



**Board of Directors Meeting**  
Thursday, September 18, 2025  
SEMCOG Offices, Gratiot 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
7. Consent Agenda
  - a. **Approval of August 2025 Board Meeting Summary**
  - b. **Approval of August 2025 Financial Report**
8. Regular Agenda
  - a. **Adoption of FY 2026 Budget & Business Plan**
  - b. **Approval of D2A2 & DAX Express Bus Services Vendor Award**
  - c. **D2A2 Express Bus Analysis**
  - d. **Regional Community Survey Results**
9. New Business
10. 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](mailto:info@rtamichigan.org) or call 313-402-1020 to discuss your format needs.*

**Proposed Meeting Summary  
Board of Directors**

Thursday, August 21, 2025

1:00 PM

**1. Call to Order at 1:02 PM.**

**2. Roll Call:**

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

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

**RTA Representatives Present:**

Ben Stupka, Rachel Schmuhl, Melanie Piana, Julia Roberts, Corri Wofford, Mshadoni Smith-Jackson, Kristin Caffray, Isaac Constans, Dasia Mack, Kameron Bloye

**Other Meeting Participants:**

Michelle Hodges – Rehmann

Ryan Bridges - MMA

**3. Approval of Agenda**

- Moved by Member Moore and supported by Member Zack. The agenda for August 21, 2025, was approved. The motion carried on the following roll call vote:

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

- Absent (A); Yea (Y); Nay (N); Virtual (V) means participating online, yet unable to vote on official business; Abstain (AB)
- Alma Wheeler Smith arrived at 1:04 PM, and June Lee arrived at 1:05 PM.

#### 4. Public Comment

There was no public comment.

#### 5. Executive Directors Report

- Big News
- Administration
- Communications
- Core Business – Planning
- Initiatives
- QLINE Performance
  - Ridership
  - On-time
  - Delays
    - Chair Massaron: When can we expect the summer weather/climate impacts to level out with regard to the ridership numbers for QLINE? Regarding heat-related battery issues, when can we see solutions?
    - Executive Director Stupka: Moving into the fall, numbers will look much more normal. August and September numbers will likely still reflect the summer heat impact, but October will likely see a return to normal. We are preparing for next summer right now, as the lead time is 9-12 months.

- Treasurer Wheeler Smith: Can you explain more about the “chillers” for the QLINE batteries? ... When we’ll get them, funding, long-term
      - Executive Director Stupka: Each streetcar has two chillers, and the purpose of the chillers is to keep the batteries cool. Five or six have were sent out for repair in January, and we only received the first two of them back in July.
  - Safety
  - Surveys
    - Member Zack: Who is conducting the surveys?
      - Executive Director Stupka: We are working with our communications contractor to conduct the online surveys, and our staff is out on the street conducting surveys in-person.
- D2A2/DAX
- Strategy

## **6. Public Hearing**

### **a. FY 2025 – 2026 Budget Public Hearing**

- a. Moved by Treasurer Wheeler Smith and supported by Vice Chair Morandini and approved unanimously by the board. Chair Massaron opened the FY 2025-2026 Budget Public Hearing at 1:16 PM.
- b. Executive Director Stupka presented the FY Business Plan and Budget.
  - i. Public Comment
  - ii. Lucas Lasecki commented on the quality and clarity of the budget document.
- c. Board Questions
  - i. Vice Chair Morandini: Can you explain how old QLINE infrastructural technology is?
    1. Executive Director Stupka: The infrastructure is the same age as the QLINE itself (10-15 years old). Where the agency’s most immediate concern lies is not as much with the fiber under the QLINE as it is with the fiber network on the vehicles themselves.
    2. Program Director Piana: The real opportunity is to incorporate QLINE’s assets into the long-term Capital

Improvement Plan and scheduling long-term maintenance and improvement, including the establishment of a replacement schedule.

ii. Member Lee: Is the goal to completely implement the ERP next year? What is the scale? What is the budget?

1. Executive Director Stupka: We will begin discovery at the beginning of next year. This will likely take between 3 months and 1 year. The project itself will likely start at some point at the end of FY 2026 or at the beginning of FY 2027.

iii. Treasurer Wheeler Smith: We have a small system now. Will we be able to implement the current systems into the new one (with the new ERP)?

1. Executive Director Stupka: Yes, and of course, this depends on where the Strategic Plan is going forward.

iv. Secretary Hendrix: Are we fully staffed (for both the Regional Services and QLINE staff)?

1. Executive Director Stupka: We have two positions pending that will be filled by the end of FY 2026, with an additional position budgeted.

d. Moved by Treasurer Wheeler Smith and supported by Member Zack to close the public hearing, which was approved unanimously. Chair Massaron closed the FY 2025-2026 Budget Public Hearing at 1:36 PM.

## **7. Presentations**

### **a. Strategic Plan Overview**

a. Program Director Piana presented the Strategic Plan Initiative Update kick-off presentation.

## **8. Consent Agenda**

### **a. Approval of July 2025 Board Meeting Summary**

### **b. Approval of July 2025 Financial Report**

### **c. Acceptance of Summary of Contracts**

- Moved by Vice Chair Morandini and supported by Treasurer Wheeler Smith to approve the consent agenda. The motion carried on the following roll call vote:

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

- Absent (A); Yea (Y); Nay (N); Virtual (V) means participating online, yet unable to vote on official business; Abstain (AB)

## 9. Regular Agenda

### a. Approval of Rehmann Financial Services Contract

- Moved by Treasurer Wheeler Smith and supported by Member Moore to approve the Rehmann Financial Services Contract. The motion carried on the following roll call vote:

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

- Absent (A); Yea (Y); Nay (N); Virtual (V) means participating online, yet unable to vote on official business; Abstain (AB)

### b. Approval of Amended Abbreviated EEO Program Plan

- Moved by Vice Chair Morandini and supported by Member Staebler to approve the Amended Abbreviated EEO Program Plan.. The motion carried on the following roll call vote:

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

- Absent (A); Yea (Y); Nay (N); Virtual (V) means participating online, yet unable to vote on official business; Abstain (AB)

### **c. Approval of FY 2026 – 2028 DBE Goal Methodology Update**

- Moved by Member Moore and supported by Vice Chair Morandini to approve the FY 2026 – 2028 DBE Goal Methodology Update. The motion carried on the following roll call vote:

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

- Absent (A); Yea (Y); Nay (N); Virtual (V) means participating online, yet unable to vote on official business; Abstain (AB)

### **10. New Business**

- Don Morandini: Is the Strategic Plan Overview slide deck online?
  - Executive Director Stupka: Yes, it is, and we will send it.
- Freman Hendrix: Is the DBE Goal Methodology Update online as well?
  - Executive Director Stupka: Yes, and we will send it.

### **11. Meeting adjourned at 1:49 PM**

# Regional Transit Authority of Southeast Michigan

## Statement of Net Position and Governmental Funds Balance Sheet

August 31, 2025

	Governmental Fund	Adjustments	Statement of Net Position	Prior Year (for comparison)
<b>Assets</b>				
Cash and cash equivalents	\$ 2,718,595	\$ -	\$ 2,718,595	\$ 61,459
Restricted cash and cash equivalents	66,188	-	66,188	40,911
Accounts receivable	923,927	-	923,927	1,198,573
Prepays and other assets	105,152	-	105,152	10,934
Capital assets, net of depreciation	-	100,387,190	100,387,190	185,989
Other Assets	-	-	-	-
<b>Total assets</b>	<u>\$ 3,813,862</u>	<u>\$ 100,387,190</u>	<u>\$ 104,201,052</u>	<u>\$ 1,497,867</u>
<b>Liabilities</b>				
Accounts payable and other accrued liabilities	1,984,792	-	1,984,792	1,169,770
Accrued payroll and related liabilities	15,687	-	15,687	51,897
Refundable advance	81,361	-	81,361	81,361
Compensated absences	-	77,126	77,126	-
Unearned Revenue	65,555	-	65,555	-
<b>Total liabilities</b>	<u>\$ 2,147,395</u>	<u>\$ 77,126</u>	<u>\$ 2,224,521</u>	<u>\$ 1,303,028</u>
<b>Fund balance</b>				
Fund balance	5,642,716	(5,642,716)	-	-
Current year change in fund balance	<u>(3,976,249)</u>	<u>3,976,249</u>	<u>-</u>	<u>-</u>
<b>Total fund balance</b>	<u>\$ 1,666,467</u>			
<b>Total liabilities and fund balance</b>	<u>\$ 3,813,862</u>			
<b>Net position</b>				
Investment in capital assets		100,387,190	100,387,190	185,989
Unrestricted		10,624,071	10,624,071	165,188
Current year change in net position		<u>(9,034,730)</u>	<u>(9,034,730)</u>	<u>(156,339)</u>
<b>Total net position</b>		<u>\$ 101,976,531</u>	<u>\$ 101,976,531</u>	<u>\$ 194,838</u>



**Regional Transit Authority of Southeast Michigan**  
**Statement of Activities and**  
**Governmental Revenues, Expenditures and Changes in Fund Balance**  
**For the 11 Months Ending August 31, 2025**

	Governmental Fund	Adjustments	Statement of Activities
<b>Revenue</b>			
Fares	\$ 612,672	\$ -	\$ 612,672
Federal grants	5,640,533	-	5,640,533
State grants - matching	584,714	-	584,714
State grants	5,354,836	-	5,354,836
Local grants	900,000	-	900,000
In-kind revenue	258,590	-	258,590
Project match revenue	-	-	-
RTA regional planning set-aside	-	-	-
Other	105,964	-	105,964
<b>Total revenue</b>	<b>\$ 13,457,309</b>	<b>\$ -</b>	<b>\$ 13,457,309</b>
<b>Expenditures/expenses</b>			
Operating:			
Personnel	4,735,612	11,561	4,747,173
Conferences/events/training	158,578	-	158,578
Board & public meeting management	25,965	-	25,965
Finance, legal, government relations	409,621	-	409,621
Insurance	803,240	-	803,240
Rent and utilities	437,538	-	437,538
Telephone and internet	20,288	-	20,288
Computer equipment and IT support	332,270	-	332,270
Services	6,071,257	-	6,071,257
Supplies	2,236,703	-	2,236,703
Total operating	15,231,072	11,561	15,242,633
Planning:			
Planning services	1,683,879	-	1,683,879
Specialized planning services	-	-	-
CHSTP	260,297	-	260,297
Community engagement	-	-	-
Total planning	1,944,176	-	1,944,176
External affairs:			
Branding	10,000	-	10,000
External communications	214,702	-	214,702
Social media management	-	-	-
Website	24,057	-	24,057
Graphics/photography	6,340	-	6,340
Promotional items	-	-	-
Miscellaneous items	3,211	-	3,211
Total external affairs	258,310	-	258,310
Other -			
Depreciation/amortization	-	5,046,920	5,046,920
<b>Total expenditures/expenses</b>	<b>\$ 17,433,558</b>	<b>\$ 5,058,481</b>	<b>\$ 22,492,039</b>
<b>Change in fund balance/net position</b>	<b>\$ (3,976,249)</b>	<b>\$ (5,058,481)</b>	<b>\$ (9,034,730)</b>

# Regional Transit Authority of Southeast Michigan

## Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual

For the 11 Months Ending August 31, 2025

	General Admin		Qline		D2A2	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>Revenue</b>						
Fares	\$ -	\$ -	\$ -	\$ -	\$ 343,798	\$ 308,440
Federal grants	2,212,255	2,491,928	-	1,008,333	1,749,362	1,568,177
State grants - matching	-	-	-	252,083	233,458	101,805
State grants	975,698	1,050,259	3,523,132	2,702,898	328,748	463,394
Local grants	-	-	900,000	5,408,333	-	-
In-kind revenue	-	-	-	-	148,432	128,517
Project match revenue	-	-	-	-	-	-
RTA regional planning set-aside	-	-	-	-	-	-
Other	58,008	-	47,958	-	-	-
<b>Total revenue</b>	<b>\$ 3,245,961</b>	<b>\$ 3,542,187</b>	<b>\$ 4,471,090</b>	<b>\$ 9,371,648</b>	<b>\$ 2,803,798</b>	<b>\$ 2,570,333</b>
<b>Expenditures</b>						
Operating:						
Personnel	1,260,619	1,755,431	3,474,991	3,764,750	-	-
Conferences/events/training	109,436	103,242	49,140	-	-	-
Board & public meeting management	21,733	14,300	4,231	-	-	-
Finance, legal, government relations	346,783	297,050	62,843	429,196	-	-
Insurance	15,504	15,373	787,741	1,158,667	-	-
Rent and utilities	13,612	117,150	423,930	439,083	-	-
Telephone and internet	18,941	7,728	1,347	-	-	-
Computer equipment and IT support	109,027	98,097	87,418	-	2,506	-
Services	3,396	-	918,053	118,250	2,801,292	2,570,333
Supplies	3,355	2,292	2,233,353	3,652,917	-	-
Total operating	1,902,406	2,410,663	8,043,047	9,562,863	2,803,798	2,570,333
Planning:						
Planning services	1,038,123	515,662	191,118	-	-	-
Specialized planning services	-	114,583	-	-	-	-
CHSTP	260,296	137,500	-	-	-	-
Community engagement	-	183,333	-	-	-	-
Total planning	1,298,419	951,078	191,118	-	-	-
External affairs:						
Branding	10,000	9,167	-	-	-	-
External communications	132,800	114,583	81,902	144,833	-	-
Social media management	-	7,150	-	-	-	-
Website	20,362	32,083	3,695	-	-	-
Graphics/photography	265	9,304	6,075	-	-	-
Promotional items	-	8,158	-	-	-	-
Miscellaneous items	1,706	-	1,505	-	-	-
Total external affairs	165,133	180,446	93,177	144,833	-	-
<b>Total expenditures</b>	<b>\$ 3,365,958</b>	<b>\$ 3,542,187</b>	<b>\$ 8,327,342</b>	<b>\$ 9,707,696</b>	<b>\$ 2,803,798</b>	<b>\$ 2,570,333</b>
<b>Change in fund balance</b>	<b>\$ (119,997)</b>	<b>\$ -</b>	<b>\$ (3,856,252)</b>	<b>\$ (336,048)</b>	<b>\$ -</b>	<b>\$ -</b>

# Regional Transit Authority of Southeast Michigan

## Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual

For the 11 Months Ending August 31, 2025

	DAX		One Click/One Call		Mobility Wallet	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>Revenue</b>						
Fares	\$ 268,874	\$ 249,333	\$ -	\$ -	\$ -	\$ -
Federal grants	1,333,745	832,475	241,420	366,667	-	-
State grants - matching	290,902	146,667	60,356	91,667	-	-
State grants	42,826	164,858	-	-	325,258	550,000
Local grants	-	-	-	-	-	-
In-kind revenue	110,155	73,333	-	-	-	-
Project match revenue	-	-	-	-	-	-
RTA regional planning set-aside	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 2,046,502</b>	<b>\$ 1,466,667</b>	<b>\$ 301,776</b>	<b>\$ 458,333</b>	<b>\$ 325,258</b>	<b>\$ 550,000</b>
<b>Expenditures</b>						
Operating:						
Personnel	-	-	-	-	-	-
Conferences/events/training	-	-	-	-	-	-
Board & public meeting management	-	-	-	-	-	-
Finance, legal, government relations	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Rent and utilities	-	-	-	-	-	-
Telephone and internet	-	-	-	-	-	-
Computer equipment and IT support	-	-	-	-	64	-
Services	2,046,502	1,466,667	301,776	458,333	-	550,000
Supplies	-	-	-	-	-	-
<b>Total operating</b>	<b>2,046,502</b>	<b>1,466,667</b>	<b>301,776</b>	<b>458,333</b>	<b>64</b>	<b>550,000</b>
Planning:						
Planning services	-	-	-	-	325,194	-
Specialized planning services	-	-	-	-	-	-
CHSTP	-	-	-	-	-	-
Community engagement	-	-	-	-	-	-
<b>Total planning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325,194</b>	<b>-</b>
External affairs:						
Branding	-	-	-	-	-	-
External communications	-	-	-	-	-	-
Social media management	-	-	-	-	-	-
Website	-	-	-	-	-	-
Graphics/photography	-	-	-	-	-	-
Promotional items	-	-	-	-	-	-
Miscellaneous items	-	-	-	-	-	-
<b>Total external affairs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditures</b>	<b>\$ 2,046,502</b>	<b>\$ 1,466,667</b>	<b>\$ 301,776</b>	<b>\$ 458,333</b>	<b>\$ 325,258</b>	<b>\$ 550,000</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

continued...

# Regional Transit Authority of Southeast Michigan

## Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual

For the 11 Months Ending August 31, 2025

	Access to Transit		Transit App		Total Year to Date	
	Actual	Budget	Actual	Budget	Actual	Budget
<b>Revenue</b>						
Fares	\$ -	\$ 1,466,667	\$ -	\$ -	\$ 612,672	\$ 2,024,440
Federal grants	103,757		-	-	5,640,539	6,267,581
State grants - matching	-	366,667	-	-	584,716	958,888
State grants	25,941	1,249,779	133,236	-	5,354,839	6,181,188
Local grants	-		-	-	900,000	5,408,333
In-kind revenue	-		-	-	258,587	201,850
Project match revenue	-		-	-	-	-
RTA regional planning set-aside	-		-	-	-	-
Other	-		-	-	105,966	-
<b>Total revenue</b>	<b>\$ 129,698</b>	<b>\$ 3,083,112</b>	<b>\$ 133,236</b>	<b>\$ -</b>	<b>\$ 13,457,319</b>	<b>\$ 21,042,280</b>
<b>Expenditures</b>						
Operating:						
Personnel	-	-	-	-	4,735,610	5,520,181
Conferences/events/training	-	-	-	-	158,576	103,242
Board & public meeting management	-	-	-	-	25,964	14,300
Finance, legal, government relations	-	-	-	-	409,626	726,247
Insurance	-	-	-	-	803,245	1,174,039
Rent and utilities	-	-	-	-	437,542	556,233
Telephone and internet	-	-	-	-	20,288	7,728
Computer equipment and IT support	-	-	133,236	-	332,251	98,097
Services	250	3,083,112	-	-	6,071,269	8,246,695
Supplies	-	-	-	-	2,236,708	3,655,208
Total operating	250	3,083,112	133,236	-	15,231,079	20,101,971
Planning:						
Planning services	129,448	-	-	-	1,683,883	515,662
Specialized planning services	-	-	-	-	-	114,583
CHSTP	-	-	-	-	260,296	137,500
Community engagement	-	-	-	-	-	183,333
Total planning	129,448	-	-	-	1,944,179	951,078
External affairs:						
Branding	-	-	-	-	10,000	9,167
External communications	-	-	-	-	214,702	259,417
Social media management	-	-	-	-	-	7,150
Website	-	-	-	-	24,057	32,083
Graphics/photography	-	-	-	-	6,340	9,304
Promotional items	-	-	-	-	-	8,158
Miscellaneous items	-	-	-	-	3,211	-
Total external affairs	-	-	-	-	258,310	325,279
<b>Total expenditures</b>	<b>\$ 129,698</b>	<b>\$ 3,083,112</b>	<b>\$ 133,236</b>	<b>\$ -</b>	<b>\$ 17,433,568</b>	<b>\$ 21,378,329</b>
<b>Change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,976,249)</b>	<b>\$ (336,048)</b>

# Regional Transit Authority of Southeast Michigan

## Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual For the 11 Months Ending August 31, 2025

	<u>Annual</u>
	<u>Budget</u>
<b>Revenue</b>	
Fares	\$ 608,480
Federal grants	8,437,361
State grants - matching	1,046,060
State grants	6,743,114
Local grants	5,900,000
In-kind revenue	220,200
Project match revenue	-
RTA regional planning set-aside	-
Other	-
<b>Total revenue</b>	<u>\$ 22,955,215</u>
<b>Expenditures</b>	
Operating:	
Personnel	6,022,016
Conferences/events/training	112,628
Board & public meeting management	15,600
Finance, legal, government relations	792,269
Insurance	1,280,770
Rent and utilities	606,800
Telephone and internet	8,430
Computer equipment and IT support	107,015
Services	8,996,395
Supplies	3,987,500
Total operating	<u>21,929,423</u>
Planning:	
Planning services	562,540
Specialized planning services	125,000
CHSTP	150,000
Community engagement	200,000
Total planning	<u>1,037,540</u>
External affairs:	
Branding	10,000
External communications	283,000
Social media management	7,800
Website	35,000
Graphics/photography	10,150
Promotional items	3,400
Miscellaneous items	5,500
Total external affairs	<u>354,850</u>
<b>Total expenditures</b>	<u>\$ 23,321,813</u>
<b>Change in fund balance</b>	<u>\$ (366,598)</u>

concluded.

**Title** **Detroit to Ann Arbor Express Bus (D2A2)**  
**Description** Express bus connecting downtown Detroit to downtown Ann Arbor.  
**Schedule** October 2021 - September 2025

Budget Tracker			
	Total	ITD	Balance
<b>Cost</b>	<b>\$ 10,607,529</b>	<b>\$ 10,744,864</b>	<b>(\$137,335)</b>
Grants			
MI-2021-036-01	\$4,311,592	\$4,311,592	(\$0)
2017-0119/P7/R2	\$1,635,893	\$1,635,893	\$0
Fares/Contrib	\$955,214	\$1,677,522	(\$722,308)
MI-2021-036-02	\$1,373,593	\$1,373,593	(\$0)
MDOT LBO	\$505,521	\$328,681	\$176,840
ARPA MI-2022-005-02	\$1,825,716	\$1,417,584	\$408,132
	\$10,607,529	\$10,744,864	(\$137,335)

**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
<b>Cost</b>	<b>\$2,587,554</b>	<b>\$1,897,630</b>	<b>\$689,924</b>
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	\$411,292	(\$0)
2022-0126/P7	\$102,823	\$102,823	\$0
Federal Grant*	\$589,307	\$37,367	\$551,940
State Grant*	\$147,327	\$9,342	\$137,985
	\$2,587,554	\$1,897,630	\$689,924

\*Funding is secured and currently being amended into a grant. Pre-award authority.

**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
<b>Cost</b>	<b>\$1,025,000</b>	<b>\$761,919</b>	<b>\$263,081</b>
Grants			
2022-0126-P3	\$1,025,000	\$761,919	\$263,081
	\$1,025,000	\$761,919	\$263,081

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

Budget Tracker			
	Cost	ITD	Balance
Cost	<b>\$3,467,087</b>	<b>\$3,306,267</b>	<b>\$160,820</b>
Grants			
MI-2024-002	\$2,000,000	\$2,000,000	\$0
2022-0126-P4 R1	\$500,000	\$500,000	\$0
Fares/Contrib	\$519,087	\$602,430	(\$83,343)
MDOT LBO	\$179,845	\$40,164	\$139,681
ARPA MI-2022-005-02	\$268,155	\$163,673	\$104,482
	<b>\$3,467,087</b>	<b>\$3,306,267</b>	<b>\$160,820</b>

**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	<b>\$125,000</b>	<b>\$124,439</b>	<b>\$561</b>
Grants			
2017-0119/P10	\$125,000	\$124,439	\$561

**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	<b>\$3,363,395</b>	<b>\$124,394</b>	<b>\$3,239,001</b>
Grants			
2022-0126-P6	\$1,363,395	\$124,394	\$1,239,001
FY2024 CMAQ*	\$1,600,000	\$0	\$1,600,000
State Grant*	\$400,000	\$0	\$400,000
	<b>\$3,363,395</b>	<b>\$124,394</b>	<b>\$3,239,001</b>

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

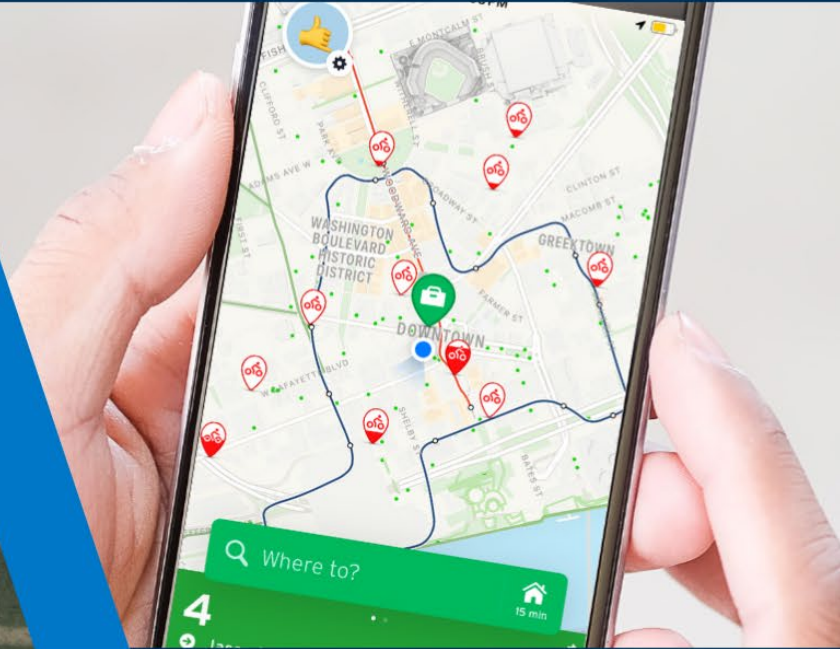
<b>Title</b>	<b>Transit App Program</b>
Description	Regional Mobility as a Service (MaaS) application platform
Schedule	July 2025 - July 2028

Budget Tracker			
	Cost	ITD	Balance
Cost	<b>\$910,000</b>	<b>\$133,236</b>	<b>\$776,764</b>
Grants			
2022-0126-P8	\$828,000	\$133,236	\$694,764
Local In-Kind Match	\$82,000	\$0	\$82,000
	\$910,000	\$133,236	\$776,764



# Business Plan & Budget FY 2026

SEPTEMBER 18, 2025 ADOPTION



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# Message from the Executive Director

RTA Board of Directors,

I'm pleased to submit the FY2026 Business Plan and Budget. This year's document marks a milestone in RTA's growth and charts a path toward the future.

Our first year of operating QLINE has been a success. We've balanced stable operation with increased collaboration and realized administration, benefits, and contract efficiencies. Crucially, we've been making important investments to improve QLINE's reliability and customer experience. These investments will take some time to get up and running, but they will put us on the path to ongoing success.

QLINE operation has not overshadowed the indispensable and popular programs that the RTA manages. In 2025, the RTA's Regional Services team distributed close to \$200 million to the region, fulfilling its responsibility as the designated recipient of appropriated funds. Both DAX and D2A2 grew their ridership by nearly 20% year over year, a testament to the popularity and opportunity of regional connections.

The Board has consequential decisions to make going forward. That is why the agency is undertaking a Strategic Planning process, the first in 13 years. The Strategic Planning process will engage RTA leadership and the Board to agree upon a North Star for the agency. The chosen direction will point the agency and region toward priorities identified in the Regional Transit Master Plan, moving us toward a sustainable financial model that delivers effective programs and services.

In the following year, the RTA will implement a significant master plan update to determine various regional transit scenarios, allowing the agency to weigh the relative importance of various aspects of transit provided by both the RTA and partners. Survey input from riders, transit providers, and the public provides clarity on the region's transit needs. These topics are considered in more detail in the pages that follow.

Fueled by last year's achievements, the RTA is poised to deliver true transit progress throughout the region. I'd like to thank the board for your continued leadership and commitment to our region as we charge ahead to a pivotal time for our agency and transit system.



Ben Stupka

Executive Director

# RTA Mission, Vision & Values

The Regional Transit Authority of Southeast Michigan (RTA) is a public agency with the mission to create new and better ways to move and connect people. The RTA partners with transit providers, communities, companies and citizens to create a vision for public transit – what it can be, what it can do, what we can achieve with it – and bring that vision to life. By exploring new strategies for improving transit coverage and service, securing and overseeing funding and increasing accessibility to transit offerings, the RTA plays a crucial role in unleashing our region’s boundless potential.

The RTA oversees the operation of the QLINE system in Detroit.

**Mission:** Creating new and better ways to move and connect people.

**Vision:** A Southeast Michigan where advances in transit create greater prosperity for all.

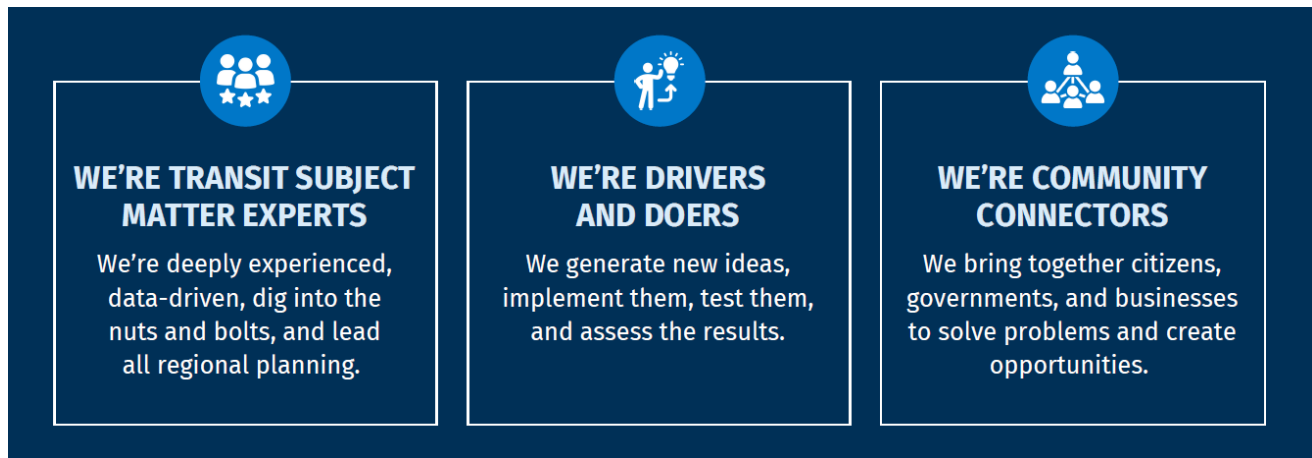
## Values

Creativity - bringing innovative thinking to enhance the transit experience.

Empathy - understanding how we can help improve lives across the region.

Opportunity - leading the way to the future of transit in Southeast Michigan.

## We’re the RTA. Get On Board





# Board of Directors

## Regional Leadership

The RTA's Board of Directors comprises accomplished public servants with deep expertise across corporate, nonprofit, and public experience. United by a shared commitment to good governance, innovation, and regional cooperation, the Board champions strategies that expand transit access, modernize infrastructure, and harness technology to meet the region's evolving mobility needs and improve riders' experiences riding transit. Their leadership ensures the RTA remains a catalyst for long-term progress and shared regional prosperity.

The RTA's 10-member board is appointed for three-year terms by the county executives of Wayne, Oakland, and Macomb counties, the chair of the Washtenaw County Board of Commissioners, the Mayor of Detroit, and the Governor of Michigan. The Governor's appointee serves as chair without a vote.

## Our Board of Directors



**Dave Massaron**  
Governor-Appointed Chair



**Jon Moore**  
Macomb County



**Don Morandini**  
Macomb County



**Jeannette Bradshaw**  
Oakland County



**Helaine Zack**  
Oakland County



**Freman Hendrix**  
City of Detroit



**Ned Staebler**  
Washtenaw County



**Alma Wheeler Smith**  
Washtenaw County



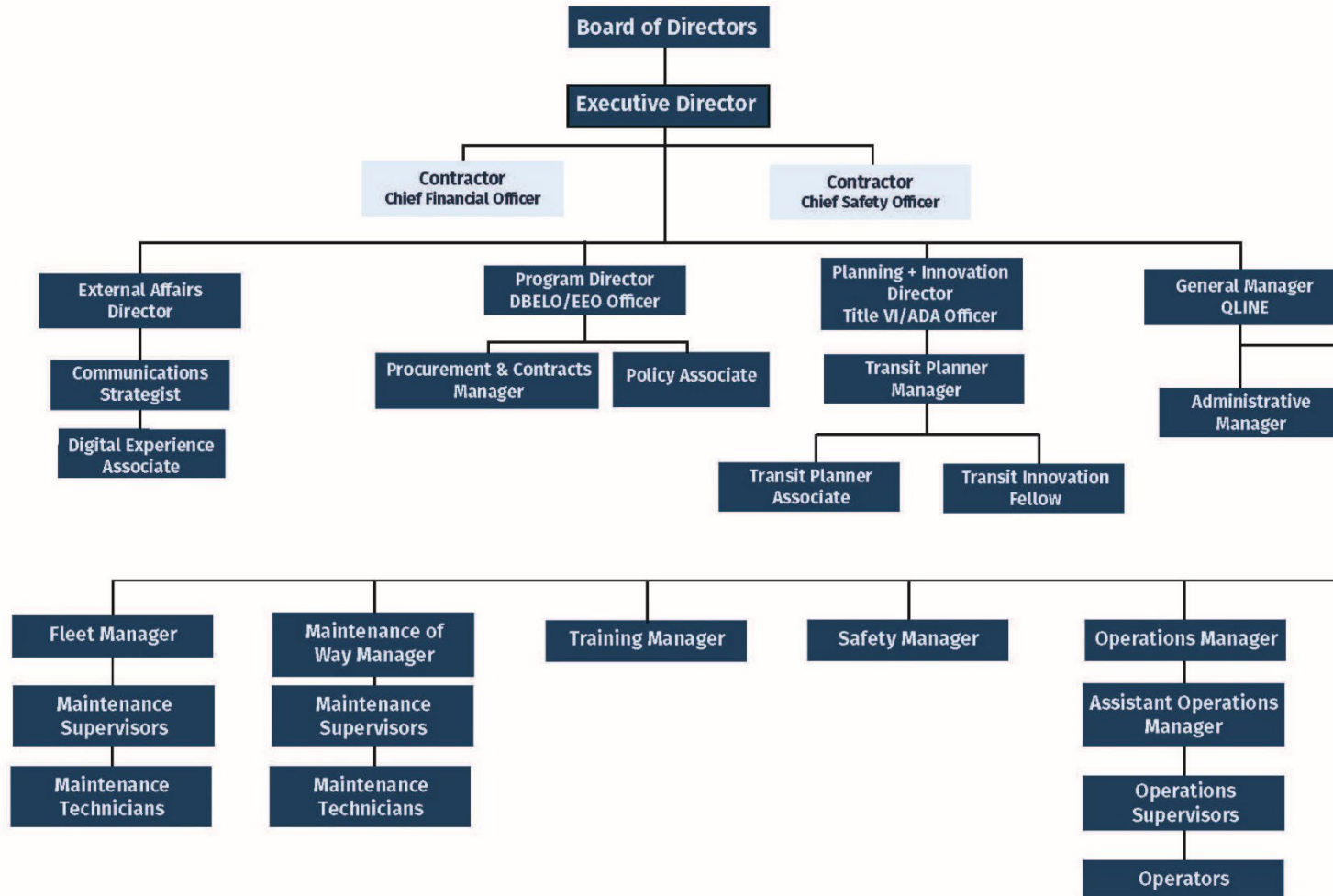
**June Lee**  
Wayne County



**Erica Robertson**  
Wayne County

# Organizational Structure

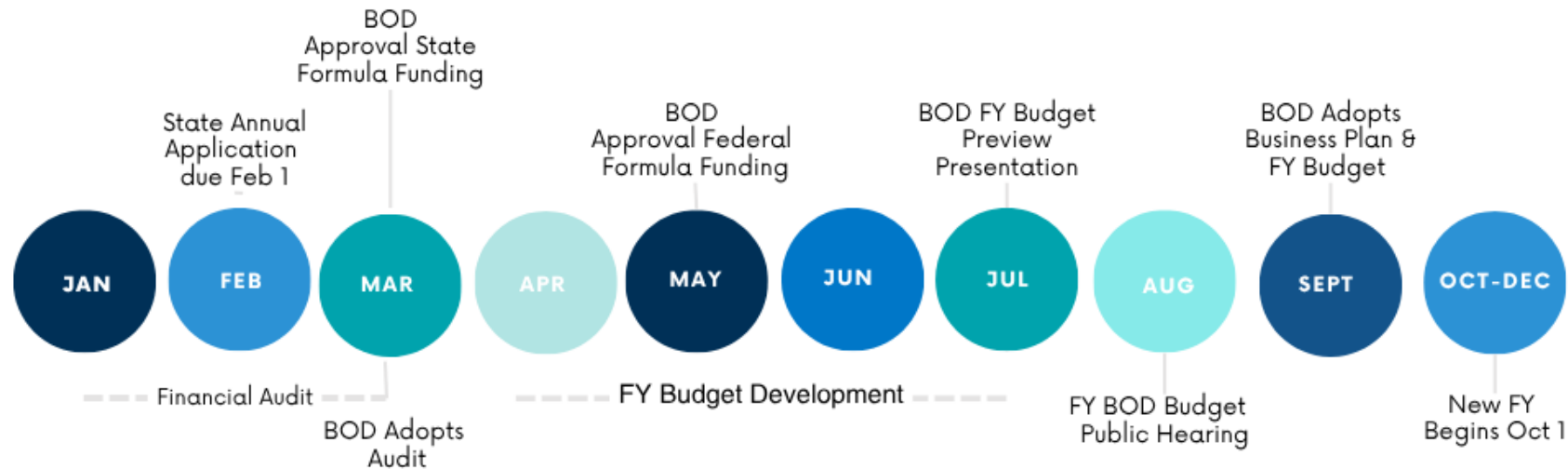
RTA's organizational structure remains consistent in year two of QLINE ownership. With all functions reporting to the Executive Director, the RTA comprises 59 employees, including designated roles for FTA grant and safety compliance for Equal Employment Opportunity (EEO), Chief Safety Officer (CSO), Disadvantaged Business Enterprise (DBE) Officer, and Title IV Compliance Officer. The leadership team comprises the QLINE General Manager, External Affairs, Program and Planning and Innovation Directors. Strategic contractual relationships support key business functions, including Regional Services planning, communications, legal, and finance.



# Annual Budget Development Cycle

## Fiscal Obligations

RTA publishes a fiscally responsible annual budget with five-year revenue projections that reflects organizational priorities, meets the agency's statutory responsibilities, and delivers programs and projects.



### State Application

RTA's budget cycle aligns with the Michigan Department of Transportation Office of Passenger Transportation (OPT) annual state application. By February 1, Michigan transit agencies must submit operational budget requests for the following fiscal year to obtain state and federal funds for public transit and intercity bus services.

### Federal Formula Funding

The RTA board annually authorizes fiscal year federal formula funding distribution for the Detroit and Ann Arbor Urbanized Areas. As the designated recipient, the RTA allocates FTA formula funds to transit providers in both areas based on agreed-upon methodologies and provider priorities. Approval of this funding split allows transit providers to proceed with federal and state grant processes to support capital and operational needs across the region.

### PA 387 2012

State legislation requires RTA to adopt a new fiscal year budget by September 30.

# Business Plan Purpose & Need

## Delivering Results

The RTA's FY2026 Business Plan communicates how the agency prioritizes investments, manages risks, and measures progress. The plan aligns goals, priorities, projects, and resources to guide the agency's operations and growth. This document responds to ongoing challenges and emerging opportunities. It supports a more connected, equitable, and efficient transit network in collaboration with local providers and stakeholders.

With the creation of this business plan, we celebrate our first anniversary of the QLINE integration as part of the RTA. This transitional year marked more than a change in ownership. It signaled the beginning of the RTA's broader business transformation.

We continue aligning strategy, operations, projects, and staffing as one agency. We're evolving to operate more cohesively, effectively, and with a deeper focus on delivering more value for the region and transit riders.

## Regional Transit Master Plan Goals

The Regional Transit Master Plan (RTMP) is a vital guide for the agency, providing a realistic roadmap and unified vision for transit progress in Southeast Michigan. The RTA releases annual updates to the RTMP to build its strategic agenda and coordinate long-range planning activities. The RTA has set up the RTMP to accelerate services and programs under differential funding realities.

By anchoring annual priorities in the RTMP and aligning with the agency's mission, vision, and values, the Business Plan enables the RTA to deliver coordinated, accountable, and forward-thinking solutions that advance public transit infrastructure investment.



**Move People**



**Strengthen Access**



**Enhance Experience**



# Strategic Board Priorities

The RTA continues to manage our business growth. We assumed QLINE operations by scaling and evolving our internal systems, team structure, and business operations to support a larger, more complex organization. These efforts are designed to position the agency to lead future transit investments and meet the region's evolving mobility needs. The leadership team developed these baseline organizational goals and statements.

## **Goal: Evolve Workplace to Fit Larger Organization and Responsibilities**

This goal focuses on strengthening the RTA's internal capacity by investing in people, improving workplace culture, and aligning organizational structures to meet future needs. It includes building a more effective and inclusive team, modernizing financial and compliance systems, and creating a foundation for professional growth, collaboration, and accountability.

### **2025 Results**

- Hired and repurposed staff
- Updated and modernized policies and procedures
- Developed an integrated Regional Services and QLINE Budget for FY2026
- Completed FTA Triennial 3-Year Review

### **2026 Expected Results**

- Hire additional staff to continue strategic growth
- Continue to improve and integrate policies and procedures to improve operational efficiency
- Implement new Enterprise Resource Planning (ERP) to modernize financial system

## **Goal: Expand Communications Efforts With New Brand and Message**

This goal focuses on expanding and strengthening the RTA's communications through a new agency-wide plan, updated branding, and targeted outreach for services and community engagement.

### **2025 Results**

- Launched new Get On Board brand identity, core messaging, and website
- Upgraded DAX marketing campaign resulting in increased ridership
- Developed agency Community Engagement Plan

### **2026 Expected Results**

- Expanded marketing for D2A2, DAX, and QLINE to continue to provide awareness and grow ridership
- More collaborative marketing with transit providers to grow awareness and ridership

# Strategic Board Priorities

## Goal: Evolve Execution of Core Business Functions

This goal focuses on strengthening the RTA's core business functions by coordinating formula funding, aligning planning projects with strategic priorities, and improving collaboration with transit providers.

### 2025 Results

- Approved \$190M in State and Federal funding for regional transit providers
- Updated the RTMP
- Completed the first regional Strategic Technology Plan
- Advanced integration agenda priorities with the Providers Advisory Council (PAC)

### 2026 Expected Results

- Further development of the regional capital program process to provide more clarity on investments made by transit providers
- Updated RTMP that looks at future scenarios developed through the agency's Strategic Plan process
- Continued progress on the integration agenda with the PAC to dial in regional collaboration

## Goal: Services & Initiatives – Implement RTMP Priorities

This goal focuses on improving transit service across the region by consistently evaluating impact and prioritizing funding based on strategic priorities. It includes targeted efforts to grow ridership, enhance customer experience, modernize technology, and expand key programs and services like QLINE, express buses, corridors, and MyRide2.

### 2025 Results

- Ensured a stable transition that allowed the QLINE to operate smoothly
- Submitted a \$3M Congressionally Directed Spending request to invest in dedicated lanes and other improvements along the Woodward corridor in Downtown Detroit.
- Increased ridership on D2A2 (20%) and DAX (18%) express bus services; 90% of DAX riders reported they were very satisfied with the service after the first year
- Launched Mobility Wallet program
- Received MDOT \$824,000 grant award for Transit App
- Launched Access to Transit program with \$2M Congestion Mitigation and Air Quality (CMAQ) grant and state match for projects in FY2026 and received over \$3M in CMAQ with state match for future years of the program
- Made \$11M in investments in over 30 communities through the Mobility 4 All (M4A) Program
- Completed the M4A Plan, which sets transit priorities for seniors and people with disabilities throughout the region

# Strategic Board Priorities

## 2026 Expected Results

- Increased ridership for QLINE, D2A2, and DAX
- Implement several QLINE capital and operational improvements
- First year of the regional Transit App pilot
- Completion of the Mobility Wallet pilot with clear next steps
- Design and construction of several Access to Transit projects (bus stop improvements)
- Development of a regional travel training and mobility management program
- Expanded use of the MyRide2 platform
- Identification and advancement of significant next steps on all four major corridors: Woodward, Gratiot, Michigan, and Washtenaw

## Goal: Develop a Strategic Agenda for the New RTA

This goal focuses on shaping the RTA's long-term direction by developing a clear policy and legislative agenda, strengthening relationships with regional, state, and federal partners, and advancing a five-year strategic path. RTMP goals are foundational in setting priorities for regional transit improvements and are incorporated into the strategic agenda.

## 2025 Results

- Completed the 2025 Board Legislative Agenda
- Educated legislators about the impact of state budget and road funding on regional transit
- Submitted for and supported several discretionary grants
- Launched the agency's first Strategic Planning initiative

## 2026 Expected Results

- Completion of the agency's first Strategic Plan and identification of a future funding pathway

Next year, the RTA anticipates an updated set of goals that will emerge from its first-ever Strategic Planning process. These goals will illustrate regional stakeholder perspectives and cover the agency's evolving role, business systems, and transit service responsibilities. They will align with long-term regional priorities and guide how the RTA achieves organizational excellence by strengthening its operations, team performance, and investments to better serve Southeast Michigan.

# FY26 Budget Overview

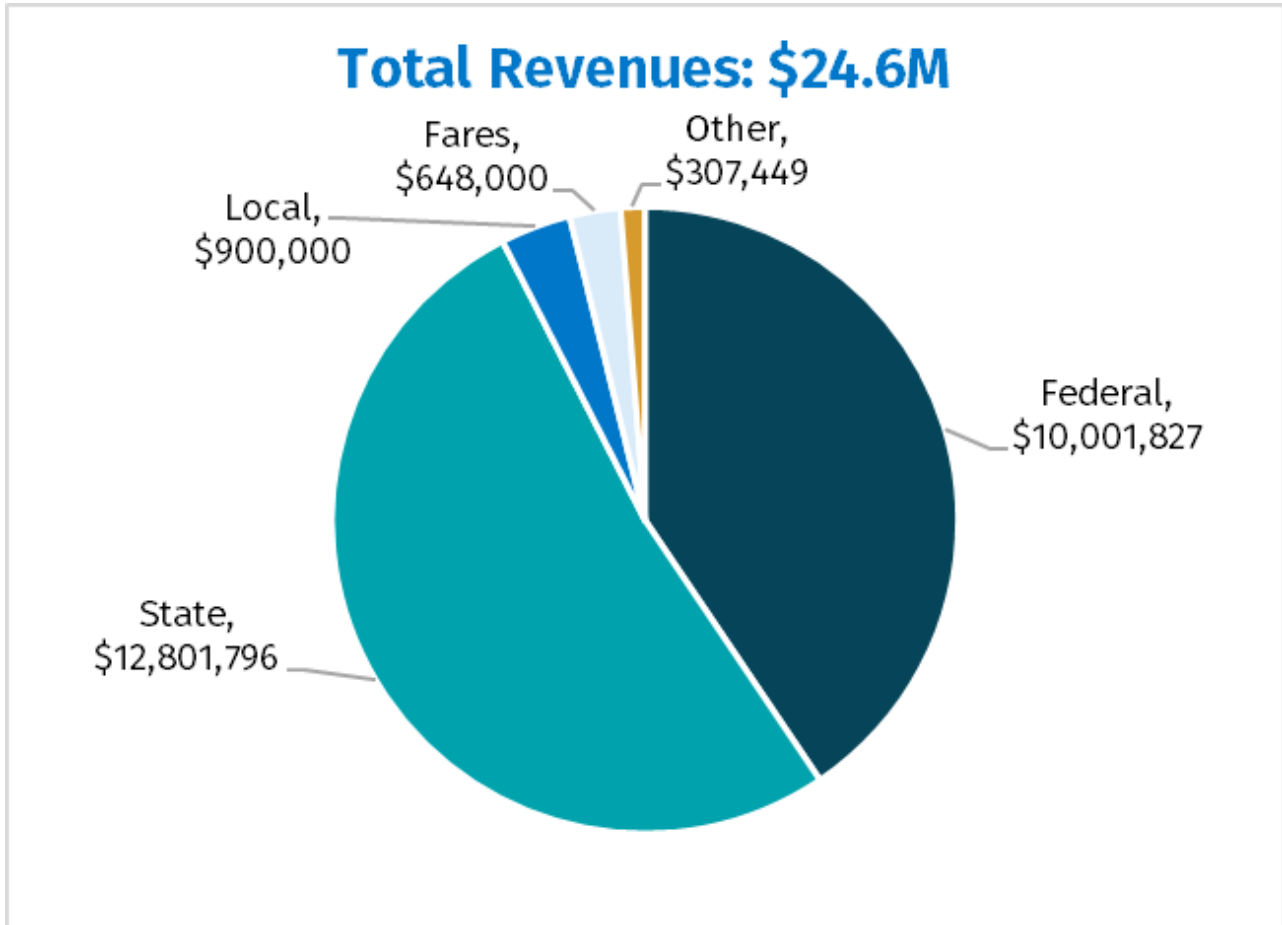
## Revenues & Expenses

RTA's balanced budget totals \$24,659,073 in revenue with \$24,659,073 in expenses.

	Total
<b>Federal Revenue:</b>	
Section 5307 (MI-2022-005-01; ARPA)	\$6,774,017
Section 5310 (MI-2024-009-00; Mobility Management)	\$270,251
Section 5307/CMAQ (MI-2021-036-02; D2A2)	\$0
Section 5307 (Preventive Maintenance)	\$1,357,559
Section 5307/CMAQ (Access to Transit)	\$1,600,000
<b>Federal</b>	<b>\$10,001,827</b>
<b>State Revenue:</b>	
State of Michigan CFDF	\$5,000,000
Local Bus Operating	\$5,461,608
Mobility Management Match (2022-0126/P7)	\$67,563
PM Match	\$339,390
ATP Match	\$400,000
Mobility Wallet (2022-0126/P3)	\$250,000
ATP Planning (2022-0126/P6)	\$1,000,000
Transit App (2022-0126/P8)	\$283,236
<b>State</b>	<b>\$12,801,796</b>
<b>Local Revenue:</b>	
Detroit DDA	\$900,000
<b>Local</b>	<b>\$900,000</b>
<b>Operating Revenue:</b>	
Fare revenue	\$648,000
<b>Fares</b>	<b>\$648,000</b>
<b>Other grants and contributions:</b>	
Contributed services	\$307,449
Interest income	\$0
<b>Other</b>	<b>\$307,449</b>
<b>Total Revenues</b>	<b>\$24,659,073</b>
<b>Expenses</b>	
Salaries and Wages	\$5,296,530
Fringe Benefits	\$1,307,317
Professional Services	\$1,019,621
QLINE Maintenance	\$3,408,344
Planning Services	\$1,290,000
Communications Services	\$912,329
Services and Initiatives	\$9,202,961
Administrative Expenses	\$2,221,970
<b>Total Expenses</b>	<b>\$24,659,073</b>

# FY26 Revenues

The RTA's revenue sources rely on short-term revenue, one-time grants, and state appropriations. American Rescue Plan (ARPA) funds continue to cover most critical administrative functions and begin covering D2A2 and DAX express bus services. State of Michigan's Local Bus Operating (LBO) allocates funds for RTA administration and QLINE operations, with the total overall amount and reimbursement basis subject to annual State Budget negotiations. The RTA received multiple state and federal grant awards that support strategic initiatives to advance priorities in the RTMP.



# Budget Detail – Revenues

## Services & Programs Highlights

### **American Rescue Plan Act Funds**

This federal revenue source continues to fund critical Regional Services administrative functions. Grant revenues to pilot and launch DAX and D2A2 services conclude in September 2025. Expenses to continue these services move to ARPA beginning October 1. Following federal act regulations, ARPA funds must be expended by 2029.

### **State Local Bus Operating Allocation**

RTA is projecting over \$5 million in LBO revenue, of which approximately 75% is allocated to QLINE operations and 25% to administrative functions. LBO fluctuates annually based on state budget allocations. Transit agencies must have a local source of funding to receive LBO. Currently, the state recognizes ARPA as RTA's local funding commitment.

### **Dedicated QLINE Funding**

State of Michigan's Convention Facility Development Fund (CFDF) contributes \$5,000,000 and Detroit Downtown Development Authority commits \$900,00 annually.

### **Federal Formula Revenue (5310 and 5307)**

Newly awarded grant funds cover strategic initiatives, including:

- \$1,600,000 from Congestion Mitigation Air Quality (CMAQ) Grant to launch Access to Transit program (bus stop improvement, anticipated 2-3 stops in inaugural year).
- \$270,251 from Mobility Management plus \$325,000 MDOT state match to maintain MyRide2, connecting seniors and people with disabilities to transportation in RTA's four-county area.
- \$1,300,000 from Section 5307 for QLINE preventative maintenance.

### **State Grant Funding**

MDOT awarded RTA \$828,000 to implement the Transit App premium plan for all transit app users, a long-time identified need by riders and transit providers to combine trip planning and fare payment into one app. There is some remaining funding on an existing state grant to complete the Mobility Wallet pilot project.

### **Fares – DAX and D2A2 Express Bus Services**

Fares comprise 12% of total revenue for D2A2 and DAX, with slight increases projected as ridership continues to rise. D2A2 and DAX fares range from \$2 to \$8. With grant funding, RTA is able to provide fares that are affordable and accessible for people, including discounts for seniors and students.

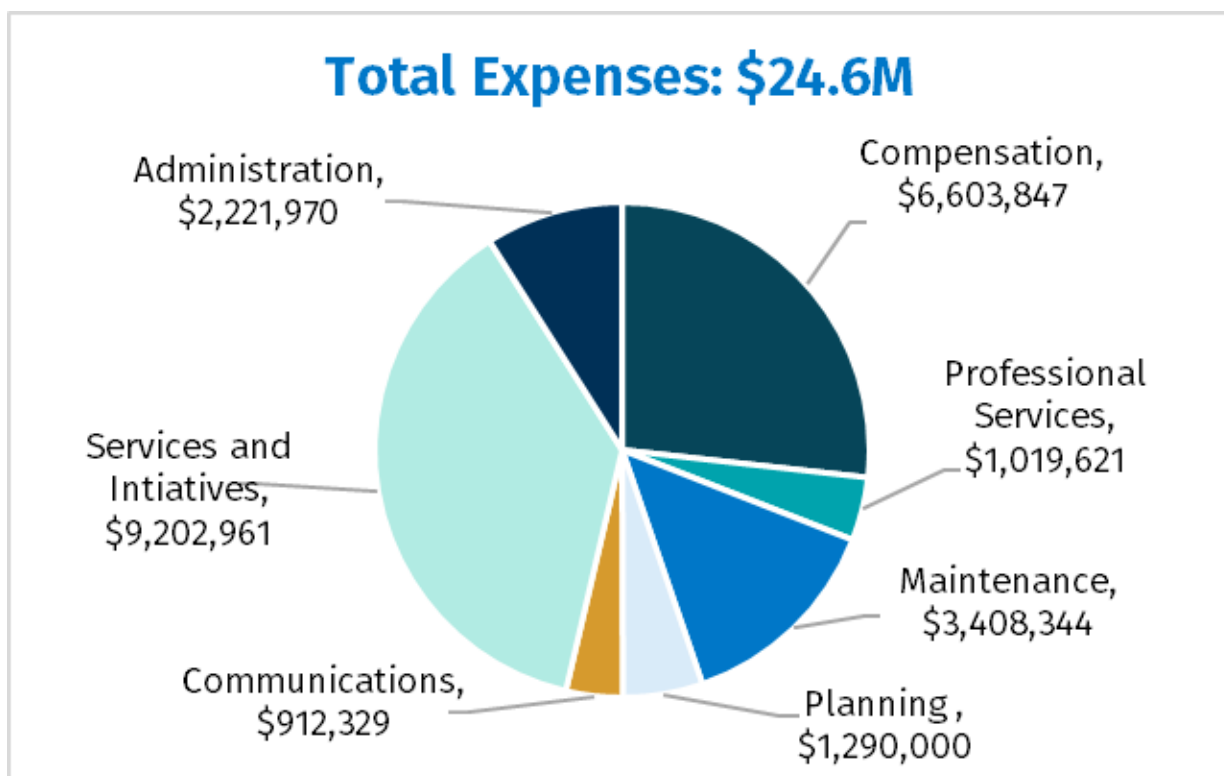
# FY26 Expenses

## Cost Centers

This budget reflects planned, reallocated, and discovered expenses from year one of learning QLINE operational and maintenance needs. RTA reduced administrative costs (legal, finance, audit, HR) from integration efficiencies between its two cost centers, Regional Services and QLINE operations. These savings are being reinvested in the QLINE maintenance program. RTA anticipates a cash reserve of approximately \$500,000 outside the budget at the beginning of FY2026.

**Regional Services:** Regional Services include administration, program, planning, communications, and marketing. To support a growing workload, additional staff are planned to increase to 12 FTE. Allocations for communications, marketing, and planning will also increase to manage new grant funding projects and expand RTA's engagement, reach, and impact. Strategic planning is a new board priority and initiative.

**QLINE:** Personnel costs reflect operators' and maintenance team members' need to provide ongoing service and maintain well-functioning streetcar vehicles; parts supply remains a significant budget expense. Capital improvements increase spending on deferred streetcar system maintenance items like brake overhauls, new chillers, concrete repairs, signage and striping upgrades, and aging technology infrastructure replacement and maintenance.



# Budget Detail - Expenses

## Services & Programs Highlights

### Compensation

The RTA team comprises 59 employees with competitive salaries to retain and attract talent. Health insurance premiums increased by 18%. Union contracts are up for renewal in December 2026.

### Professional Services

RTA continues its partnership with Rehmann for financial services, including acting as Chief Financial Officer. As the agency grows, this budget includes migrating from our online financial management tools to an ERP system recommended by the FTA for larger transit agencies. Legal, financial audit, and human resource vendors remain consistent with price increases included in contracts up for renewal.

### QLINE Maintenance

This category includes funding to maintain the streetcars, the rail right-of-way, and the Penske Tech Center. Major cost items include funding for brake overhauls and chillers for all streetcars, concrete repairs for the rail right-of-way, and ongoing services like custodial, electrical, and track maintenance support.

### Planning Services

This category includes funding for a major update to the RTMP, the new Strategic Plan, and ongoing planning and engineering support for the QLINE.

### Communications Services

This category includes funding ongoing media relations services and marketing for D2A2, DAX, and QLINE. The marketing budget for these services has significantly increased.

### Services & Initiatives

This category includes funding for all Regional Services projects, including D2A2, DAX, MyRide2, Access to Transit, Mobility Wallet, and the Transit App. Everything but D2A2 and DAX is funded with specific discretionary grants.

### Administration

This budget category's most significant cost drivers are insurance premiums, technology services, and rent/utilities. Insurance premiums increased from 5% to 15%, to approximately \$900,000 across all policies. Limited insurers provide streetcar rail liability and are subject to marketplace pricing. RTA continues prioritizing safety and risk management to keep premiums as low as possible.

Technology upgrade pressures continue to increase as QLINE station and streetcar hardware and software reach ten-year end-of-life. Utilities mainly reflect DTE costs for powering the QLINE system.



# Revenue Projection

## Regional Services, D2A2, DAX Need Sustainable Funding Solutions

The RTA's ability to deliver on its strategic direction faces revenue realities. Over a dozen revenue sources, all restricted in some way, continue to rely on short-term and one-time funding. ARPA funding is diminishing and must be spent by 2029. New funding sources must be secured by 2028 to continue critical Regional Services that span planning, communications, and policy programming.

### ARPA Must Be Spent By 2029

	2026	2027	2028	2029	2030
ARPA	\$6,774,017	\$6,712,057	\$6,856,116	\$4,411,527	\$0
LBO	\$2,229,507	\$2,209,114	\$2,256,527	\$1,734,268	\$0
Other	\$955,449	\$974,889	\$994,912	\$1,015,536	\$1,036,778
Revenues	\$9,958,973	\$9,896,060	\$10,107,555	\$7,161,331	\$1,036,778
Expenses	\$9,689,904	\$9,896,060	\$10,107,555	\$10,324,541	\$10,547,175
Over/(Under)	\$269,069	\$0	\$0	(\$3,163,210)	(\$9,510,396)

## Midway Through ARPA: Confronting Financial Constraints

RTA has been fiscally disciplined to make every ARPA dollar count, extracting as much value as possible from federal money to deliver results. RTA leadership has laid the ground for longer-term, future improvements by strategically aligning talent, programs, services, and projects to advance regional transit improvement goals. Becoming owners and operators of the QLINE accelerated significant growth and transition of RTA's business operations.



The agency's ability to maintain or advance board priorities and investments will diminish next year. The board's Strategic Planning initiative is designed to identify the answer to "What comes after ARPA?" Outcomes from the Strategic Plan will balance the impact of the RTA with a sustainable funding model and a pathway to achieving it.



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1001 Woodward Avenue  
Detroit, MI 48226



**RTA FY 2025-2026 Budget**

## BOARD OF DIRECTORS MEMORANDUM

**TO:** RTA Board of Directors

**FROM:** Melanie Piana, Program Director

**SUBJECT:** Contract Award - Indian Trails, Inc., dba Michigan Flyer, Express Bus Services

**DATE:** September 10, 2025

**REQUESTED ACTION:** Board of Directors Approval

**Approval Request:** This memo seeks board approval to enter a one-year contract with Indian Trails, Inc, dba Michigan Flyer from October 1, 2025, to September 30, 2026, with up to two (2) one-year renewal options through FY 2028 for D2A2 and DAX Express Bus Services. The total contract price for three years is a do not exceed \$16,480,407.

**Procurement Process:** The RTA launched the Detroit–Ann Arbor Express (D2A2) in 2022 and the Detroit Air Xpress (DAX) in 2024. To achieve efficiencies, the RTA issued a Request for Proposals (RFP 2025-004) to consolidate both services into one contract. This solicitation followed RTA's procurement policy for goods and services over \$250,000, the federal threshold for a formal RFP process.

The Evaluation Team included the Executive Director, Planning & Innovation Director, Transit Planning Manager with project management support from the Program Director and HNTB Consultant. One proposal was received on August 25, 2025, and evaluated and scored for capacity and resources, experience and qualifications, technical approach, and price.

**Selection Rationale:** Indian Trails, Inc. dba Michigan Flyer was the only bidder. They were reviewed against the criteria and selected based on how they were evaluated.

**Scope of Work:** The selected contractor will operate both the D2A2 and DAX services under a single contract. Core vendor responsibilities continue to include for both D2A2 and DAX:

- Providing and maintaining highway coach vehicles with ADA accessibility and passenger amenities such as Wi-Fi, charging ports, and bike compartments.
- Operating reliable express routes with established schedules serving commuters, airport travelers, and eventgoers.
- Managing fare collection and reservations, including integration with the Transit App and support for advance and cash payments.

- Coordinating with RTA, local transit providers, and the Wayne County Airport Authority to ensure seamless connections.
- Submitting regular ridership, revenue, and performance reports and complying with all FTA and safety regulations.

Service hours continuation:

D2A2:

- Continuation of 16 round trips/day of non-stop service between Grand Circus Park (Detroit) and the Blake Transit Center (Ann Arbor) with daily service throughout the year excluding certain holidays.
- Includes 3 buses to operate plus one spare bus with 49.75 daily service hours on weekdays and 30 daily service hours on weekends.

DAX:

- Includes the continuation of 16 round trips/day of non-stop service between downtown Detroit and Detroit Metro Airport with 365 days/year service.
- Includes 2 buses to operate plus one spare bus with 37.25 total daily service hours, seven days per week.

Marketing Changes:

Responsibilities that have changed and are excluded from this contract include marketing and communications, which were previously an option provided through Indian Trails' sub-contracted marketing firm. RTA will lead a new procurement in Q4 to combine marketing services for QLINE, D2A2 and DAX.

**Budget Impact:** Indian Trails Year 1 (10/1/2025-9/30/2026) contract price is a fixed price for a total of \$5,331,912. For Year 2 (10/1/2026- 9/30/2027) and Year 3 (10/1/2027-9/30/2028) prices reflect a 3% inflationary increase each year to cover variable costs (principally fuel and insurance).

#### Contract Price Summary

Gross Service Cost	Gross Monthly Cost	Year 1 (25-26)	Year 2 (26-27)	Year 3 (28-29)	Total
D2A2	\$ 248,858	\$2,986,291	\$3,075,880	\$3,168,156	\$ 9,230,327
DAX	\$ 195,468	\$2,345,621	\$2,415,990	\$2,488,469	\$ 7,250,080
	<b>Total</b>	<b>\$5,331,912</b>	<b>\$5,491,869</b>	<b>\$5,656,625</b>	<b>\$ 16,480,407</b>

## BOARD OF DIRECTORS MEMORANDUM

**TO:** RTA Board of Directors

**FROM:** Julia Roberts, Planning & Innovation Director

**SUBJECT:** D2A2 Additional Stop Analysis

**DATE:** September 12, 2025

**REQUESTED ACTION:** None - Board of Directors Information

**Approval Request:** None. This is an information item.

**Background Information:** The D2A2 service started in October 2021 with a goal of creating an express transit connection between downtown Detroit and downtown Ann Arbor. The service has been an overwhelming success to date. That success includes a 44% ridership increase and a 96% rider approval. At the June Board meeting, the Board requested staff to analyze two potential additional stops; one at Michigan Central in Corktown Detroit, and another at Wayne State University in Midtown Detroit. This memorandum and attached presentation lay out that analysis.

**Additional Stop Analysis:** Staff looked at several different elements and data sources to determine if either of the additional stops would benefit the service. This included examining the following, and it detailed in Attachment A.

- Are there existing travel patterns between Ann Arbor and Detroit that we are not capturing, and are there any future areas that we should consider serving?
- Will an additional stop impact the core principle of express operation between downtown Ann Arbor and downtown Detroit?
- Does the service need significant change to boost ridership? What have riders told us about adding a stop?
- What is the cost of adding an additional stop?
- What are some next steps that we should consider to improve the service?

This analysis concludes that it would not benefit the service to add a stop at any location at this time. It further indicates that a mid-corridor stop (such as in the Livonia/Plymouth area) could be a reasonable addition in the future. Additional items that staff will examine to continue to improve the service are adding/improving terminal point shelters, re-examining park-and-ride options, integrated marketing campaigns, integrations with the Transit app, and looking at bus-on-shoulder operations.

Funding drops off for the service as it stands in a couple of years, so any decisions that increase costs need to bring in more ridership, pay for itself, and/or add new partner revenue.

**Attachments:**

1. RTA D2A2 additional stop analysis - 2025 summary presentation



# D2A2 Additional Stop Analysis

**Julia Roberts**  
**Planning & Innovation Director**

September 12, 2025



**Regional Transit Authority**  
**Of Southeast Michigan**

# What We'll Cover

- Key Points
- Existing Conditions
- 2024 Survey Results
- Additional Stop Analysis
- Next Up





# Key Points



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# Key points

- D2A2 captures a major share of Ann Arbor-Detroit trips.
- The service is connected to key transfer points, like Grand Circus Park.
- Additional stops will add additional time and cost.
- A mid-corridor stop could support a base not currently served by transit.
- Sustainable funding is needed for the longer-term by or before FY 2028.



# Existing Conditions



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# D2A2 Service Stats

- As of 2024 data, there is an average of 230 passenger trips per day.
- Service travels between Detroit and Ann Arbor using either I-94 or I-96.
- Trips depart each location every 45-60 minutes during peak travel times and headways are 90 minutes or more off-peak.
- From 2023 to 2024, D2A2 ridership increased 44% and continues to grow in 2025.

# D2A2 Operational Strategy

- A strength of the current service is speed and flexibility. Operators can adjust the route to cut down on delays related to congestion or construction.
- The current alignment of the Ann Arbor and Detroit stops allows for this flexibility and speed. If another stop was added it will create constraints and cause delays to service.
- In most cases drivers use I-96, unless there is an operator shift change at Romulus, then a few times per day I-94 must be utilized.
- The cost to operate D2A2 currently is ~\$2.5M/year



# 2024 Survey Results

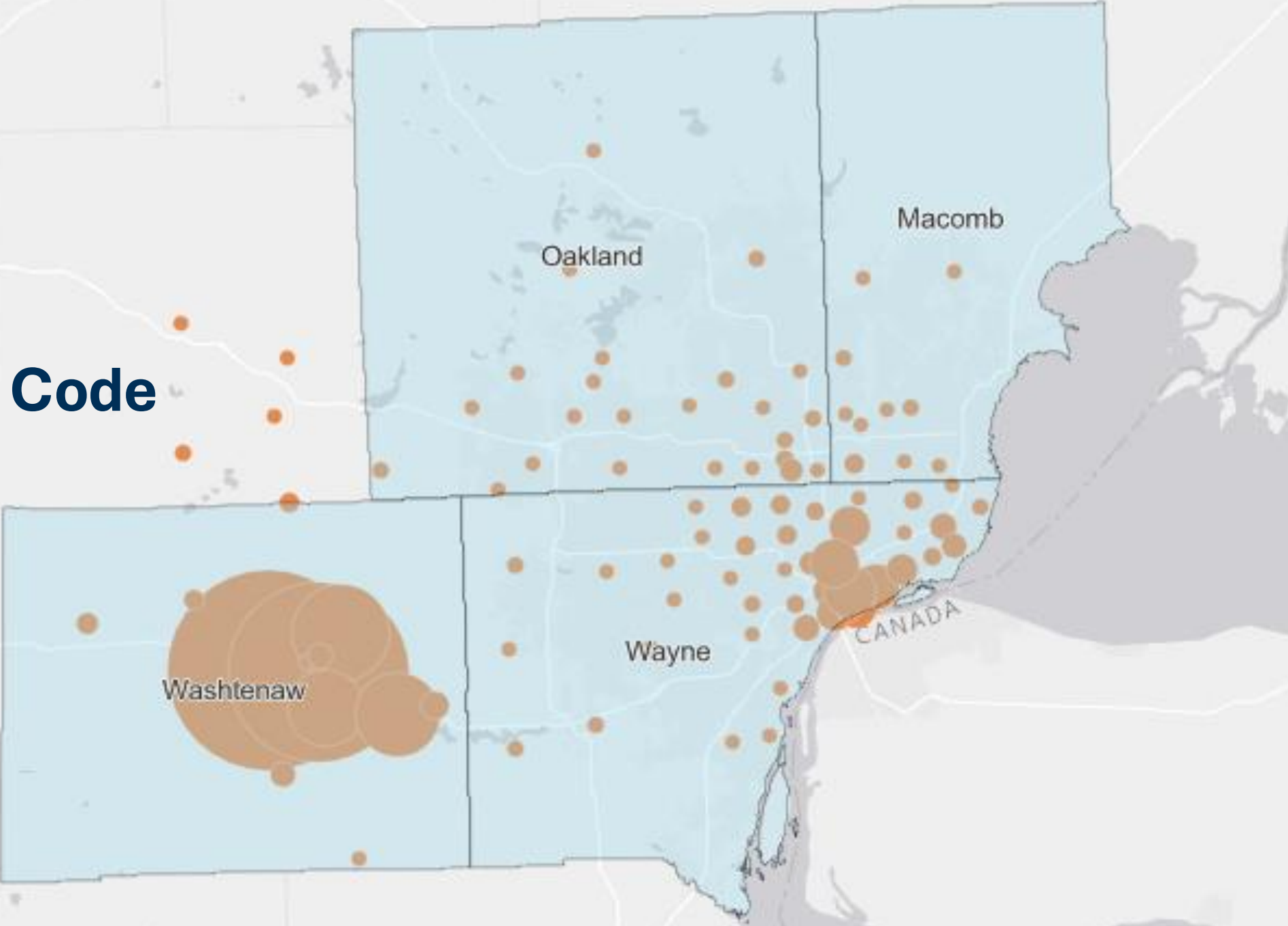


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# 2024 Survey Results

- 96% of respondents are satisfied with D2A2 service.
- Survey captures over 10% of monthly ridership.
- 27% of respondents said that they could not make the trip without D2A2.
- ~50% are uncertain or opposed to adding a new stop.
- Respondents voiced concerns centered on delays and additional trip time due to the insertion of another stop.

# 2024 Survey Results By Zip Code







# Additional Stop Analysis



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# Analysis

- SEMCOG modeled from 2025 to 2050 that travel is anticipated to grow from Ann Arbor to Detroit by 10% and from Detroit to Ann Arbor by 7%.
- Along the I-96 corridor, initial analysis includes Livonia as one of highest trip locations.
- Along the I-94 corridor high growth potential trip locations include Ypsilanti, Western Wayne County, West Dearborn, and East Dearborn.
- According to Michigan Flyer and Remix data, service for an additional stop is estimated to cost \$390k.

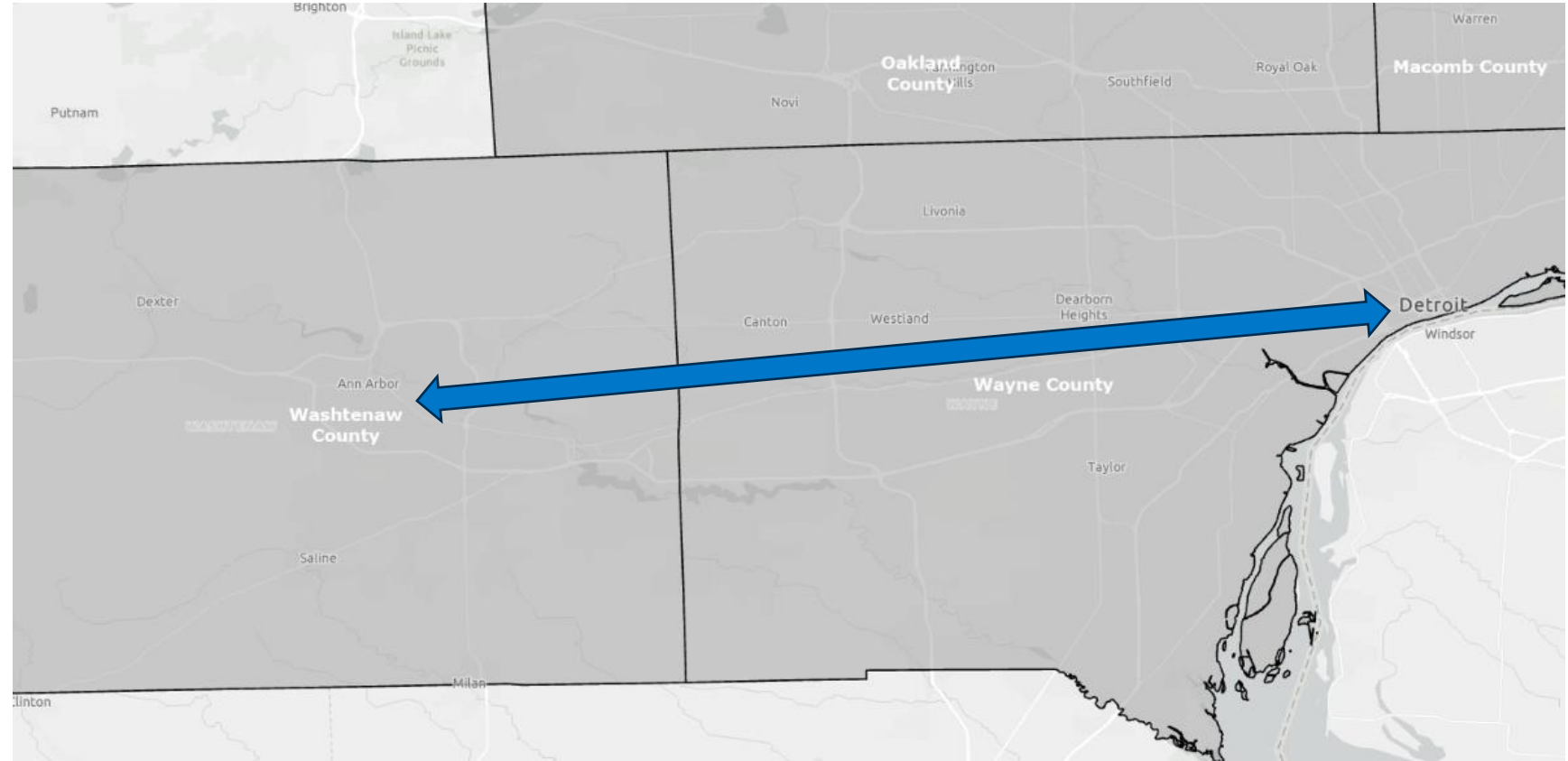
# Ann Arbor to Detroit Travel Market

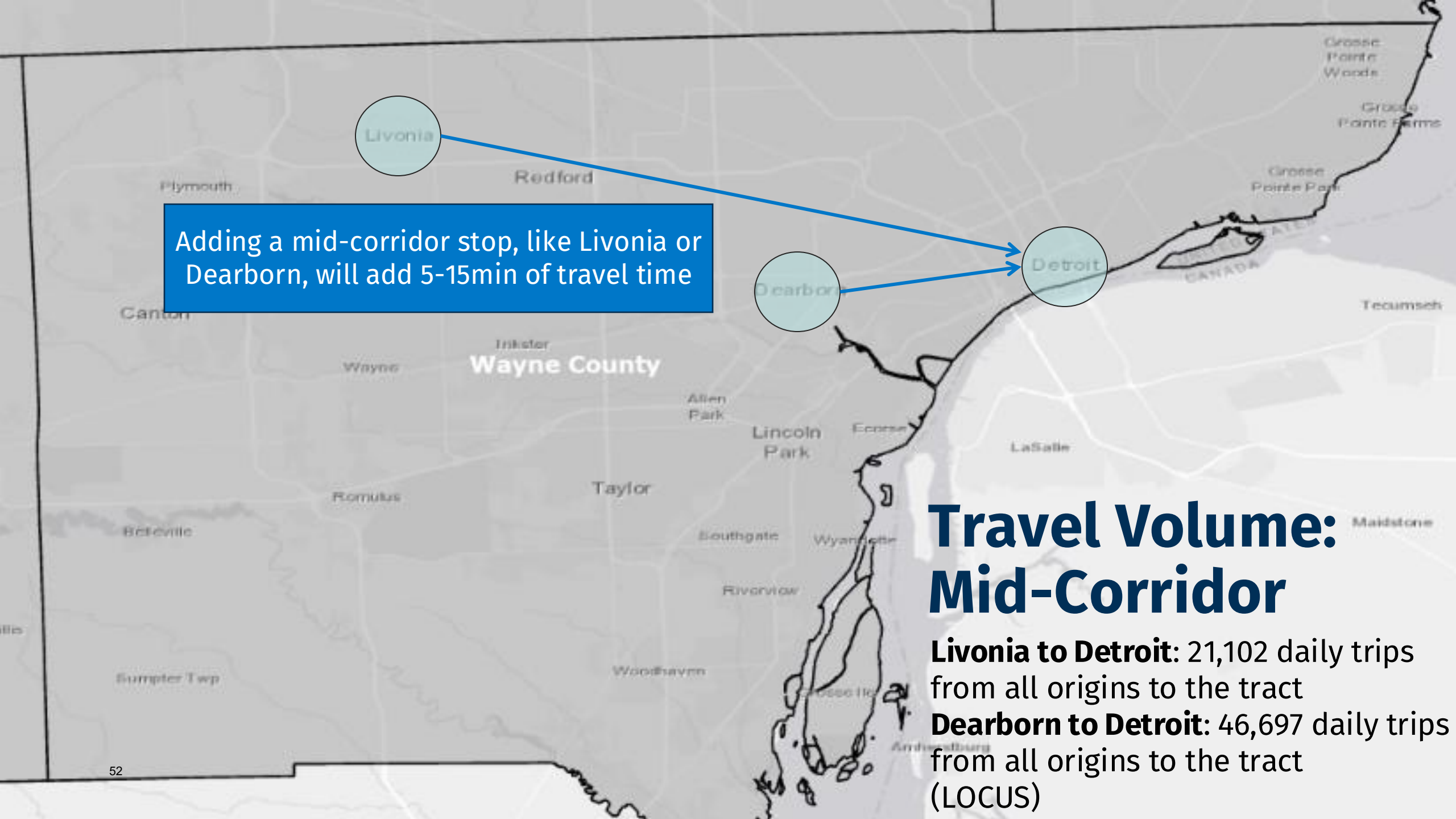
## Ann Arbor to Detroit:

**~2,760** daily trips from city to city

~1,000 daily trips exist in each direction between census tracts and D2A2 already captures a significant share

LOCUS is a transportation analytics platform that uses anonymized, aggregated mobile location data combined with traditional datasets to reveal travel patterns.



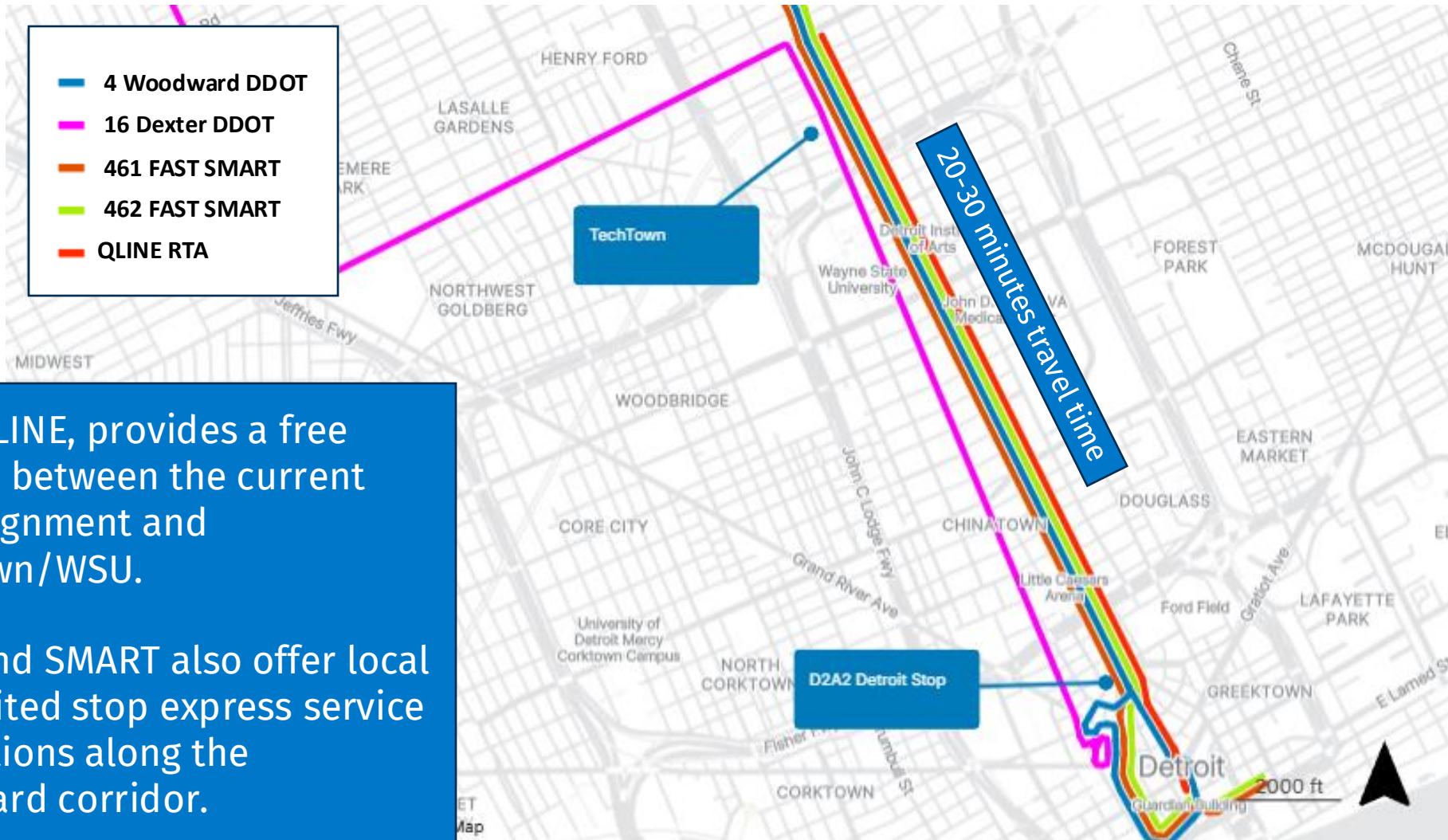


Adding a mid-corridor stop, like Livonia or Dearborn, will add 5-15min of travel time

# Travel Volume: Mid-Corridor

**Livonia to Detroit:** 21,102 daily trips from all origins to the tract  
**Dearborn to Detroit:** 46,697 daily trips from all origins to the tract (LOCUS)

# Existing Connectivity – TechTown/WSU

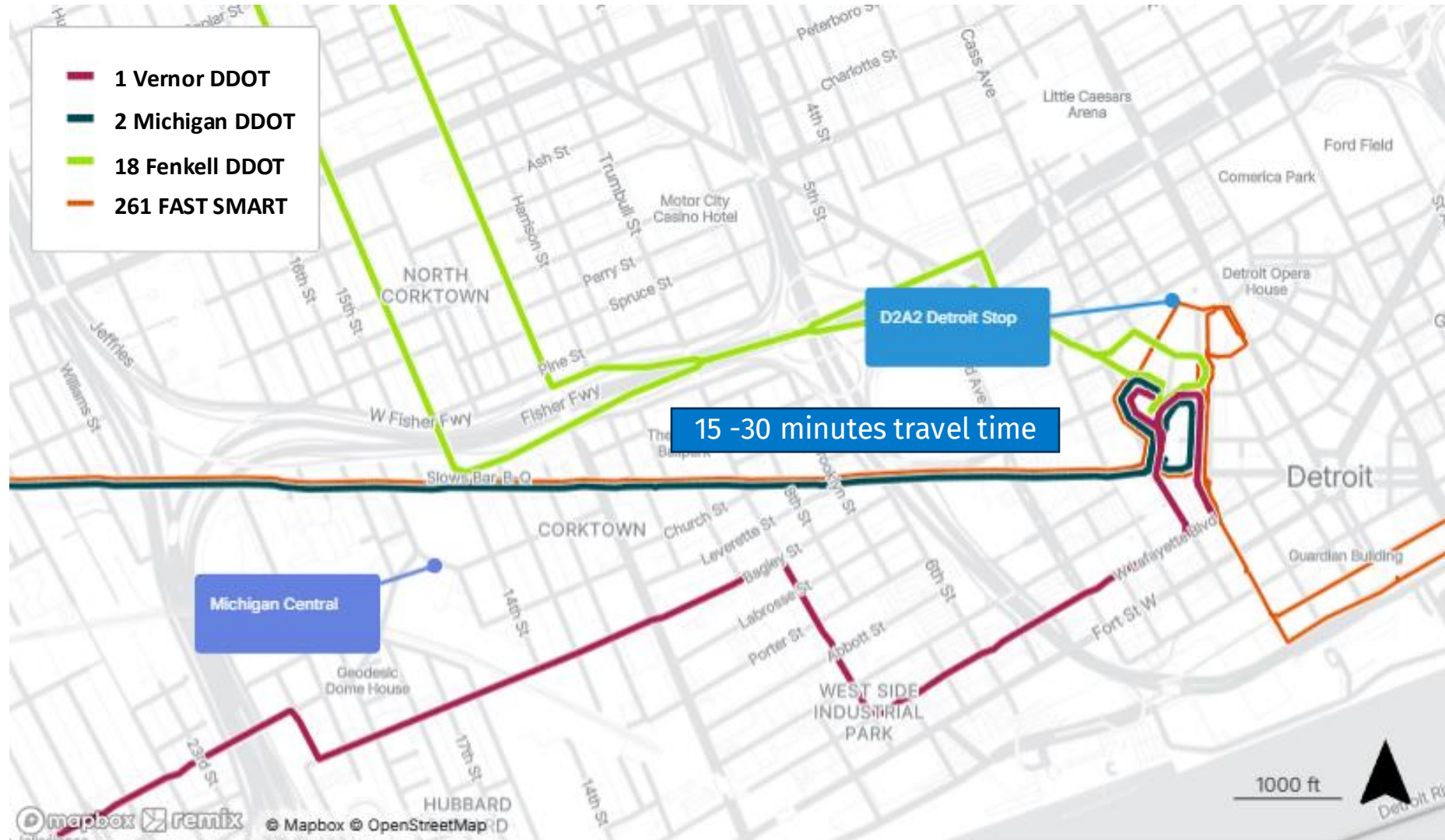


RTA's QLINE, provides a free transfer between the current D2A2 alignment and TechTown/WSU.

DDOT and SMART also offer local and limited stop express service connections along the Woodward corridor.



# Existing Connectivity- Michigan Central





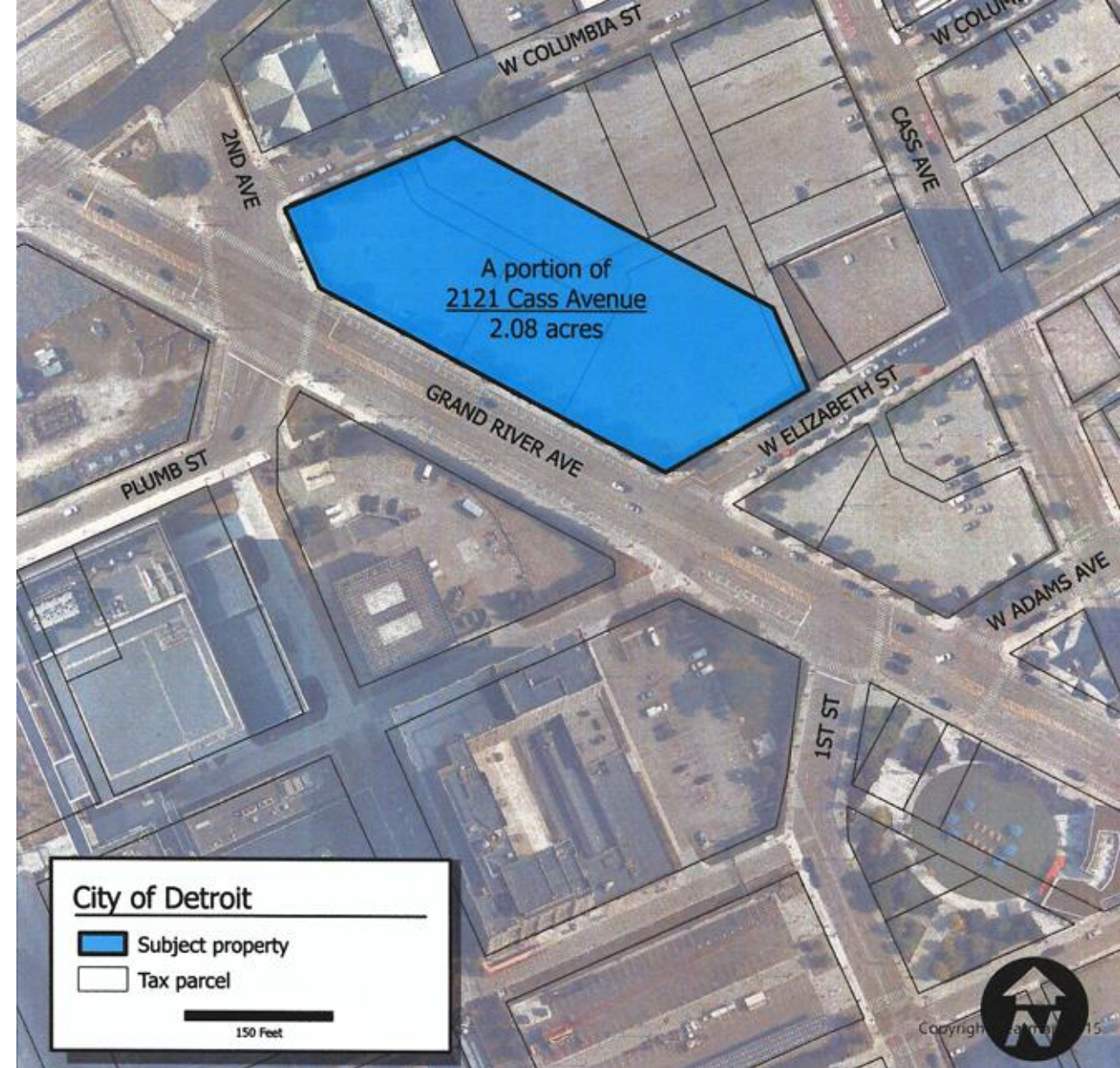
# Next Up



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# Next Up

- Survey updates and express bus-on-shoulder analysis this fall.
- Seeking to add a shelter in Detroit with a Park & Ride in Downtown Ann Arbor and Detroit in 2026.
- For 2027, UM is building a Center for Innovation nearby and dorms next to our Downtown Detroit D2A2 stop.
- Our team will continue analyzing LOCUS data and reviewing SEMCOG modeling updates regularly.







**Thank you!      Questions?**



**Regional Transit Authority  
Of Southeast Michigan**



## BOARD OF DIRECTORS MEMORANDUM

**TO:** RTA Board of Directors

**FROM:** Julia Roberts, Planning & Innovation Director

**SUBJECT:** Regional Community Survey

**DATE:** September 12, 2025

**REQUESTED ACTION:** None - Board of Directors Information

**Approval Request:** None. This is an information item.

**Background Information:** In January through March 2025, the RTA worked with CJI Research to conduct a region-wide survey. Previous region-wide surveys were conducted in 2015 and 2021. This year's representative community survey was a 15-minute phone-based and text-to-web with 40 multiple-choice questions for statistically significant results. It included riders and non-riders, along with demographic questions, as well as county-by-county breakdowns utilizing voter registration municipality information. The purpose of the survey involved asking about a few key areas of regional transit awareness, interest, and levels of importance, including:

- Ranking Regional Transit Master Plan (RTMP) top ten investment priorities,
- Evaluation of personal potential to use improved transit
- Perception of community benefit of improvements
- Choosing between four either/or policies
- Rating the importance of providing transit access to eight locations/services

### **Summary of Results:**

#### General Perception of Transit

87% of the 1,400 regional respondents to the survey indicated improvements in public transportation are perceived as providing a significant or very major benefit to the four-county region as a whole, regardless of whether they may use the services themselves. This is an increase of around 10% support for transit regionally, since the initial survey about a decade ago as the RTA was first getting started.

#### Priority Issues



Access ranked as most important related to transit, across the board, namely access to jobs and access to doctors and medical clinics, followed closely by access to schools.

### Investment Priorities

Of the region's top ten transit investment priorities, all were so closely aligned in terms of high preference, such that the differences were negligible. In other words, our team is heading in a better direction where residents would like us to grow in moving people, strengthening access, and enhancing experience as much as possible to a greater degree.

### Trade-offs

The balance of not knowing a distinct difference between community priorities means that all are important and the RTA will need to increasingly order which initial activities we pursue as part of the 2025 RTMP update and with potential for scenario planning in 2026, pending Board desired direction from our organizational Strategic Plan.

### Outcomes

Our key conclusions from this survey are:

- People overwhelmingly agree that improving transit is a benefit to the region.
- We can continue to hone it on workforce, healthcare, and education access as key issues that resonate with people.
- We need to continue refining the impacts of potential investments and further identifying trade-off details.
- Linking more clearly to the key issues through developing performance indicators for on-ramping more specific project scenarios would be a great next step.

### **Attachments:**

1. RTA Community Survey results summary presentation



# Regional Community Survey

**Julia Roberts**  
**Planning & Innovation Director**

September 12, 2025



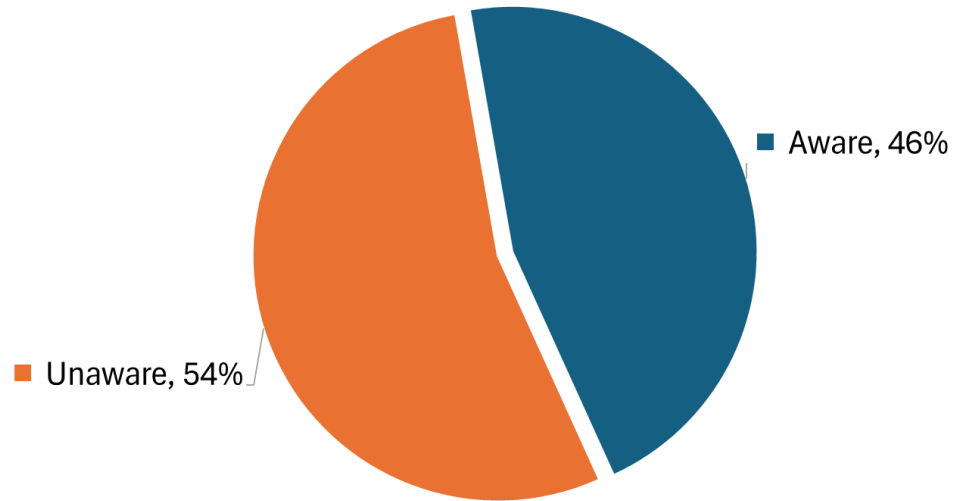
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# Framing

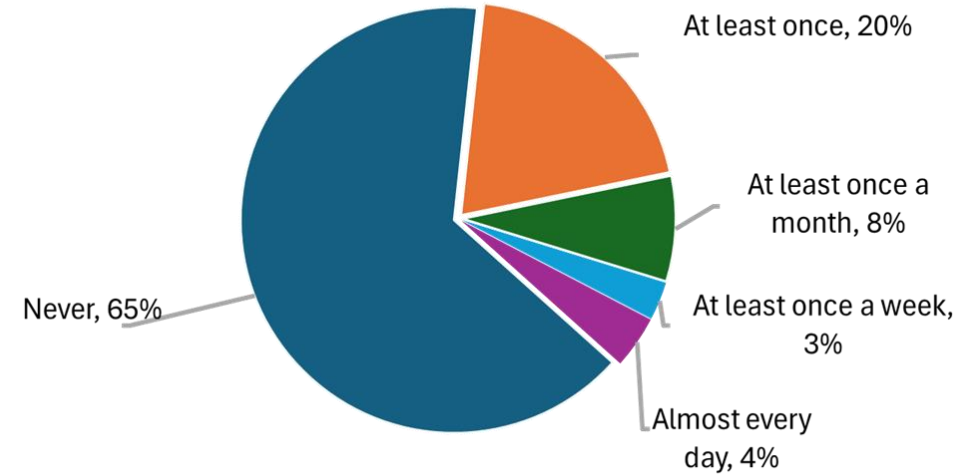
- Overview – what people think about transit in general
- Areas of Transit that Matter Most – access to work, health, and school
- Priorities for Investment – safety, predictability, seniors and disabled services
- Trade-offs

# Basics: Awareness & Utilization

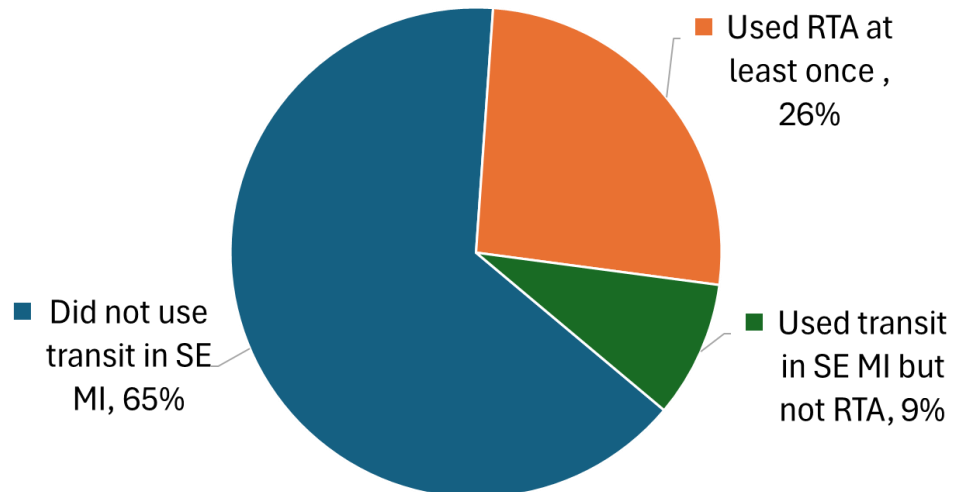
Awareness of RTA



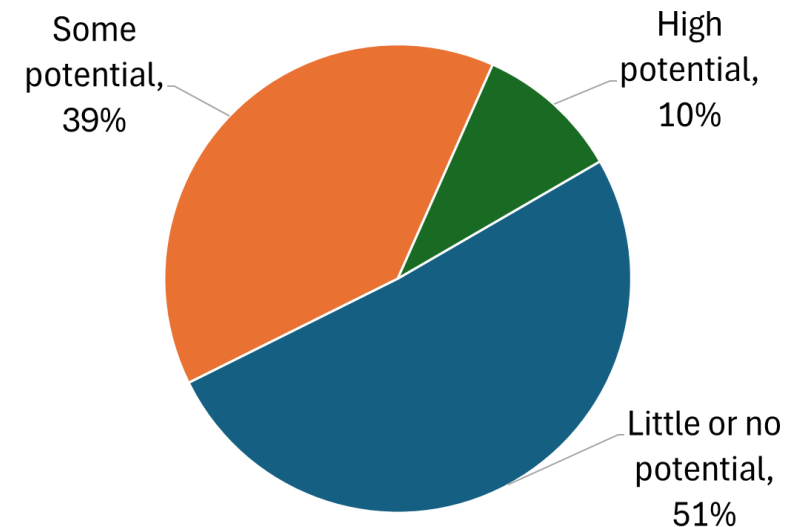
Q24. In the past year how often have you used public transportation in Southeast Michigan?



Use of RTA systems in the past year

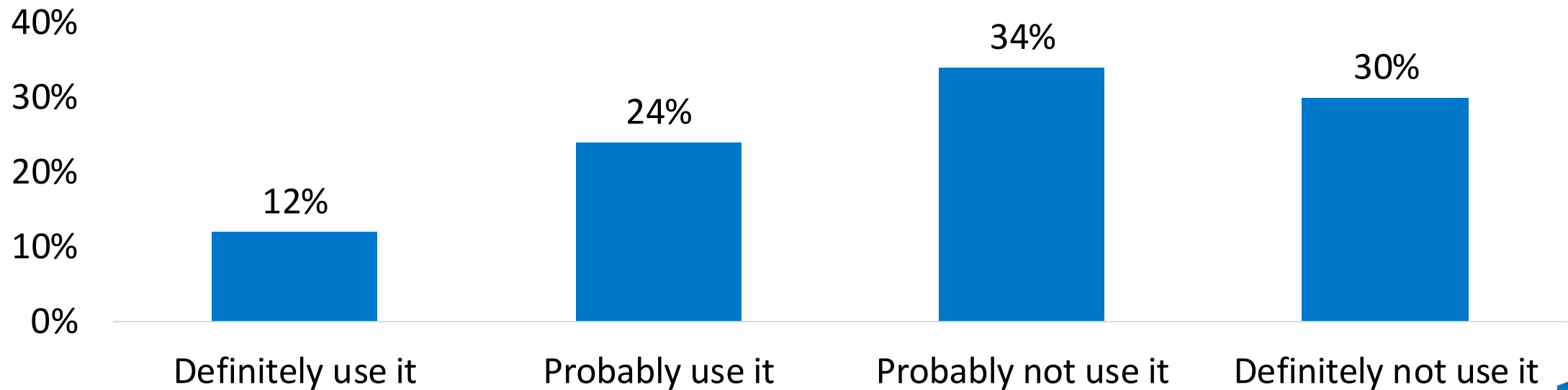


Potential to use public transportation



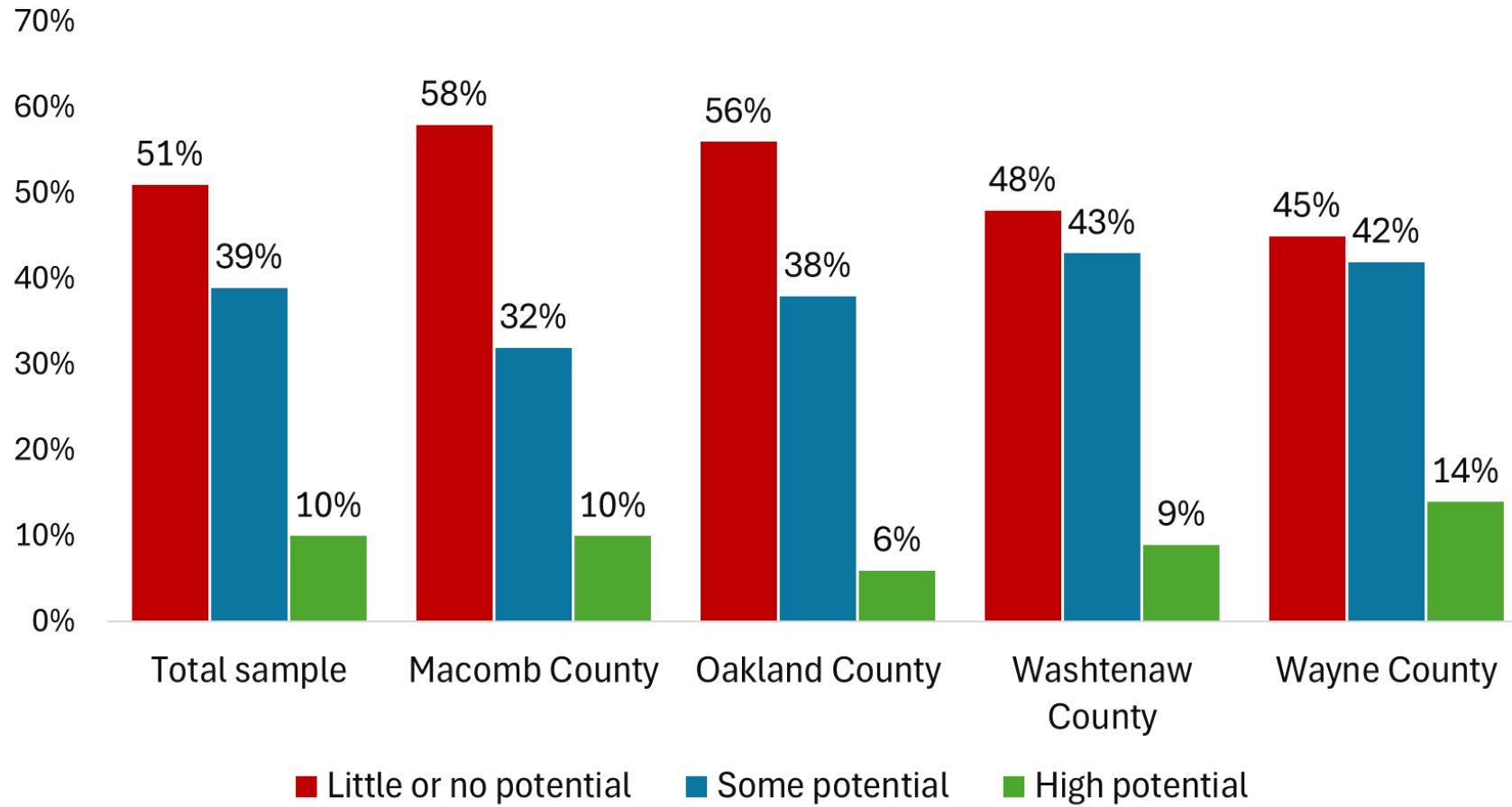
# Self-Reported Potential to Use Public Transportation

Q26. Thinking realistically about your transportation needs, if most of the improvements I have asked you about were made, how likely is it that you would use public transportation once a month or more? Would you...



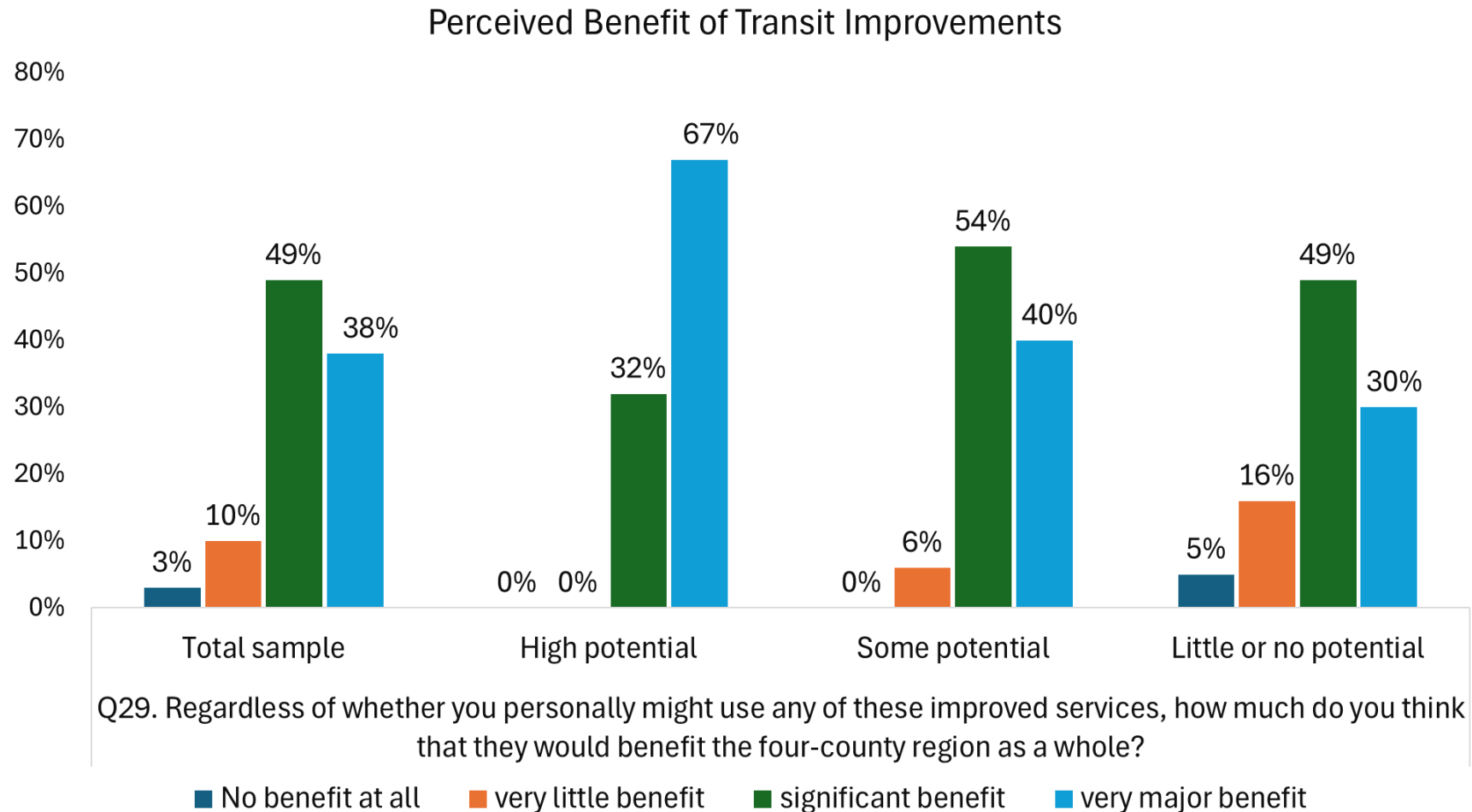
# Potential to use public transportation

Potential for Using Public Transit, by County



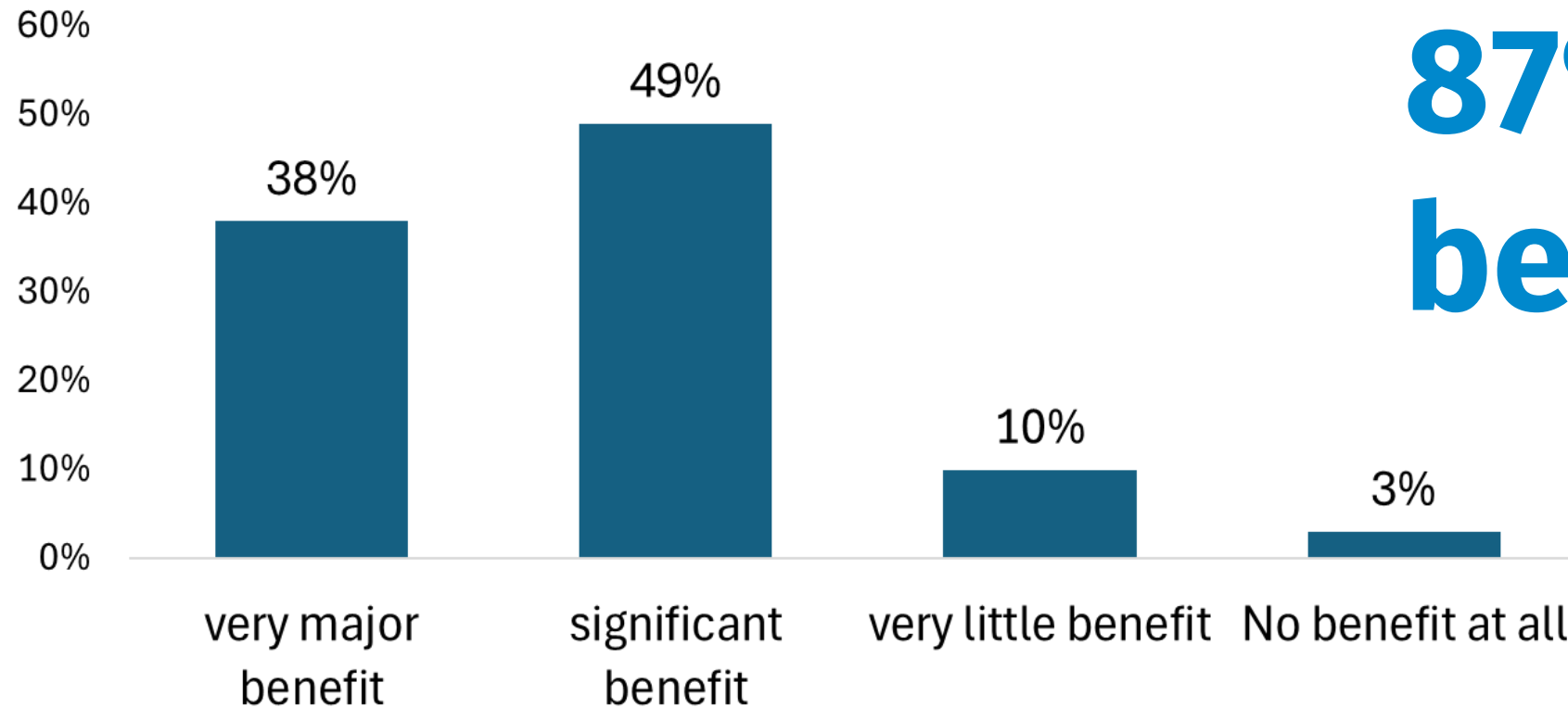


# Perceived Community Benefit, and Potential to Use Improved Public Transportation



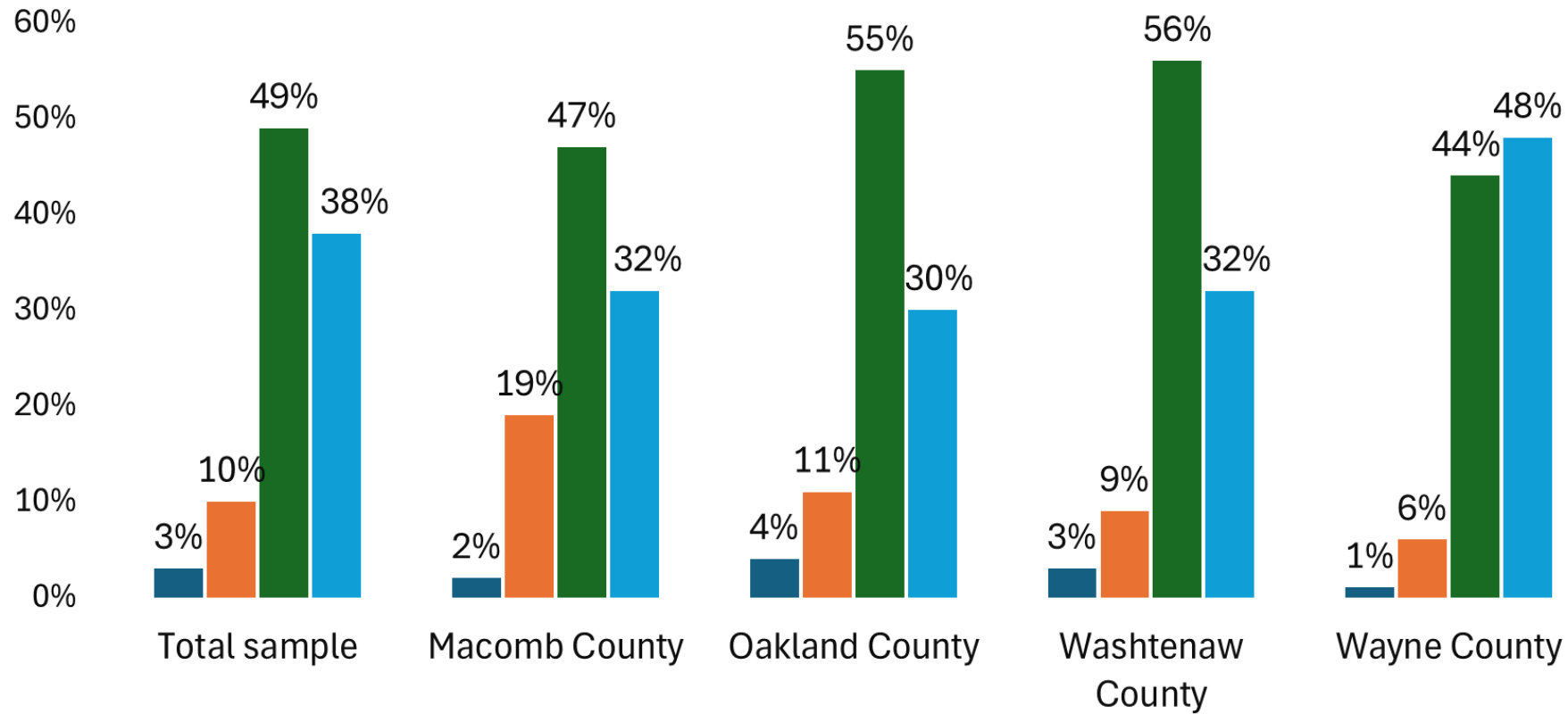
# Benefit of Transit Improvements

Q29. Regardless of whether you personally might use any of these improved services, how much do you think that they would benefit the four-county region as a whole? Would they provide...



**87% see  
benefit!**

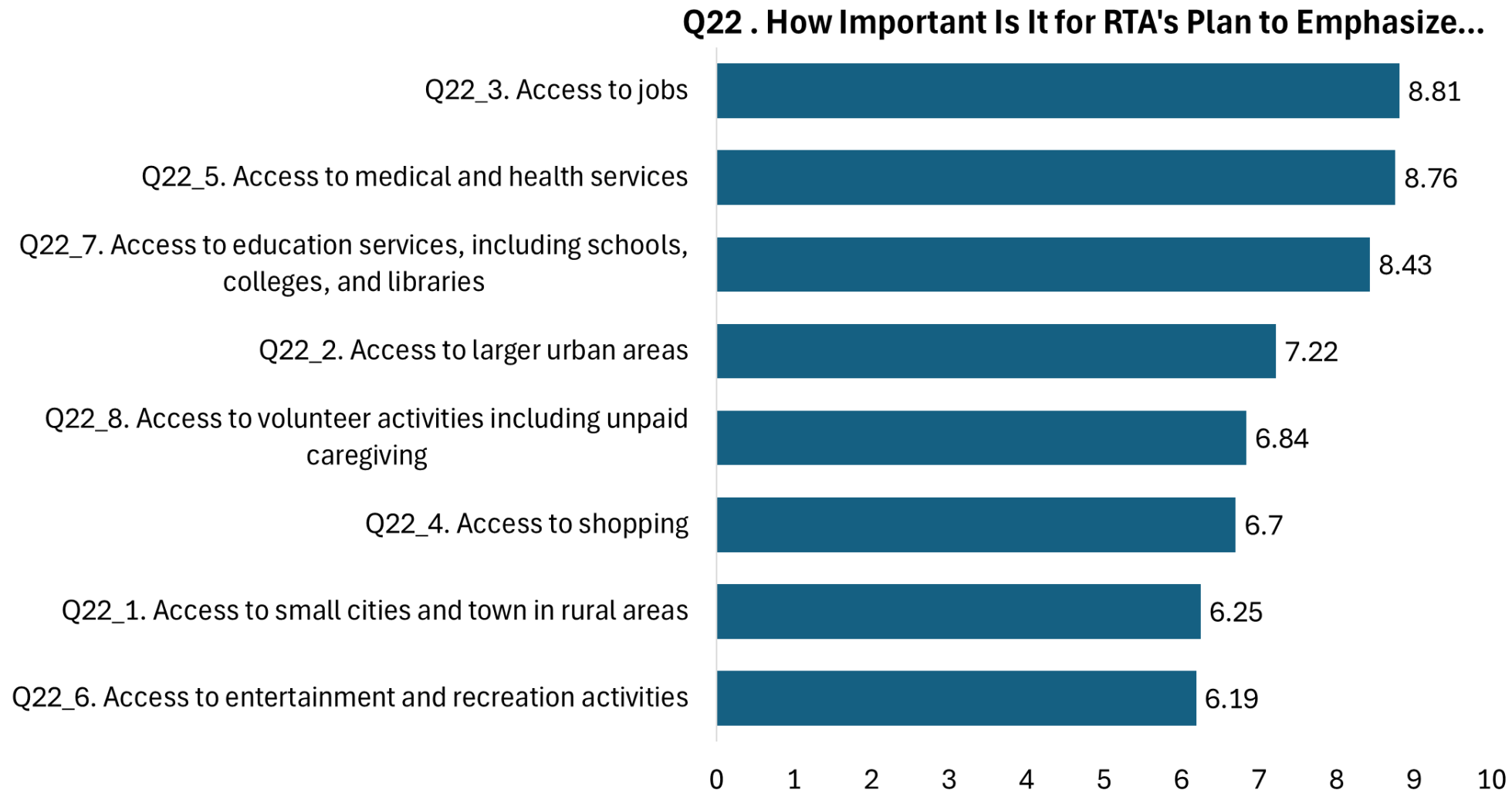
# Perceived benefit of transit improvements



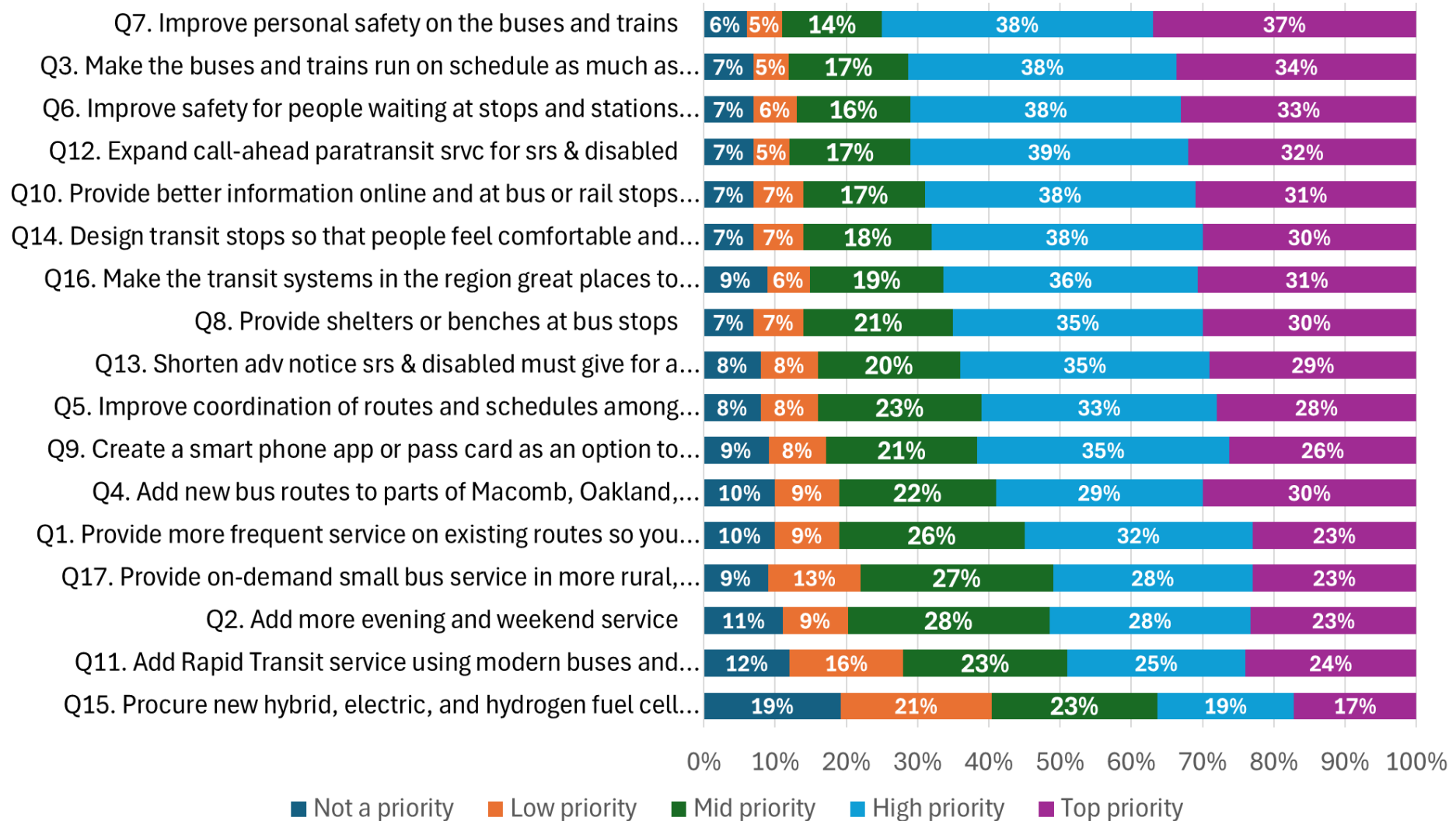
Q29. Regardless of whether you personally might use any of these improved services, how much do you think that they would benefit the four-county region as a whole?

■ No benefit at all   ■ very little benefit   ■ significant benefit   ■ very major benefit

# Mean Ratings of Importance to Emphasize Each Type of Access in the Transit Plan? (Ten-point scale where 1 is not important at all and 10 is extremely important)



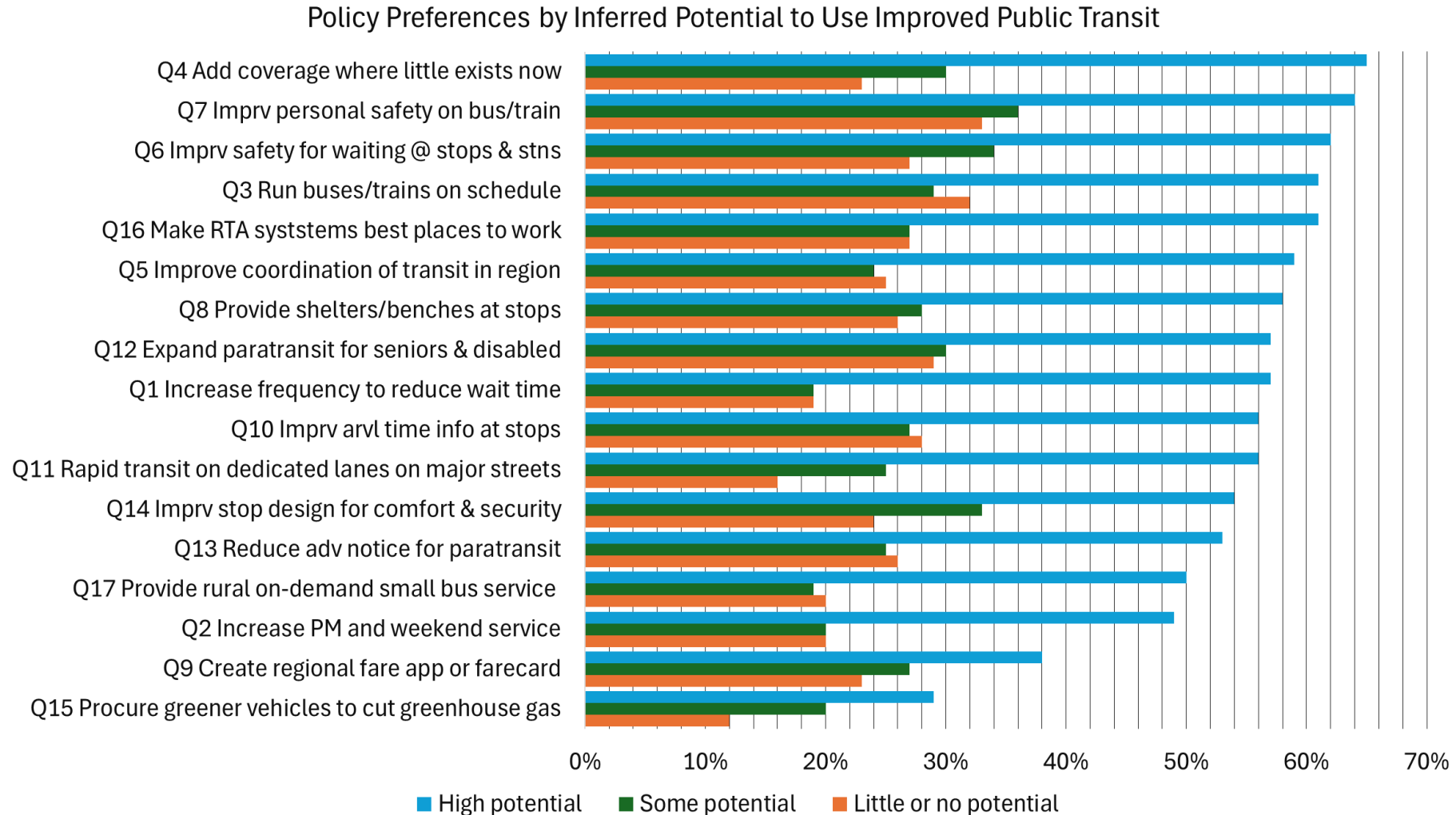
# Improvement priorities



# Planning Priorities (%)

## by Inferred Potential to Use Public Transportation

(In descending order of percentage rating each plan component as a “Top Priority.”)





**Thank you!      Questions?**



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