

**SUBURBAN MOBILITY AUTHORITY FOR REGIONAL
TRANSPORTATION
BOARD OF DIRECTORS MEETING**

APPROVED MINUTES – December 6, 2018

A regular meeting of the Board of Directors of the Suburban Mobility Authority for Regional Transportation (SMART) was held on Thursday, December 6, 2018 at 2:00 PM. The meeting was held at the Buhl Building, 535 Griswold, Suite 600, Detroit, MI 48226.

ATTENDANCE

SMART Board of Directors:	Chairman	Mr. John Paul Rea
	Vice-Chairman	Mr. Robert Daddow
		Mr. Abdul Haidous
		Mr. Royce Maniko
		Mr. Gerald Poisson
		Ms. Melissa Roy
Absent Board Members:		Mr. Khalil Rahal
SMART Board Secretary:		Ms. Tiffany Martin-Patterson
SMART General Manager:		Mr. John Hertel
SMART Staff Present:		Ms. Haley Barrett
		Mr. Ronald Beier
		Mr. Austin Colson
		Mr. Robert Cramer
		Ms. Beverly Crockett
		Mr. Steve Dobbins
		Mr. Ian Holme
		Ms. Lynn Hurt
		Mr. Joe Kim
		Mr. David Sabuda
		Ms. Kirsten Silwanowicz
		Ms. Leeya Sutter
		Mr. Darrell Taylor
		Mr. Andrew Thorner
		Ms. Patty Waling
		Ms. Malindia Westbrook

Public Registered: Passenger
Passenger (Detroit)
Plante Moran
Plante Moran

Mr. Eugene Conway
Ms. Lisa Milewski
Ms. Pam Hill
Mr. Keith Szymanski

1. Call to Order

Chairman Mr. John Paul Rea called the meeting to order at 2:15 PM.

A) Pledge of Allegiance

2. Roll Call

Present: Chairman Mr. John Paul Rea, Vice-Chairman Mr. Robert Daddow, Mr. Abdul Haidous, Mr. Royce Maniko, Mr. Gerald Poisson, and Ms. Melissa Roy

Absent: Mr. Kahlil Rahal

A quorum was present.

3. Adoption of Agenda

MOTION: Moved by Mr. Royce Maniko, seconded by Mr. John Paul Rea, to approve the Agenda for December 6, 2018 meeting.

DISCUSSION

Item number 11(A), authorization to purchase network computer communication switches and management software, was removed from the Agenda.

VOTE: THE MOTION CARRIED.

4. Certification of Public Notice

The Secretary read the Public Notice into the record.

5. Minutes

A. Board Meeting Minutes for October 25, 2018

MOTION: Moved by Mr. Gerald Poisson, seconded by Mr. Royce Maniko, to approve the meeting minutes for October 25, 2018.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

B. Audit Committee Meeting Minutes for October 25, 2018

MOTION: Moved by Mr. Robert Daddow, seconded by Mr. Gerald Poisson, to approve the meeting minutes for October 25, 2018.

DISCUSSION:

None

VOTE: THE MOTION CARRIED.

6. Public Participation

Chairman Mr. John Paul Rea declared the meeting open for Public Participation.

DISCUSSION:

➤ Ms. Lisa Milewski, Passenger (Detroit)

Ms. Milewski voiced her concerns about a SMART driver passing up a handicap passenger on Ford Road in inclement weather. She confronted the bus driver about the situation and she stated that his response was that he didn't have time for her today. Ms Milewski called a taxi with a lift to take the passenger where she needed to go and requested SMART install more bus shelters.

7. Chairman's Report

DISCUSSION:

None

8. General Manager's Report

DISCUSSION:

Mr. John Hertel reported on the following:

- SMART's Comprehensive Operations Analysis, called "SMART PATH," is in full swing. In the last month, the onboard passenger surveys were completed and SMART held four 'mobile workshops' out in the field over two days in November to engage riders where they are. A SMART Connector bus was stationed near each location to provide a warm, dry spot for people to step in and provide their input on SMART's fixed route system. The consultant team is also talking to SMART drivers, community stakeholders, and staff.
- Over half of the final set of 40 replacement buses has been delivered to the Oakland Terminal to start the process of being inspected and prepared for service. The contract for installations being considered by the Board will allow for a quick, consistent transfer of the electronics, including cameras, radios, and fare boxes, all without disrupting the full workload of SMART's maintenance staff on the current fleet. The new replacement buses should all be in service by early 2019.
- SMART participated in MICareerQuest, the largest ever single career fair in the region. Over 9,000 high school students from 100 schools across the region registered and were split across four sessions. A FAST bus and other bus technology were featured at SMART's spot in the "Information Technology" career quadrant, which attracted heavy crowds and lots of interested future grads.

Finance Department

- Finalized the annual independent financial audit for fiscal year 2017/18 and will be presenting it at the December 2018 Board meeting. This includes the Schedule of Expenditures of Federal Awards Report and the Required Communications letter to those in charge of governance
- Provided management with financial support for contract negotiations with various labor units.
- Detailed and documented the Capital Fund Accounting processes for the Triennial Report response and the independent audit along with documented internal controls and procedures.
- Filled externally the two open Senior Purchasing Agent positions.

Human Resources

- Began classroom training on October 15, 2018 for 10 Connector Operators.
- Began classroom training on October 29, 2018 for 23 Fixed Route Operators.

Retirements in November and December, 2018:

- 1 Fixed Route Operator and 1 Connector Operator will retire in November, 2018
- 2 Fixed Route Operators will retire in December, 2018

Filled Positions:

- 2 Senior Purchasing Agents
- 4 Coach Service and Shelter Attendants
- 1 Mechanic
- 1 Data Payroll Technician
- 1 Lead Telephone Information Operator
- 3 Customer Service Operators I
- 1 Customer Service Operator II
- 1 Attorney

9. Staff Report

DISCUSSION:

Mr. Robert Cramer informed the Board that SMART's procurement process is complex and needs to be updated. He asked the Board's preference on updates to either receive staff recommendations or for the Board to establish a committee to discuss the new procurement process. Ms. Melissa Roy stated she was excited to see the changes and Mr. Abdul Haidous said he supported the idea.

10. Financial Reports

A. Receive and file the Audited Financial Statement for the year ending June 30, 2018, including various Independent Auditor Reports dated November 15, 2018

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Robert Daddow, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby receives and files the June 30, 2018 audited financial statements, the accompanying independent auditors report dated November 15, 2018, regarding the report on schedule of expenditures of federal awards, the report on internal control and the report on compliance, and the November 15, 2018 other required communications letter from the auditors.

BE IT FURTHERED RESOLVED: The Board directs the Director of Finance, Mr. David Sabuda, to submit all reports to their proper federal and state agencies as required by state and federal law prior to December 31, 2018.

DISCUSSION:

The auditors and Mr. Sabuda provided an overview of SMART's financials. Ms. Roy asked why does it look like SMART's pension liability is decreasing and how much of that is due to current market conditions. Does SMART have any cautionary controls in place to protect it from the market? Mr. Sabuda stated that 100 percent of

the funds are invested with MERS. SMART is invested in a conservative portfolio where they have earned between 7 and 9 percent on an annual basis over the last five years. Ms. Roy requested that SMART put in place some other financial precautions for pension obligations.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

B. Amendment to the FY2018/19 General Fund Operating Budget

MOTION: Moved by Mr. Abdul Haidous, seconded by Ms. Melissa Roy, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation hereby approves the budget amendments outlined in the Director of Finance communication to the Board dated December 6, 2018 and hereby increases the line items as follows:

Expenses-Variou \$1,145,700

And authorizes the Director of Finance to utilize contingency line-item appropriation in the amount of \$1,145,700 to fund the proposed expenditure appropriations as presented.

DISCUSSION:

Mr. David Sabuda explained there are two budget amendments. The first amendment deals with the replacement of two-thirds of the support vehicles. The second amendment deals with the federal government requesting a random drug testing policy to cover more employees across the nation.

Mr. Gerald Poisson asked if SMART's employees, particularly the drivers and operators, were notified that the legalization of marijuana is a state level law only and that the federal law still applies.

Ms. Leeya Sutter, Director of Human Resources, informed the Board that Human Resources had sent out a memo stating that although the use of marijuana was legalized at the state level, it is still illegal per the federal level and, thus, is against SMART's drug policy. The communication was sent attached to their paychecks, via email, via mail, and posted on SMART's electronic billboards in the drivers' lounges and breakrooms.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

11. New Business

A. Resolution: Authorization of Purchase Order Change Action (POCA) to Southgate Ford Replacement Parts Contract

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Robert Daddow, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation authorizes the General Manager to increase current contract by \$55,000.00 for Ford replacement parts for Wayne, Oakland, and Macomb Terminals.

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

B. Resolution: Authorization to Approve a Purchase Order Change Action (POCA) for General Advertising Services

MOTION: Moved by Mr. Royce Maniko, seconded by Mr. Abdul Haidous, that the General Manager of the Suburban Mobility Authority for Regional Transportation is hereby authorized to issue a POCA for \$220,000 for advertising services to The Berline Group. Included in this change, the three-year base term ending April 30, 2019 will not exceed \$1,865,000.00.

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

C. Resolution: Authorization to Award Scrubber/Sweepers Contract

MOTION: Moved by Mr. Abdul Haidous, seconded by Ms. Melissa Roy, that the General Manager of the Suburban Mobility Authority for Regional Transportation is hereby authorized to award a contract for the purchase of scrubber and sweepers to W.W Grainger, Inc. The amount of the contract is \$147,280.00.

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

D. Resolution: Authorization to Award Contract to Clever Devices for Clever Works AVL Scheduling Program Upgrade

MOTION: Moved by Mr. Gerald Poisson, seconded by Mr. Abdul Haidous, that the Board of the Suburban Mobility Authority for Regional Transportation authorizes the General Manager to award a contract to Clever Devices for Clever Works AVL Scheduling Program Software Upgrade. The purchase for the project is \$232,553.00

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

E. Resolution: Authorization to enter into Scheduling Software Maintenance Agreement

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Abdul Haidous, that the Board of Directors of the Suburban Mobility Authority for Regional Transportation authorizes the General Manager to enter into a five-year software maintenance contract with Trapeze Software, Inc. The total estimated cost for the five-year period is \$1,168,690.00, with the first year (February 1, 2018 – January 31, 2019) cost being \$144,282.00

DISCUSSION:

Mr. Robert Daddow said at one point SMART was attempting to utilize the same software as DDOT in order to help coordinate routes. He wanted to know if DDOT was still utilizing Trapeze. Mr. Robert Cramer said DDOT may be switching from Trapeze. However, the best opportunity to coordinate routes is having a meeting with DDOT. The scheduling software provides a limited amount of information when it comes to coordinating routes.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

F. Authorization to Award a Contract for Lubricants, Fluids, and Anti-Freeze

MOTION: Moved by Mr. Royce Maniko, seconded by Mr. Abdul Haidous, that the General Manager is hereby authorized to award requirements contracts to Wolverine Oil & Supply Company, Inc. for lubricants, fluids, and anti-freeze/coolant. The contract is for a three-year term with two renewal options of one year each. The amount of the contract is estimated to be \$385,902.75 in the first year and remain the

same for the length of the contract, including the option years if they are exercised at the discretion of SMART.

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

G. Authorization to Award a Contract to Replace Windows at Macomb Terminal

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Abdul Haidous, that the General Manager of the Suburban Mobility Authority for Regional Transportation is hereby authorized to award a contract for the Macomb Terminal windows replacement to EGD Glass and Door. The amount of the contract is a fixed-firm for \$146,800.00

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

H. Authorization to Award a Contract to Purchase 38 Expansion Fixed-Route Buses

MOTION: Moved by Mr. Gerald Poisson, seconded by Ms. Melissa Roy, that the General Manager of the Suburban Mobility Authority for Regional Transportation is hereby authorized to purchase 38 Fixed Route buses from Gillig LLC. The total value of the purchase is \$17,915,986.16.

DISCUSSION:

Ms. Roy asked for the standard price of a bus and if SMART was going to receive a discount. Mr. Robert Cramer informed the Board that the cost of one bus is estimated at \$470,000.00. Due to this being a joint procurement, SMART is receiving a competitive price.

Mr. Abdul Haidous asked if the purchase price included camera systems. Mr. Cramer said it does not include a security system. However, SMART has saved the security equipment from the retired buses to use on the new buses.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

I. Authorization to Award a Contract for the Transfer of CAD/AVL and Bus Camera Equipment and Installation on 78 New Buses

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Robert Daddow, that the General Manager of the Suburban Mobility Authority for Regional Transportation (SMART) is hereby authorized to award a firm, fixed-price contract to remove AVL hardware and bus cameras from retired buses and installation of the removed equipment and fare box pedestals on 78 new buses beginning December 10, 2018 to Amcomm Telecommunications. The total amount of the contract is \$77,600.00.

DISCUSSION:

None

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

J. Ratification of a Purchase Order for Exigent Pothole Repairs at the Macomb Terminal

MOTION: Moved by Mr. Abdul Haidous, seconded by Mr. Robert Daddow, that Board of Directors of the Suburban Mobility Authority for Regional Transportation ratifies the General Manager's award of a contract for immediate pavement repairs at the Macomb Terminals to S&J Asphalt Paving in the amount of \$37,500.00.

DISCUSSION:

Mr. Haidous asked if there were any safety issues with moving the tanks. Mr. Robert Cramer stated there were no issues and it is easier to observe the tanks for leaks above ground.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

12. Executive Session

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Royce Maniko, that the Board hereby authorizes the General Manager to proceed into Executive Session to discuss Union Negotiations.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

DISCUSSION:

Confidential

MOTION: Moved by Ms. Melissa Roy, seconded by Mr. Abdul Haidous, that the Board hereby authorizes the General Manager, Mr. John Hertel, to proceed out of Executive Session.

VOTE: Board members in attendance voted in the affirmative. **THE MOTION CARRIED.**

13. Board Member Business

DISCUSSION:

Mr. Abdul Haidous requested staff provide the Board with Avery Gordon's home address to send well wishes.

Adjournment

There being no further business to come before the Board, upon motion made by Mr. Abdul Haidous, seconded by Mr. Royce Maniko, and unanimously carried, the meeting adjourned at 3:25 PM.

Respectfully submitted,

Tiffany C. Martin-Patterson
Secretary to the Board of Directors