders or offerors, competing independently, submit responsive bids or proposals that meet the solicitation requirements. This standard ensures that RTA fosters fair and open competition, a fundamental principle of public procurement. If only one bid or proposal is received, RTA will evaluate whether the lack of competition is justified under specific circumstances, including but not limited to:

- A well-documented effort to solicit multiple vendors, demonstrating that reasonable outreach was conducted.
- A lack of available competition in the market, supported by evidence such as market research or vendor feedback.

RTA recognizes that adequate competition must be free from collusion or restrictive practices and will take appropriate steps to ensure the integrity of the procurement process. When competition is deemed inadequate, RTA will review the solicitation and

procurement strategy to identify potential improvements or corrective actions, as necessary, to encourage greater competition in future procurements.

4.3 GEOGRAPHIC PREFERENCES

Geographic preferences will not be used in solicitations unless explicitly permitted by law. For state or locally funded procurements with no federal funds, geographic location may be a selection factor if it ensures adequate competition.

4.4 BONDING REQUIREMENTS

For construction contracts, RTA follows bonding policies that meet federal and state requirements to protect RTA and FTA interests. Bonding is discouraged for non-construction contracts unless required by law or deemed necessary for risk management.

4.5 DISADVANTAGED BUSINESS ENTERPRISE (DBE) POLICY

RTA encourages DBE participation in its procurement process to create fair competition and prevent discrimination. Key steps include:

- Pre-bid conferences for contracts over \$100,000 to connect DBEs with prime contractors.
- Inviting certified DBEs to participate in procurement opportunities.
- Presenting upcoming projects at MDOT's DBE conferences and attending regular DBE program meetings.
- For more information, visit www.rtamichigan.org.

4.6 RESPONSIBLE VENDORS

RTA will contract only with vendors or contractors who demonstrate the ability, willingness, and integrity to fulfill contract obligations. Vendors are defined as individuals or entities conducting business with RTA directly or through a subcontract. The Procurement Administrator will evaluate a contractor's responsibility based on the following criteria:

- Satisfactory record of integrity and business ethics.
- Is neither debarred or suspended from federal programs under DOT regulations.

- Compliance with Affirmative Action and DBE requirements.
- Adherence to federal public policies.
- Adequate organization, experience, controls, and skills.
- Compliance with applicable laws.
- Sufficient financial resources to perform the contract.
- Necessary technical equipment, facilities, and construction capabilities.
- Ability to meet delivery or performance schedules.
- Satisfactory current and past performance record.

The Procurement Administrator will also determine whether a bid or offer price appears unreasonable or unrealistic, which may result in a determination of non-responsibility.

RTA will not award a contract if:

- The Contractor is debarred, suspended, or ineligible per RTA or federal regulations.
- The Contractor is excluded from federal programs.

To ensure compliance, the Procurement Administrator will verify using the SAM database for contracts over \$10,000 that the Contractor and its principals, affiliates, and subcontractors are not debarred or suspended.

If requested, Contractors must provide evidence of their ability to secure resources, such as commitments to acquire facilities, equipment, or personnel.

Contractors with a history of poor performance may be deemed non-responsible unless prior deficiencies were outside their control or corrective actions have been taken. The performance and integrity of affiliated entities may also affect responsibility determinations.

For subcontractors, the Procurement Administrator may:

- Require the prime Contractor to provide evidence of subcontractor responsibility.
- Independently assess subcontractor responsibility if it impacts the prime Contractor's eligibility.

If a Contractor fails to provide requested information within the allotted time, the Procurement Administrator will base the determination on available information or declare the Contractor non-responsible.

All responsibility determinations will be documented and placed in the contract file. Any doubts about a contractor's ability to perform must be reported in writing. If RTA discovers an excluded party is involved in a contract post-award, the Procurement Administrator will notify FTA in writing and consider contract termination if necessary.

4.7 PRE-QUALIFICATION

RTA may pre-qualify vendors or products to ensure they meet certain standards for complex or specialized procurements. Pre-qualification must allow sufficient competition by maintaining a current list of qualified vendors or products and shall not exclude potential bidders from qualifying during the solicitation period. The Procurement Administrator determines whether pre-qualification is appropriate and sets the applicable standards.

SECTION 5: PROCUREMENT METHODS/PROCESS

5.1 DETERMINATION OF PROCUREMENT METHOD

This section outlines the various procurement methods used by the RTA and the associated requirements to maintain a consistent, reliable, and transparent procurement process.

The Procurement Administrator is responsible for conducting procurements in compliance with local, state, and federal requirements, as well as RTA's policies and procedures. The Procurement Administrator must also follow best practices in purchasing and contracting, adhering to the highest standards of ethics.

The Procurement Administrator determines the methods of small purchases, competitive procurements, or whether a non-competitive procurement is justified. If competitive bids are necessary, the Procurement Administrator will select the appropriate method and solicit quotes, bids, or proposals depending on the value and nature of the procurement to ensure open and fair competition.

5.2 ARTIFICIALLY DIVIDED PROCUREMENTS

Procurements shall not be artificially divided to circumvent the purchasing procedures in this policy. An aggregate of regular, recurring procurements shall be determined on an annual basis.

5.3 AVOIDING UNNECESSARY OR DUPLICATE PURCHASE

The Procurement Administrator will ensure that unnecessary or duplicative goods and services are not procured. Procurement strategies will consider consolidation or division of procurements to achieve cost efficiency. When applicable, lease-versus-purchase or similar analyses will be conducted to identify the most economical approach.

5.4 INDEPENDENT COST ESTIMATE (ICE)

An ICE is required for all procurements exceeding \$250,000, all change orders, and is recommended for all procurements over \$10,000. The ICE must:

- Be prepared by internal staff responsible for the procurement request or a contracted estimator in the case of complex procurements, without input from potential bidders.
- Include supporting documentation for reference during the procurement method selection and evaluation phases of the procurement process.
- Be updated if solicitation addenda significantly affect the anticipated price.

The Procurement Administrator is responsible for reviewing the ICE and ensuring it is complete, accurate, and confidential.

5.5 MICRO PURCHASES

Micro purchases refer to procurements under \$5,000 (or \$10,000 if utilizing State or Federal funds). These purchases are:

- Exempt from competition and ICE requirements but must demonstrate that the price is fair and reasonable, with a brief explanation of how this determination was made.
- Subject to the Davis-Bacon Act for construction contracts over \$2,000.
- Expected to ensure equitable distribution among qualified suppliers.

5.6 SMALL PURCHASES

Small purchase procedures apply to purchases equal to or greater than \$5,000 (or \$10,000 if utilizing State or Federal funds) but less than \$250,000. These procedures simplify the procurement process while maintaining transparency and competition. An ICE is recommended regardless of funding source. Small purchase solicitation methods include:

- Request for Quotes (RFQ), which shall be used when:
 - Specifications are clear and precise, and an award can be made to the lowest responsive and responsible quote without vendor discussion.
- Simplified Request for Proposals (S-RFP), which shall be used when:
 - A small purchase does not lend itself to the RFQ method.
 - Factors such as technical qualifications or experience must be considered in addition to price or if discussion with vendors is expected.

S-RFPs must clearly state evaluation criteria and proposals shall be evaluated by an RFP Evaluation Committee.

- All small purchases must include appropriate documentation, including:
 - A clear scope of work or description of the goods/services.
 - The basis for selecting the awarded vendor.
 - A record of all quotations/proposals obtained.

5.7 SEALED COMPETITIVE PROCUREMENTS

RTA uses sealed competitive procurement procedures for all transactions over \$250,000 unless specifically justified otherwise. All sealed competitive procurements shall be executed through one of the following methods as determined by the Procurement Administrator:

- Invitation for Bids (IFB) shall be used when:
 - Specifications or purchase descriptions are clear and precise.
 - Award will be based solely on price and price-related factors.
 - Discussions with bidders are unnecessary.
- Requests for Proposals (RFP) shall be used when:
 - Procurements do not lend themselves to sealed bidding.
 - RFPs must:
 - Include a detailed scope of work and technical requirements.
 - Clearly state the evaluation factors.
 - Be evaluated by an RFP Evaluation Committee.
 - Have all non-cost information included in an RFP response separated from the cost information

5.8 RFP EVALUATION COMMITTEE

The Procurement Administrator shall obtain approval from the Executive Director of all RFP Evaluation Committees. Evaluation Committees may comprise the Executive Director, RTA Staff members, and other individuals with relevant experience/expertise on the procurement subject.

External reviewers may be used on RFP Evaluation Committees when procurements involve complex scope of work elements and internal gaps in experience/expertise are identified.

The Procurement Administrator must ensure that no member(s) on an RFP Evaluation Committee has any appearance or actual conflict of interest. Any member with a

conflict of interest shall be removed from the Committee. All external reviewers will be required to sign the Conflict-of-Interest Policy to ensure no conflict of interest exists.

5.9 COOPERATIVE PURCHASING AGREEMENTS

The RTA may participate in and make purchases through cooperative purchasing agreements with the federal government, State of Michigan, or other public entities using competitive procurement methods.

5.10 CHANGE ORDERS

Change orders are written directives to modify a contract within its original scope. Board approval is required for changes exceeding \$50,000. If a change exceeds the scope of the original contract, it is considered a cardinal change and must follow sole source procurement procedures.

5.11 NON-COMPETITIVE PROCUREMENTS

Competition is not required in the following cases:

- **Emergency Situations:** When an immediate purchase is needed to protect public health, safety, or welfare due to an emergency.
- **Urgent Repairs:** For unexpected repairs or construction needed to protect life or property.
- **Declared Emergencies:** Purchases made in response to an official state of emergency or disaster.
- **Sole Source:** A sole source procurement occurs when goods or services are available from only one source, when proprietary services (such as software licenses) are being procured, when capital maintenance items are procured from the original equipment manufacturer or supplier, or when competition is deemed inadequate after solicitation. A cost or price analysis is required to ensure price reasonableness for all sole source purchases.

5.12 COST/PRICE ANALYSIS

A cost analysis must be performed for (1) procurements that require that offerors submit detailed elements of direct and indirect costs; (2) procurements where adequate price competition is lacking; and/or (3) sole-source procurements, unless price reasonableness can be established based on market prices. Price analysis (i.e.,

using catalog or market prices) may be performed for all other procurements. Profit must be negotiated separately in cases where cost analysis is required.

5.13 PROCUREMENT RECORDKEEPING

The Procurement Administrator will maintain detailed procurement records appropriate to the size, complexity, and cost of each contract. Records must include:

- The rationale for the procurement method.
- Justification for the contract type.
- Documentation of vendor selection or rejection.
- The basis for the contract price.

SECTION 6: PROTEST AND DISPUTE RESOLUTION

6.1 PROTESTS AND DISPUTE RESOLUTION

The Procurement Administrator and Executive Director are responsible for resolving all contractual issues, including disputes, protests, and claims.

RTA provides a process for interested parties to file and resolve bid protests without unnecessary procurement delays. An “Interested Party” includes any bidder, proposer, or potential bidder whose direct economic interests are impacted. Protests apply to both Invitations for Bids (IFBs) and Requests for Proposals (RFPs).

6.1.1 Filing Requirements

Protests must be submitted by an interested party in writing to the Procurement Administrator and include:

- Name, address, and relationship to the procurement.
- Contact details (name, title, address, phone, email).
- Solicitation or contract number.
- Grounds for the protest, citing relevant solicitation provisions, laws, or regulations.
- Statement of the relief requested.
- Supporting documents.
- A notarized affirmation of the protest’s accuracy.

6.1.2 Deadlines

- Solicitation Protests: Filed at least 10 business days before the bid opening.
- Bid Evaluation Protests: Filed within 10 business days after bid opening unless new issues arise before contract execution.
- Award Protests: Filed within 10 business days of the award date.

6.1.3 Protest Types and Procedures

- Protests Regarding Solicitations
 - Challenges may include restrictive specifications, award criteria, or solicitation process violations.
 - Bid openings will be postponed pending resolution unless allowed to proceed for any reason specified below.
- Protests Regarding Bid Evaluations

- Applies to disputes about bid responsiveness, bidder responsibility, or violations of laws or regulations.
- Only vendors who submitted valid proposals may protest.
- RTA may suspend bid evaluations pending resolution unless authorized to proceed for any reason specified below.
- Protests After Award
 - Considered only if the awarded bidder fraudulently represented responsibility or if RTA violated regulations or its policies.
 - RTA may issue a stop-work order until the protest is resolved unless authorized to proceed for any reason specified below.
- All Protests
 - The RTA's Procurement Administrator will notify the protestor upon timely receipt of a Protest. The Administrator may, where appropriate, request additional information from the protestor to aid in the review. RTA reserves the right to meet with the protestor to review the matters raised in the Protest, if deemed necessary.
 - All Bidders or proposers who have a reasonable prospect of receiving an award will be notified of the Protest and its basis.
 - If a timely Protest is received before Bid opening and the matter is unresolved, RTA will extend the Bid receipt deadline as needed to resolve the Protest and implement any required remedial actions unless one of the exceptions listed below applies.
 - When a Protest is filed after the selection but before the award, the award will be withheld pending resolution. All eligible Bidders will be informed of the Protest. If necessary, those Bidders may be asked to extend their Bid acceptance period to allow time for Protest resolution.
 - Upon receipt of a bona fide Protest, RTA may suspend the procurement process. However, RTA reserves the right to proceed with procurement or contract if:
 - The item or service is urgently required.
 - The Protest is determined to be vexatious or frivolous.
 - Delays caused by suspension would result in undue harm, including performance delays.
 - Within ten working days of receiving a Protest, the Procurement Administrator will issue a written decision addressing the substantive issues raised. This period may be extended if additional time is necessary. The decision will be final unless the protestor files a timely written appeal to the RTA's Executive Director.

- A written appeal must be submitted to the Executive Director within five working days of the Procurement Administrator's decision. The appeal must include:
 - The factual basis for the appeal, including any new or previously unavailable information.
 - Specific allegations of RTA's failure to follow its Procurement Policy or Protest procedures.
 - Allegations of Federal or State law or regulation violations, if applicable.
 - Any additional relevant information.
- The Executive Director will issue a written decision within ten working days, extendable if necessary. The decision will be final unless the protestor appeals to the FTA.
- For the purposes of this section, "working days" refer to days that RTA's Administrative Office is open for business.
- If the RTA denies an appeal, the protestor will be informed in writing of the right to appeal the decision to the FTA. Upon denial, RTA will lift any procurement suspension and proceed with the process.
- Remedy
 - If a Protest is upheld, in whole or in part, RTA will take corrective action to address the specific issues raised. This may include:
 - Re-solicitation of Bids.
 - Revised evaluation or determinations.
 - Termination of the contract.
- Protests to FTA
 - The FTA will review Protests only on the following grounds:
 - RTA failed to have or follow its protest procedures.
 - RTA failed to review a complaint or Protest.
 - Federal law or regulation violations occurred.
 - For projects using FTA funds, RTA will notify FTA of all Protests. Copies of protest-related correspondence and decisions will be shared with FTA. The Procurement Administrator will also inform FTA of Protest denials.
 - A protestor must exhaust all administrative remedies with RTA before appealing to the FTA.
 - An appeal to FTA must be filed within five working days of the date the protestor became aware, or should have been aware, of the RTA Executive Director's decision. "Working days" for this purpose refer to days when FTA Region Five or Headquarters offices are



BOARD OF DIRECTORS MEMORANDUM

TO: RTA Board of Directors

FROM: Travis Grubb, Procurement and Contracts Manager

SUBJECT: Approval of Project Change Order Knorr Brakes Overhaul

DATE: January 16, 2025

REQUESTED ACTION: Board of Directors Approval

Approval Request: This memo seeks board approval of a change order to Purchase Order 5757 with Knorr Brake Company to remove the overhaul of 24 brake calipers, procure 16 new brake calipers, and overhaul four calipers as spares. This change order increases the total purchase order value by \$77,414.40, from \$454,559.52 to \$531,973.92.

Background Information: Knorr Brake Company is the original equipment manufacturer (OEM) for the Detroit QLINE streetcar hydraulic braking system. Due to safety, compatibility, and warranty considerations, Knorr Brake Company is the sole source provider for these critical brake components.

The original purchase order included the overhaul of all 24 brake calipers in the QLINE fleet, which is the recommended five-year maintenance requirement. However, after a thorough on-site inspection of the components by Knorr Brake Company and the QLINE maintenance team to assess the current condition of the calipers, it was determined that overhauling these components may not be the most cost-effective or practical solution. Instead, we propose the following updated approach:

- **Procure 16 New Calipers:** New calipers will replace many of the fleet's brake system components. Pricing for new calipers under this change order is \$10,542 each, significantly lower than pricing on previous orders.
- **Overhaul 4 Backup Calipers:** To maintain operational reliability, we will overhaul 4 calipers to serve as spares. Estimated costs for these overhauls average \$6,000 per caliper.
- **Remove 24 Overhauls from the Original PO:** The overhaul of the entire fleet's calipers will be removed from the scope of the original purchase order.



This updated approach ensures the fleet is outfitted with new, reliable equipment while maintaining sufficient spare capacity for ongoing maintenance.

Procurement Process: Knorr Brake Company is the sole source provider due to their role as the OEM for the QLINE streetcar hydraulic braking system. Their pricing is competitive compared to historical price points and pricing provided to a peer agency working through a similar project. The proposed solution is both cost-effective and operationally necessary.

Replacing many of the calipers with new units ensures reliability and longevity for the fleet. Overhauling four backup calipers provides additional flexibility for future maintenance needs, minimizing the risk of operational disruptions.

Fiscal Impact: The original purchase order was issued in June 2024 for \$454,559.52 and included the overhaul of 24 brake calipers. This change order reflects the following adjustments:

| Item | Cost |
|---|---------------------|
| Remove 24 caliper overhauls (\$4,802.40 each) | -\$115,257.60 |
| Procure 16 new calipers (\$10,542 each) | \$168,672 .00 |
| Overhaul 4 spare calipers (\$6,000 each) | \$24,000.00 |
| Total (adjusted PO value) | \$531,973.92 |

The change order results in a \$77,414.40 increase in the total purchase order value. \$454,559.52 is budgeted in the current QLINE budget and the balance will come from future fiscal year budgets as needed.