



Interurban Transit Partnership

Board Members

Mayor Stephen Kepley, Chair

Charis Austin
Mayor Katie Favale

Rick Baker
Steven Gilbert
Robert Postema

Mayor Rosalynn Bliss
Andy Guy
Terry Schweitzer

David Bilardello, Vice-Chair

Mayor Gary Carey
Jack Hoffman
Paul Troost

Tracie Coffman
Mayor Steve Maas

BOARD OF DIRECTORS MEETING

August 25, 2021 – 4 p.m.

Rapid Central Station Conference Room (250 Grandville, SW) | Virtual Meeting

AGENDA

	<u>PRESENTER</u>	<u>ACTION</u>
1. PUBLIC COMMENT		
2. MINUTES REVIEW <ul style="list-style-type: none">June 23, 2021 – Board of Directors MeetingJuly 28, 2021 – Board of Directors Budget Workshop	Mayor Kepley	Approval
3. CEO'S REPORT	Deb Prato	Information
4. ACTION ITEMS <ul style="list-style-type: none">a. Proposed FY 2022 Operating and Capital Budget and Five-Year Operating Budget Projectionb. Purchase of Four (4) TVM's	Linda Medina Kevin Wisselink Andy Prokopy	Approval Approval
5. PERFORMANCE REPORTS <ul style="list-style-type: none">a. Paratransit Route Ridership<ul style="list-style-type: none">1. June, 20212. Report Card – Third Quarter, FY 2021b. Fixed Route Ridership<ul style="list-style-type: none">1. May, 20212. June, 20213. Report Card – Third Quarter, FY 2021c. Finance<ul style="list-style-type: none">1. Operating Statements – May and June, 20212. Professional Development and Travel Report<ul style="list-style-type: none">a. May, 2021b. June, 20213. Grant Statement	Jason Prescott Max Dillivan Linda Medina	Information Information Information
6. INFORMATIONAL ITEMS <ul style="list-style-type: none">a. N/A		
7. CHAIR'S REPORT	Mayor Kepley	Information
8. COMMITTEE MEETING MINUTES <ul style="list-style-type: none">a. Planning & Technology Committee – July 12, 2021	Terry Schweitzer	Information

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

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|----|---|------------------|-------------|
| b. | Present Performance & Service Committee – July 13, 2021 | David Bilardello | Information |
| c. | Finance Committee | Mayor Kepley | Information |
| | 1. June 30, 2021 | | |
| | 2. August 11, 2021 | | |

9. ADJOURNMENT



Interurban Transit Partnership

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Tracie Coffman
Mayor Steve Maas

RAPID BOARD MEETING

Wednesday, June 23, 2021 – 4 p.m.

Rapid Central Station Conference Room (250 Grandville SW) | Virtual Meeting

ATTENDANCE:

Board Members Present:

Charis Austin, Rick Baker, David Bilardello, Mayor Bliss, Mayor Carey, Tracie Coffman, Mayor Favale, Steven Gilbert, Jack Hoffman, Mayor Kepley, Mayor Maas, Rob Postema, Terry Schweitzer, Paul Troost

Board Members Absent:

Andy Guy

Staff Attendees:

Michael Bulthuis, Steve Clapp, Max Dillivan, Bree Girard, Nancy Groendal, Julie Ilbrink, Deron Kippen, Bill Kirk, Steve Luther, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Brittany Schlacter, Steve Schipper, Mike Wieringa, Kevin Wisselink

Other Attendees:

Justin Kimura, Chris Swank

Mayor Kepley called the meeting to order at 4:00 p.m. A quorum was established and confirmed.

1. PUBLIC COMMENT

No public comments were offered.

2. MINUTES – April 28, 2021, Board of Directors Meeting

Minutes from April 28, 2021, were distributed. Minutes were approved as submitted.

3. CEO'S REPORT

Ms. Prato shared her CEO's report with the board members.

- Working on the operating budget and capital budget which will be presented to the Finance Committee later this month.
- The team's focus has been on outcomes such as job access, sustainability, climate justice, neighborhoods of focus and the transportation plan in place there. The team is putting their focus on "value versus volume". The goal is to get every constituent to understand that even if they do

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not use The Rapid, their friends and neighbors do, and it is important to support it for job access and the value that transportation provides to the community.

- Ms. Prato attended the West Michigan CEO summit, and was delighted to hear they are talking about the same issues we are talking about regarding people, labor, meeting the unmet needs and more.
- Per Ms. Austin's request, Ms. Prato met with Concerned Citizens for Improved Transportation. We will potentially be partnering with that group to provide adequate etiquette and sensitivity training.
- We received information from the FTA that we were awarded grant money associated with the Laker Line. We received the maximum of \$3.97M after submitting the supporting documents to apply for the grant.
- Comprehensive Operational Analysis (COA) – Mr. Dillivan will be provided an update on the project later in this meeting. They are also doing peer reviews regarding on-demand services. They are talking with different transits who have provided on-demand services to gather additional information.
- Ms. Prato stated the Board will be asked to approve a contract for Ecolane. She reminded the Board they initially provided authorization for another vendor, however that vendor was unable to meet our expectations on performance. Therefore, another bid was submitted to secure another vendor that was more compatible with our technology needs.
- Ms. Prato stated the Board will be asked to approve a contract for the purchase of buses. She shared they partnered with Kalamazoo and Muskegon who will also be using our contract.
- There was a job fair held yesterday for bus operators. Many qualified candidates will be moving through that process. Another job fair will be held on June 29. Ms. Prato reached out to community partners to reach people who are looking for jobs.
- Customer Appreciation is taking place which is providing free rides to Wave Card holders. While we do not have the ridership numbers yet, we do know there has been an increase of Wave Card sales. This is what we were hoping to achieve.
- Federal level transportation authorization –the current administration is providing grants for electric vehicles. We use CNG which is low emission (not no emissions). Mr. Schipper is leading the project with the FTA's sustainability challenge.
- We have 15 new buses rolling in during July and August. These will be 12-year buses. We will be naming these buses for the children or grandchildren of employees who are 0-12 years old. Names will be chosen from submissions and a random drawing. The names will be decaled on the buses. This is a reminder that safety is important, and these are the people that count on you to come home. We will have a family event in September where we will take a photo of the bus with the child and their family, putting these up in the transportation center.
- Ms. Prato shared Ms. Schlacter has accepted a job at the Bissell Pet Foundation and will be leaving our company in a few weeks. We wish her all the best!

Mayor Bliss inquired about pausing the planned purchases of the CNG buses while more investigation is done into the electric buses. Ms. Prato shared while electric means no emission, our renewable CNG buses are negative emission. Ms. Prato met with one of our federal lobbyists to determine whom we can meet with to be heard and determine due diligence with this project. Mr. Schipper will be taking the lead on this program.

Mayor Kepley shared when he was working as interim CEO, he had discussed with IT the possibility of getting fiber connectivity to each of the stations. Mr. Prokopy shared the project would have been over \$400K, plus a minimal annual cost. Mr. Prokopy shared the fiber would be owned by us, and not leased.

4. ACTION ITEMS

a. Contract with Gillig Corporation for the Purchase of CNG Buses

Mr. Clapp is requesting authorization to enter into a five-year agreement with Gillig Corporation for the purchase of up to 63 40-foot, CNG fueled, low-floor buses over the course of the agreement.

Mr. Baker motioned for the item to be approved. Mayor Bliss supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

b. 700 Butterworth SW Construction Project

Ms. Wisselink is requesting authorization to enter into a contract with McGraw Construction in the amount of \$2,355,178 plus a 10% contingency of \$235,517 for a total project cost of \$2,590,696 for reconstruction of the Facilities Maintenance facility at 700 Butterworth Avenue, SW. Mr. Wisselink shared McGraw submitted the most robust proposal of any DBE/WMBE organization.

Mayor Bliss asked what percentage of the entire project is DBE/WMBE. Mr. Wisselink shared it is approximately 5%.

Mr. Schweitzer motioned for the item to be approved. Mayor Favale supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

c. Selection of a new Paratransit Scheduling Software

Mr. Prescott is requesting authorization to enter into a contract with Ecolane to purchase a new Paratransit Reservation and Scheduling System, in the amount of \$456,536 plus a 10% contingency of \$45,653 for a total project cost of \$502,190 over a five-year contract, with five additional one-year options. This includes all warranty and product support over the five-year period.

Ms. Austin motioned for the item to be approved. Mayor Maas supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

d. 800 MHz Handheld Radios for Emergency Response

Mr. Wieringa is requesting authorization to enter into a contract with Motorola Solutions for up to 25 handheld 800 MHz radios for emergency response in the amount of \$134,257, plus a 10% contingency, for a total project cost of \$147,683. This also includes access to the MPSCS (Michigan Public Safety Communications System).

Mayor Favale motioned for the item to be approved. Mayor Bliss supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

e. Conflict of Interest

Ms. Prato is requesting approval to implement a Conflict of Interest policy and signature document which will be completed by all Board members on an annual basis.

The Board discussed adding into the policy a detailed definition of "immediate family", along with adding a statement to cover anyone living in the household. The Board agreed these changes need to be made.

The policy currently reads as follows:

Conflicts of interest include, but are not limited to, the following:

- any position or financial interest held by a director, officer, or employee, or any member of his or her immediate family, in an entity that competes or does business with ITP;
- the receipt of any substantial gift or favor by a director, officer, or employee, or any member of his or her immediate family, from an entity or individual who does business, or seeks to do business, with ITP, under circumstances suggesting that the purpose of the gift or favor is to influence the individual in the award or continuation of that business; and
- any disclosure of ITP confidential information for the benefit of the director, officer, or employee, or of any other person or entity.

A definition of “immediate” will be added as is written in the employee handbook and collective bargaining agreement in alignment with Bereavement Leave. Also “Immediate” will also cover anyone living in the household not included in this list.

Ms. Coffman motioned for the item to be approved to include the changes as discussed. Mr. Baker supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

For the recorded minutes:

The Rapid defines “immediate family” as follows: Employee’s present spouse, along with employee’s or spouse’s children, father, mother, brother, sister, grandmother, grandfather, grandchild, father-in-law, mother-in-law, step-parent, step-children, foster parents, and foster children.

The bylaws have been added to these minutes as an addendum.

f. Code of Conduct

Ms. Prato is requesting approval to implement a Code of Conduct document which will be completed by all Board members on an annual basis.

Mayor Bliss motioned for the item to be approved. Mayor Favale supported the motion. A verbal roll call for voting was taken; resolution passed unanimously.

5. PERFORMANCE REPORTS

a. Paratransit Route Ridership

The paratransit route ridership reports from April and May 2021 were distributed and reviewed. (NOTE: the agenda stated an incorrect date of May 2022)

b. Fixed Route Ridership – March and April 2021, Second Quarter FY 21

The fixed route ridership reports from March and April 2021, along with second quarter FY 21 were distributed and reviewed.

c. Financial Reports

The operating statement from April 2021, professional development and travel reports from March and April 2021, along with the grant statement was distributed and reviewed.

6. INFORMATION

a. Comprehensive Operational Analysis (COA) Update

Mr. Dillivan provided an update on the COA.

Public Hearings

Two digital public hearings were conducted on May 18 which focused on elements of the system changing and why. There were 44 attendees. They answered questions regarding

- Alignment / number of changes
- The effects on destinations served
- Rivertown Mall logistics
- On-Demand zones

- Service expansion
- Westside GR

They received positive feedback regarding:

- Plainfield Meijer service
- Sunday service on Route 44
- On-Demand service
- Transfer capability at Rivertown

Title VI / Equity Analysis

- FTA requirements
- Rapid Board policy requires a 20% or less impact or burden for any service or fare change
- Annual number of trips metrics
- 2019 American Community Survey 5-year estimates
- Service area population
- Internal considerations: volume vs. value
- Increase in access system-wide
- Quarter-mile walking standard

Internal Implementation Coordination

- Weekly interdepartmental meetings
- Full operational and communications integration
- Bus operator engagement and continued education
- Internal employee communications

Public Outreach Plan

- Customer outreach – includes on-bus (bilingual), digital, direct mail, stop and station notifications, customer satisfaction surveying
- Media and partner outreach – includes targeted media plan and strategic partner plan

Township Determinations

- Alpine Township – contract signed for FY22 with no changes to service
- Gaines Township – contract signed for FY22 with no changes to service
- Byron Township – contract signed for FY22 with minor changes to services
- Cascade Township – contracts agree in principle for FY22
- Plainfield Township – discussions on-going

Outcomes – Success Measurement

- Working to create metrics for employment access
- Customer satisfaction measurement
- On-time performance
- Transfer point monitoring
- Key Performance indicators for on-demand zones

7. CHAIR'S REPORT

Mayor Kepley wanted to thank the staff for their hard work to get through the pandemic. We all had to plan and pivot, and it was not an easy journey. He expressed we may see an increase in ridership due to the increase in gas prices. Mayor Kepley is also meeting with Ms. Prato every other week and has enjoyed seeing our organization through her perspective.

8. COMMITTEE REPORTS

a. Planning & Technology Committee

The Planning and Technology Committee meeting minutes from March 8, 2021, were distributed and reviewed.

b. Present Performance & Service Committee

The Present Performance and Service Committee meeting minutes from March 9 and May 11, 2021, were distributed and reviewed.

c. Finance Committee

The Finance committee meeting minutes from April 14, 2021, were distributed and reviewed.

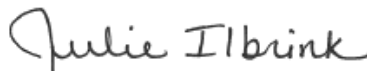
8. ADJOURNMENT

The meeting was adjourned at 5:14 p.m.

Upcoming meetings:

- Finance Committee Meeting – June 30, 2021
- Planning and Technology Committee Meeting – July 12, 2021
- Present Performance Committee Meeting – July 13, 2021
- Board Meeting – August 25, 2021

Respectfully submitted,


Julie Ilbrink, Board Secretary



Board Members

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Mayor Katie Favale

Rick Baker
Steven Gilbert
Robert Postema

Mayor Rosalynn Bliss
Andy Guy
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David Bilardello, Vice-Chair

Mayor Gary Carey
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Tracie Coffman
Mayor Steve Maas

BOARD OF DIRECTORS BUDGET WORKSHOP

Wednesday, July 28, 2021 – 3 p.m.

Rapid Central Station Conference Room (250 Grandville SW) | Virtual Meeting

ATTENDANCE:

Board Members Present:

Charis Austin, Rick Baker, Mayor Rosalynn Bliss, Mayor Gary Carey, Tracie Coffman, Steven Gilbert, Andy Guy, Jack Hoffman, Mayor Stephen Kepley, Terry Schweitzer

Board Members Absent:

David Bilardello, Mayor Katie Favale, Mayor Steven Maas, Jack Postema, Paul Troost

Staff Attendees:

Michael Bulthuis, Steve Clapp, Nancy Groendal, Justin Hagel, Bill Kirk, Steve Luther, Linda Medina, Deb Prato, Jason Prescott, Steve Schipper, Kim Stephens, Michael Wieringa, Kevin Wisselink

Other Attendees:

Josh Naramore (City of GR)

Mayor Kepley called the meeting to order at 3:01 p.m.

1. PUBLIC COMMENT

There were not public comments offered.

2. OVERVIEW OF OPERATING BUDGET

Ms. Medina expressed this past year has been very challenging due to the pandemic. The team has been flexible and adaptable to ever-changing conditions. Service has been reduced, cleaning protocols have been implemented, technology has been improved allowing employees to work from home, and no major layoffs occurred. Additionally, options were continued to be offered to essential workers.

The proposed budget for FY 2022 is based on recovery and how we can increase our value to our community, riders and employees. We accomplish this by listening and providing services that meet each our community's needs, empowering and supporting our employees, as well as monitoring federal, state and local economic factors that could have an effect on this budget. Any significant changes will be brought back to the board for their review and approval.

a. Budget Timeline and Assumptions

Mr. Bulthuis wanted to express thanks to the leadership team who participated in creating the budget.

Mr. Bulthuis reviewed the budget timeline:

- Budget Preparation – February through April, 2021
- Budget Development – March through June, 2021
- Budget Review – June through July, 2021
- Budget Adoption – August, 2021

b. Revenues

Mr. Bulthuis shared that we operate on a zero-based budget each year, so we look at historical records to see how we're doing while also looking into the future to determine why we are requesting specific finances.

Mr. Bulthuis reviewed the revenue comparison for FY 2021 and FY 2022. It is anticipated the overall revenues will increase by \$2.8 million while the percentages of where the funds are coming from remain relatively the same.

Mr. Bulthuis shared a graph of the ridership, showing while the ridership took a dip in April and May 2021, we are slowly recovering. In FY 2019, we had 7.3 million rides; we are projecting 3.3 million for FY 2020. Mr. Bulthuis also shared a graph showing how ridership trends throughout the year. This graph also shows the dip in ridership earlier this year, along with the upward trend. It is anticipated that FY 2022 ridership, while a little lower than previous years, will follow the same yearly trends.

Mr. Bulthuis highlighted the work we are doing with contract service partners. Many of these partners are still doing business with us and are showing an increase in service rates. Each year, a new contract rate is developed for the partners by looking at the full operational cost along with the projected operational hours which then determines the rate. Every partner is offered a discount of the State Operating Percentage to end up with the partner cost. Go!Bus service is added to partner cost for service outside of the six-city area.

Mr. Bulthuis highlighted the stimulus funding and how it has affected our operations.

Total Apportionment of \$61,083,841
Less: Capital Projects of \$930,154
Equals: Operating Revenue of \$60,153,687

We have received \$11.1 million in FY 2020 and will request the \$22 million balance of CARES and CRRSAA by the end of FY 2021. No preventative maintenance funds will be used in the operating budget within the next five years.

Mr. Bulthuis reviewed the 5-year operating projected revenues. He shared there will be very modest fare increases while planning for the worst and hoping for the best. The reserve balance by FY 2026 is anticipated to be approximately \$14.9 million.

c. Expenses

Mr. Bulthuis shared a graph of the expenses which shows a zero-based budget equal to the revenues. Similar to the revenue graph, there are increased expenses, however, the allotment of expenses between fiscal years are very similar.

Mr. Bulthuis shared information on how we are managing healthcare costs. Costs per employee per year has been very consistent. While these are preliminary numbers from our broker, any major changes will be brought before the board for review.

Mr. Bulthuis showed the trends in fuel costs and fleet conversion. We are planning on a higher cost in diesel fuel for next year. The CNG pricing rate is stable, and the hope is to be fully converted by FY 2026.

Mr. Bulthuis shared PL & PD insurance reflects a significant amount of losses in 2017. Our experience has been improving and is being managed closely by the broker. The increase in premiums is a result of the losses in 2017. If there are any major changes, the board will be informed.

Mr. Bulthuis provided a more detailed explanation into the “other expenses” which is noted in the pie chart. Professional Development makes up 20% of the other expenses, while Marketing and Promotion makes up 37%. As things begin to open up and return to more of a normal state, we will see travel and conference costs increase, along with marketing so riders and public is aware we offer safe and reliable transportation. Mr. Bulthuis also showed a breakdown of the purchased transportation expenses which shows Go!Bus consists of 86% of this segment.

In summary:

- Ridership is projected to climb conservatively over the next year
- Approximately \$26.7 million in ARPA funds will be requested
- No preventative maintenance funds will be used for operating
- Proposed total expenses to increase 5.7%
- Conversion to CNG will give us more price stability
- Working closely with our insurance broker to manage healthcare and auto liability
- Increasing our public outreach presence
- The Rapid remains committed to delivering safe, clean and reliable service to our communities

d. Questions and Answers

Mr. Hoffman inquired about the CNG conversion by FY 2026. He asked if these conversions are being done with the current buses reach the end of their lifespan and then are replaced. Mr. Bulthuis confirmed this. Mr. Hoffman asked about the lifespan of the CNG buses. Mr. Bulthuis shared it is 12 years, same as the diesels. Ms. Prato shared we will be getting rid of 20 diesel buses throughout this summer, with 15 new CNG buses coming in.

Mr. Baker asked about the potential for increased ridership as hotels open up more with conventions being held in Grand Rapids later this fall. Mr. Bulthuis shared while he did not have exact numbers, he did anticipate an increase as many routes end downtown. Ms. Medina shared these factors have been included in the COA. Mr. Wisselink expressed with school coming back into session in-person in the fall which will have a positive impact on ridership.

Mayor Kepley asked if the ARPA funds received had restrictions on where it could be spent. Ms. Medina stated that the federal grant money must be used for eligible operating expenses. The expenses are calculated during a one-month span, after which reimbursement is requested. This results in our local funding being freed up.

Mayor Kepley asked about claims versus premiums, looking for clarification on paying more premiums than claims, and inquired about the difference between the two. Ms. Medina shared we do not have projections from USI showing the future trend. Ms. Prato expressed we are still evaluating self-funded versus fully insured to determine the financial impact which will guide future decisions. Ms. Prato shared more information will be coming before the Finance Committee during the August 11 meeting.

Mr. Guy expressed there is a significant discussion in Washington DC regarding infrastructure. He inquired if there were other revenue sources on the horizon. Mr. Wisselink shared that while there has been discussion, nothing has come to fruition just yet. Ms. Prato stated we are talking about outcomes in terms of advancing community concerns regarding access to jobs, which puts us in a different alignment with federal funding. We are hoping we can present ourselves as offering a wider reach.

Ms. Coffman asked if there were internal conversations taking place about innovations we may want to try given there are funds covering some operating expenses. Ms. Prato confirmed there are conversations taking place. We would like to optimize the Silver Line to assist neighborhoods in need. We also want to build a coalition that has greater access and influence in terms of what we can do collectively versus what we can do just by ourselves. Division United is a good example of this.

3. FIVE YEAR PROJECTION BUDGET

Text

4. CAPITAL BUDGET

a. Funding Sources

Mr. Wisselink shared a graph indicating federal formula funding. He stated this is a modest projection, however, there may be some more opportunities depending on what happens in Washington, DC. Other funding sources include previous grant funding such as Preventative Maintenance Funds along with Laker Line Expanded Scope. Michigan Department of Transportation matches most of our federal grants at 20%. There are also discretionary grant applications that have been submitted but no response has been received.

Proposed Federal FY 2022 Grant Application Timeline

- August 2021 – Approve 5-year capital plan
- Fall 2021 – Submit FY 2022 TIP Amendment
- Spring 2022 – Submit FY 2022 FTA Application
- Late Summer 2022 – Receive FY 2022 Funds

This timeline will be brought to the full board meeting on August 25 for approval.

b. Capital Planning Committee Process

Mr. Wisselink reviewed the capital planning committee process from finalizing capital project application process to bringing the 5-year capital improvement plan to the board.

Mr. Wisselink reviewed the scoring matrix for the capital planning investment decisions. This includes:

- State of Good Repair
- Continuous Improvement to Customer Service
- Financial Return
- Community Impact
- Environmental Stewardship and Sustainability

c. FY 2022 Capital Projects

Mr. Wisselink reviewed the FY 2021 capital projects plan by funding source. Total potential FY 2022 funding: \$23,908,680. This includes \$3,075,200 in discretionary grant applications which are in process.

The biggest investment we have is in our new/rehabilitated facilities (\$11,502,379):

- New campus on Cottage Grove for Go!Bus services (\$9,275,000)
- Rapid Central Station drive repaving (\$882,000)
- Division United investments (\$818,361)
- Ellsworth exterior renovations (\$400,000)
- New shelters (\$127,018)

Laker Line Expanded Scope (\$4,962,500)

- New CNG compressor
- Cummings and Lake Michigan Park and Ride
- New Laker Line bus
- Painted bus-only lanes on Monroe

Vehicle Purchase (\$4,310,752)

- Purchase 6 electric on-demand vehicles and infrastructure (\$2,355,200)
- Purchase 2 fixed route buses (\$1,203,228)
- Purchase demand response buses (\$397,324)
- Purchase service vehicles (\$230,000)
- Purchase 4 RapidVans (\$125,000)

Vehicle and Facility Maintenance (\$1,536,549)

- Go!Bus operations (\$700,000)
- Bus capital maintenance (\$700,000)
- Mid-life bus engine repowering (\$86,549)
- General facility needs (\$20,000)
- Facility equipment (\$20,000)
- Stop enhancements (\$10,000)

Information Technology and Security (\$816,500)

- Intelligent Transportation Systems (\$240,000)
- Security Cameras and Equipment (\$240,000)
- IT Hardware (\$176,500)
- IT Software (\$160,000)

Unified Planning Work Program (\$780,000)

- Transit master plan (\$600,000)
- Community outreach (\$180,000)

d. Questions and Answers

Mr. Schweitzer asked about what fleet will be available to provide the fleet operational service. Mr. Wisselink stated 6 transit vans were received this past year which have been reserved for the on-demand services. It is not anticipated we will receive the electric vehicles in time.

Mr. Guy expressed the investment in shelters seems low given the new route plans. Mr. Wisselink shared key locations already have shelters. Additionally, there is a process that needs to be adhered to for new shelters.

Mayor Kepley asked if the money slated for the Laker Line Expanded Scope must be used for the Laker Line. Mr. Wisselink confirmed this is the case.

Mayor Kepley asked for more historical information regarding the new campus for the Go!Bus vehicles. Mr. Wisselink shared this has been looked at for several years as a desired way to move. The certainty of having space we know we can access and are not at the whim of a contractor. While expenses would be incurred in the property purchases, savings would also be had by owning our own property. Ms. Prato expressed the contract with MV is expiring next year. They lease a building whose owners want to sell at the expiration of the contract in September 2022. The on-demand trips are the most expensive, therefore we are looking at creating more efficiencies in the services by creating more than one hub. Data gathering continues on the Cottage Grove site.

Mayor Kepley inquired about obtaining a site specifically for bus operator driver's training and asked if there was any additional information available. He shared he had a conversation with President Bill Pink of GRCC who shared he is interested in creating a training site for police, fire, and department of public works, and he may be interested in expanding the scope to include bus driver training for the six-city area. Mayor Kepley expressed this discussion is in the beginning stages, and it would be beneficial to ask to be at the table for these conversations. Ms. Prato shared this item is on our radar and will be reaching out to be included once further internal discussions are had. Mr. Hoffman expressed this project seems like a good investment given the uncertainty of the future. Mr. Wisselink shared there may also be federal grants available in the future for this project.

Mr. Guy shared appreciation for looking at collaborative and partnering efforts. He encouraged the team to look for land acquisition opportunities to support private/public partnerships, housing, good land use, expanding the portfolio of revenue opportunities, etc. Mr. Wisselink shared these are the conversations currently taking place. He expressed they are looking for the right partners to join the ventures. Mayor Kepley asked if this concept has been used by other transit organizations. Mr. Wisselink expressed many larger agencies do use these concepts and the team has investigated how they do it. Ms. Prato shared we could partner with others who are looking for the same outcomes as The Rapid so that we can each achieve our own desires while accomplishing the good of the whole. Mr. Schweitzer agreed there are opportunities, especially at the end of Division, where park-and-ride and housing developments want to be created.

5. GENERAL COMMENTS

Mr. Schweitzer stated at one time we were looking at moving the administrative offices over to Central Station and inquired about a status update. Ms. Prato shared the team has been talking about turning Central Station into a community gathering spot and possibly turning the third floor into space for start-up companies. They are looking to possibly turn it into a destination instead of just a place where transit employees work. They are also looking at the first floor for retail space where Goodwill once was to provide a storefront area for small businesses that were affected by the pandemic. Ellsworth needs repairs which will be done whether the offices move or not. Ms. Prato is leaning towards having the administrative office stay at Ellsworth and turning Central Station into more than a transit station. Mayor Kepley stated the previous plans were too tight and needed to have square footage increased to increase staff growth. There were also concerns from some departments regarding security. He asked the team to ensure that we are in compliance since the building was built using federal funds. Ms. Prato shared the team has been looking at how we make more of the space.

Ms. Coffman expressed a thought she had a long time ago was to create a daycare center which could accommodate working parents as the location is centrally location. Ms. Prato shared the team is thinking about this concept along with creating a park-and-ride near the Special Olympics area where a daycare and other service amenities would be available.

Ms. Austin thanked the team for the information, and expressed she felt more prepared to make a decision at the next meeting.

6. ADJOURNMENT

The meeting was adjourned at 4:22 p.m.

The next meeting is scheduled for August 25, 2021.

Respectfully submitted,



Julie Ilbrink, Board Secretary



Interurban Transit Partnership

Date: August 25, 2021
To: ITP Board
From: Linda Medina, Finance Manager
Kevin Wisselink, Grants Manager
Subject: Proposed FY 2022 Operating and Capital Budgets

We are pleased to present for your approval the FY 2022 proposed budget. The budget consists of two components: operating and capital projects. The operating budget is \$51,107,676 and the capital projects budget is \$23,908,680 for a total of \$75,016,356. Also included is a five-year operating budget projection and the grant operating statement. The grant operating statement projects executed grant funding that will be expensed in FY 2022.

Background

During fiscal years 2020 and 2021, The Rapid continued to provide essential service for our customers and partners, as well as support for our employees. The Rapid maintained flexibility and adapted to the challenges of the pandemic.

Our focus for FY 2022 is on recovery by maximizing the value provided to our riders and community partners, protecting the health and safety of our employees and the public, remaining flexible to opportunities that may arise throughout the year, and preserving our financial sustainability to emerge from the pandemic a remain a strong community partner.

Operating Budget Highlights

FY 2022 proposed revenues are projected to increase by 2.5% from FY 2021 before federal grant funding (COVID relief). Overall revenues are projected to increase compared to FY 2021 but are still below pre-pandemic numbers. Below are the highlights for FY 2022 revenues:

- The budget reflects a conservative ridership recovery. There are still many unknown factors that affect ridership, including the current labor shortage, how employers choose to navigate a remote/hybrid work schedule, and how and when our local educational institutions return to in-person learning.
- State Operating assistance is budgeted at 30% of eligible expenses.
- The property tax levy is 1.47 mills (1.4308 mills after Headlee reduction)
- The Rapid collaborates closely with all contract service partners to ensure adequate service levels to meet their needs.
- We anticipate receiving \$26.3 million of federal grant funding in FY 2022. This federal grant funding will allow us to achieve a balanced budget amid fare revenue shortfalls caused by the pandemic.

FY 2022 expenses are projected to increase by 5.7% from FY 2021. Following are some key highlights:

- The fuel budget is increased due to the rising cost of diesel fuel. The budget is based on an average rate with an anticipated increase. Staff continues to monitor the cost and will adjust as necessary to control costs. The linehaul fleet is currently 50% CNG and 50% diesel.
- We work closely with our insurance broker to manage our exposure and risk, but final rates for the upcoming fiscal year will not be available until September. Reducing The Rapid's liability continues to be a priority for staff.
- As COVID restrictions are lifted, it is our goal to recover service by building and maintaining trust with our riders and community partners, with an emphasis on enhanced marketing and outreach.
- Purchased transportation ridership is steadily recovering from the pandemic. The recovery rate is 54% of pre-pandemic levels.
- Additional staff are budgeted to support agency outcomes and expected service levels.

Five-Year Operating Budget

The five-year operating budget is based on the FY 2022 proposed budget along with an average increase of 2% in revenue for each year through FY 2026. State operating assistance is held constant at 30% through FY 2026. Expenses are projected to increase an average of 2.5% each year. The receipt of federal grant funding will allow us to build a reserve, which will be dedicated to our operating budget each year to offset fare revenue loss and achieve a balanced budget. These funds will also delay the use of preventative maintenance (capitalized operating) funding beyond a five-year horizon, freeing up those funds for other capital projects.

Capital Grants Highlights

The Rapid's FY 2022 Capital Improvement Plan totals \$23,908,680, including discretionary grant applications we are still awaiting word on. The Capital projects in The Rapid's 2022 Capital Improvement Plan are focused on leveraging our capital investments to enhance the service The Rapid provides, with a focus on investing in projects will have the greatest community impacts to our transportation network and to our overall quality of life.

The funding for this plan includes our normal 5307, 5339 and CMAQ federal apportionments. It also includes Laker Line expanded scope funds, Preventative Maintenance funds from previous years being allocated to new maintenance projects, as well as funds from the Grand Valley Metropolitan Council for our Transit Master Plan process. The Rapid is also awaiting word on two discretionary grant applications, one to the Michigan Diesel Settlement Fund to buy two replacement buses and one for a Low/No Emissions Grant to purchase electric vehicles.

Below are the highlights for the FY 2022 Capital Improvement Plan:

- Funds to purchase a property and build a New Campus for Rapid operations, potentially operating GO!Bus service out of this facility.
- Funds set aside to invest in the Division Avenue corridor, to catalyze the implementation of the planning efforts the community has made through the Division United study.
- Funds for the expanded scope of the Laker Line, a \$5 million investment in our community that the FTA has granted to fund additional projects related to the Laker Line, including Park and Ride lot at Cummings and Lake Michigan Drive.
- Funds to purchase replacement revenue service vehicles, including 2 fixed route buses, 15 GO!Buses and 4 RapidVans.
- General maintenance projects, including repair of the Ellsworth building exterior and repaving of the Rapid Central Station oval drive.
- A Low/No Emissions Grant application to purchase electric vehicles to provide on-demand service in our region.

Staff is dedicated to quality customer care and providing efficient and cost effective services to the community as well as demonstrate careful stewardship. The Rapid's management team will continue to examine our operation in an effort to increase revenues, control costs and improve efficiencies

Please feel free to reach out to Linda Medina directly at (616) 774-1149 or lmolina@ridetherapid.org with any additional questions regarding the operating budget or Kevin Wisselink at 616-774-1190 or kwisselink@ridetherapid.org with regarding the capital grants budget.

The Rapid
FY 2022 Proposed Operating Budget

	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed	FY 2022 Proposed vs. FY 2021 Budget	
				\$	%
Revenues and Operating Assistance					
Passenger Fares					
Linehaul	\$ 3,295,865	\$ 2,414,008	\$ 2,651,378	\$ 237,370	9.8%
Paratransit	672,860	446,914	\$ 588,000	141,086	31.6%
PASS	26,068	17,939	\$ 10,455	(7,484)	-41.7%
Subtotal Passenger Fares	3,994,794	2,878,860	\$ 3,249,833	370,973	12.9%
Sale of Transportation Services					
Grand Valley State University	2,282,371	2,833,029	\$ 3,542,974	709,945	25.1%
Dash Contract	2,058,508	2,279,054	\$ 1,764,498	(514,556)	-22.6%
Township Services	570,393	593,259	\$ 344,344	(248,915)	-42.0%
Other	382,609	357,959	\$ 539,868	181,909	50.8%
CMH Contribution	390,641	223,970	\$ 256,900	32,930	14.7%
Route 19	248,366	-	\$ -	-	0.0%
Vanpool Transportation	57,302	29,910	\$ 84,000	54,090	180.8%
Subtotal Sale of Transportation Services	5,990,191	6,317,180	\$ 6,532,584	215,404	3.4%
State Operating	13,348,412	15,277,210	\$ 15,332,303	55,093	0.4%
Property Taxes	16,791,217	17,395,471	\$ 17,751,118	355,647	2.0%
Advertising and Miscellaneous	599,905	590,210	\$ 638,391	48,181	8.2%
Subtotal Revenues and Operating Assistance	40,724,519	42,458,930	\$ 43,504,229	1,045,299	2.5%
Grant Operating Revenue	2,355,997	5,886,517	\$ 7,603,447	1,716,929	29.2%
Total Revenues and Operating Assistance	\$ 43,080,516	\$ 48,345,448	\$ 51,107,676	\$ 2,762,229	5.7%

The Rapid
FY 2022 Proposed Operating Budget

	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed	FY 2022 Proposed vs. FY 2021 Budget	
				\$	%
Operating Expenses					
Salaries and Wages					
Administrative	\$ 5,032,138	\$ 5,384,641	\$ 5,721,558	\$ 336,917	6.3%
Operator	13,246,310	14,071,600	14,899,149	827,549	5.9%
Maintenance	2,012,580	2,071,539	2,088,392	16,853	0.8%
Subtotal Salaries and Wages	20,291,028	21,527,780	22,709,099	1,181,319	5.5%
Benefits					
FICA/Medicare	1,471,995	1,646,875	1,737,246	90,371	5.5%
Pension	2,116,929	2,684,970	2,796,221	111,251	4.1%
Medical	4,272,563	4,263,133	4,180,926	(82,207)	-1.9%
Unemployment	57,103	304,920	320,166	15,246	5.0%
Worker's Compensation	332,580	310,967	326,515	15,548	5.0%
Uniforms	106,348	127,377	146,609	19,232	15.1%
Benefits Distributed to Grants	(9,801)	(8,400)	(11,200)	(2,800)	33.3%
Other		5,000	5,000	-	0.0%
Subtotal Benefits	8,347,716	9,334,842	9,501,484	166,642	1.8%
Services					
Audit, Legal and Other Consulting	326,204	487,464	485,200	(2,264)	-0.5%
Janitorial and Bus Cleaning	1,406,939	2,187,762	1,953,197	(234,565)	-10.7%
Other Services (IT, Security, E-Fare)	931,244	1,249,824	1,400,881	151,057	12.1%
Subtotal Services	2,664,387	3,925,050	3,839,277	(85,773)	-2.2%
Materials and Supplies					
Fuel and Lubricants	1,660,604	1,704,633	2,111,337	406,704	23.9%
Tires and Tubes	41,459	36,700	40,048	3,348	9.1%
Office Supplies	57,023	55,927	57,936	2,009	3.6%
Printing	62,973	114,046	125,000	10,954	9.6%
Repair Parts	1,375,476	1,214,672	1,388,397	173,725	14.3%
Other Supplies	173,150	143,834	149,472	5,638	3.9%
Subtotal Materials and Supplies	\$ 3,370,685	\$ 3,269,812	\$ 3,872,190	\$ 602,378	18.4%

The Rapid
FY 2022 Proposed Operating Budget

	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed	FY 2022 Proposed vs. FY 2021 Budget \$	%
Utilities					
Electronic Communications	\$ 226,108	\$ 163,029	\$ 158,475	\$ (4,554)	-2.8%
Gas	118,173	262,000	252,500	(9,500)	-3.6%
Electric	611,769	902,800	933,400	30,600	3.4%
Other	49,870	78,188	73,214	(4,974)	-6.4%
Subtotal Utilities	1,005,920	1,406,017	1,417,589	11,572	0.8%
Insurance					
Property Liability and Property Damage	1,481,957	3,005,705	3,244,566	238,861	7.9%
Building and Other	285,982	311,411	317,400	5,989	1.9%
Subtotal Insurance	1,767,938	3,317,116	3,561,967	244,851	7.4%
Other					
Dues and Subscriptions	95,368	106,759	121,602	14,843	13.9%
Professional Development	69,911	104,468	139,800	35,332	33.8%
Marketing and Promotion	22,239	128,500	258,500	130,000	101.2%
Community Outreach	36,406	37,625	53,000	15,375	40.9%
Office Equipment	1,771	7,475	1,800	(5,675)	-75.9%
Shop Tools	37,303	45,858	50,405	4,547	9.9%
Miscellaneous	43,619	77,682	77,888	206	0.3%
Subtotal Other	306,616	508,367	702,995	194,628	38.3%
Purchased Transportation					
Purchased Transportation - GO!Bus	4,342,815	4,213,550	4,729,268	515,718	12.2%
Purchased Transportation - Hope Network	574,356	327,442	367,092	39,650	12.1%
Other Purchased Transportation - Ridelink/KCCA	286,003	400,926	321,829	(79,097)	-19.7%
Purchased Transportation - PASS	123,051	114,546	84,886	(29,660)	-25.9%
Subtotal Purchased Transportation	5,326,226	5,056,464	5,503,075	446,611	8.8%
Operating Expenses before Capitalized Operating	43,080,516	48,345,448	51,107,676	2,762,228	5.7%
Capitalized Operating Expenses	-	-	-	-	0.0%
Total Expenses	\$ 43,080,516	\$ 48,345,448	\$ 51,107,676	\$ 2,762,228	5.7%

The Rapid
Operating Budget Projection
FY 2021 Projected - FY 2026 Projected

	FY 2021 AMENDED	FY 2022 PROPOSED	FY 2023 PROJECTED	FY 2024 PROJECTED	FY 2025 PROJECTED	FY 2026 PROJECTED
Revenues and Operating Assistance						
Passenger Fares	\$ 2,878,860	\$ 3,249,833	\$ 3,314,830	\$ 3,381,127	\$ 3,448,749	\$ 3,517,724
Sale of Transportation Services	6,317,180	6,532,584	6,538,521	6,694,920	6,833,816	7,005,845
State Operating Assistance	15,277,210	15,332,303	15,323,808	15,715,912	16,059,909	16,493,161
Property Taxes	17,395,471	17,751,118	18,106,140	18,468,263	18,837,628	19,214,381
Advertising & Miscellaneous	590,210	638,391	892,275	921,198	925,160	929,161
Subtotal Revenues and Operating Assistance	42,458,930	43,504,229	44,175,575	45,181,419	46,105,262	47,160,272
Grant Operating Revenues (COVID Relief)	22,639,483	26,377,113				
Total Revenues and Operating Assistance	65,098,413	69,881,342	44,175,575	45,181,419	46,105,262	47,160,272
Expenses						
Salaries and Wages	21,527,780	22,709,099	23,163,281	23,684,455	24,217,355	24,762,246
Benefits	9,334,842	9,501,484	9,452,779	9,775,750	10,108,760	10,455,643
Contractual Service	3,925,050	3,839,277	3,916,063	4,094,384	4,074,272	4,155,757
Materials and Supplies	3,269,812	3,872,190	2,978,835	2,861,962	2,745,813	2,783,475
Utilities, Insurance, and Miscellaneous	5,231,500	5,682,551	5,914,920	6,157,635	6,411,181	6,676,066
Purchased Transportation	5,056,464	5,503,075	5,653,484	5,812,186	5,975,649	6,144,015
Expenses Before Capitalized Operating	48,345,448	51,107,676	51,079,361	52,386,372	53,533,029	54,977,202
Capitalized Operating Expenses	-	-	-	-	-	-
Total Operating Expenses	48,345,448	51,107,676	51,079,361	52,386,372	53,533,029	54,977,202
Reserve Used	5,886,518	7,603,447	6,903,787	7,204,952	7,427,768	7,816,930
Reserve Balance	\$ 25,534,059	\$ 44,307,726	\$ 37,403,939	\$ 30,198,987	\$ 22,771,219	\$ 14,954,289

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5-Year Capital Improvement Plan

FY 2022 to FY 2026

Revised July 2021



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I. The Rapid at a Glance

The Rapid is the public transportation provider for the metropolitan Grand Rapids region. It is a regional body, comprised of the member cities of East Grand Rapids, Grand Rapids, Grandville, Kentwood, Walker and Wyoming, formed as an Act 196 Authority under Michigan Public Act 196 of 1986. There is a 15-member board of directors appointed by the member communities. The Rapid is authorized to have taxing authority and currently levies a 1.47 mil property tax on the member communities that is used to operate The Rapid's services. The Rapid provided just under 10.5 million trips in FY 2019.

The Rapid operates a number of different services. These include:

Bus Rapid Transit: The Rapid operates two Bus Rapid Transit (BRT) lines, The Silver Line, on Division Avenue and the Laker Line out to GVSU's Allendale Campus. These are the first two BRT lines in Michigan, and have enhanced features such as dedicated lanes, substantial stations at all stops and level boarding. These are the two highest ridership lines in The Rapid's system.

Fixed Route: The Rapid operates 24 fixed route bus lines, making up the core of The Rapid's services. This includes service throughout the member communities as well as limited contract service into some of the surrounding townships. The service is fully accessible and carries the majority of The Rapid's trips.

GO!Bus Paratransit: The Rapid provides Americans with Disabilities Act (ADA) transportation throughout its six-city service area. This service provides door-to-door service for people with disabilities and seniors who cannot access The Rapid's fixed-route system. The Rapid also operates the PASS system that provides service to the public who live in the service area but not on a fixed route bus line.

Vanpool/Ridesharing: The Rapid coordinates West Michigan Rideshare, a service that promotes vanpooling and carpooling throughout the West Michigan region. This includes operating the RapidVan vanpool fleet, matching up potential carpool riders using West Michigan Rideshare and directly working with local employers on transportation issues.

The Rapid has been dramatically impacted in 2020 and 2021 by the COVID pandemic. The Rapid was on course for a modest ridership increase in 2020 before the pandemic hit, but experienced a sharp decline in ridership at the beginning of the pandemic and recovery from that loss is just beginning.

II. The Rapid's Goals and Objectives

The Rapid's Mission is to “create, offer, and continuously improve a flexible network of regional public transportation options and mobility solutions.” The Rapid's vision for the future is a growing community in which:

- Citizens can live conveniently without owning a car.
- More citizens choose public transportation because it is an easy, economical, and efficient way of getting where they want to go.
- Employers choose our community because it provides multiple solutions for getting employees to work.
- Public transit serves as an economic engine.
- Public transportation is an integral part of the life of every citizen in the region and creates opportunities.
- Public transportation supports sustainability and economic development.

Further refining The Rapid's goals are its Transit Asset Management (TAM) Plan, which directs how The Rapid is to most efficiently and effectively utilize its assets. The Plan outlines three core values that drive The Rapid's mission:

- **Customer service orientation.** ITP will provide service that is convenient, affordable, accessible, timely and responsive to customer needs;
- **Customer loyalty.** ITP will earn its customers' trust by providing service that is friendly, respectful, safe and dependable; and
- **Employees.** ITP sees its employees as the first line of contact with its customers and, therefore, ITP values its employees as integral to the success of the organization.

In evaluating future projects at The Rapid, the TAM Plan determined a Capital Investment Decision Matrix (see Figure 1) that provides a structured framework linked to The Rapid's strategic priorities. This model is what The Rapid is using to score and evaluate the capital projects within the 5-Year Capital Improvement Plan (CIP). This matrix has been adjusted for the FY 2022 Capital Plan to put more value on The Rapid's community impacts. These criteria facilitate a system that is customer focused, prioritizes our employees as an asset and maximizes The Rapid's capital investments to leverage the greatest community benefit.

Figure 1: The Rapid's Capital Planning Investment Decision Matrix

Capital Planning Investment Decision Criteria		Weighting
State of Good Repair		30
Maintain assets and operation capability		15
Support an urgent business need		10
Support our staff safety, health or retention		5
Continuous Improvement to Customer Service		20
Provide safe, secure and reliable customer service		10
Apply continuous improvement to service delivery		5
Mitigate risk to the Authority/Regulatory Compliance		5
Financial Return		15
Optimize external funding source (Federal, State or Local grant)		5
Expands Revenue Stream		5
Minimizes the Operation Budget Impact		5
Community Impact		25
Improves Regional Mobility		8
Positively Impacts Environmental Justice Populations		9
Improves Quality of Life in the Community		8
Environmental Stewardship and Sustainability		10
Reduce release of emissions and contaminants		5
Promote sustainable energy and technology		5

III. Five-Year Service Projections

Given the rapidly evolving nature of transportation provision due to disruption in the transportation sector as well as disruption from the COVID pandemic, The Rapid's service provision and operating environment will change dramatically over the five-year period of this capital plan. The Rapid is responding to this disruption through the investments contained in this plan, placing a greater emphasis on customer needs and community impacts. Below are the key known factors that will be affecting The Rapid's services and subsequently our capital planning efforts over the course of the next five years:

COVID Response – The onset of the pandemic in Michigan caused a shelter in place order and limited travel on The Rapid's services to essential trips only. As a result, service continued but was reduced, and ridership decreased to approximately 15% of usual volumes. Ridership has recovered over time, but as of June 2021 The Rapid is still only carrying about 35% to 40% of expected ridership levels.

The Federal CARES Act funds provide some emergency funding to help The Rapid through this time. However, this is not a long-term solution and The Rapid will face lower fare revenues as well as uncertainty regarding other funding sources moving forward. Calibrating The Rapid's response to the pandemic and creating a new normal for transit service in the region will dominate The Rapid's planning efforts for the foreseeable future.

Comprehensive Operational Analysis Implementation – The Rapid is currently implementing its Comprehensive Operational Analysis (COA). This analysis reviewed all The Rapid's operations and made recommendations to best utilize The Rapid's current resources. This plan did analyze service expansion or regional growth but focused on realigning existing resources to get the best return on investment.

The recommendations of the COA are being implemented over the course of the next half year. On August 30, 2021, most of the bus routing changes will start. This includes moving key routes to service every 15 minutes throughout the weekday, serving new key areas, and removing service where the demand no longer warrants fixed route bus service. Further recommendations will be implemented over time, including on-demand service to industrial employment centers along the 3-Mile corridor in Walker and the airport area in Kentwood.

Transit Master Plan – The Rapid will be initiating a new master planning process in 2022. The purpose of the plan is to take a look at transit service throughout our region, to look at what The Rapid is doing now but focus on what The Rapid should be doing in the future. While the COA was focused on the utilization of existing resources, the Transit Master Plan (TMP) is an aspirational document that envisions what transit service in the greater Grand Rapids area

should look like over the next 20 years. The plan will also look at multiple ways of delivering service, a 40-foot transit bus may not be the best solution for many transit-related opportunities in the region.

Division United – The Rapid is in the process of completing a Transit Oriented Demand study of the Silver Line corridor on Division Avenue, from Division and Wealthy south to Division and 60th Street. This project is focused on fostering affordable housing, accessible employment, and diverse transportation options along South Division Avenue from Wealthy Street in Grand Rapids to 60th Street in Kentwood.

As part of the study, the project team is investigating invest opportunities to catalyze sustainable development along the corridor. As these opportunities become more fully developed, there is room within this Capital Plan to provide capital funding for these projects to leverage development opportunities and begin to implement the recommendations of the project.

Transit Asset Management – The Rapid completed a Transit Asset Management (TAM) plan in the fall of 2018. This plan presents a long-term action strategy for management of the assets of The Rapid, laying out a blueprint on how The Rapid intends to achieve and maintain its assets in a state of good repair. This will ensure The Rapid maintains its asset in an optimal manner, decreasing overall lifecycle costs. The various elements of this plan are now in the process of being implemented and will have an impact on The Rapid's operational and capital project selection. The TAM Plan was updated in the spring of 2021 and will constantly be updated at The Rapid furthers its TAM activities.

IV. Capital Planning Process Overview

The Rapid's Capital Planning program is overseen by the Capital Planning Committee, which was first convened in the fall of 2018.

The mission of the Capital Planning Committee is to strategically guide the capital planning process at The Rapid. This will be achieved by evaluating the lifecycle benefits and costs of each proposed capital project to determine its value in furthering the mission of The Rapid. This information will be used by the Committee to formulate a plan to prioritize The Rapid's capital investments.

The committee includes multidisciplinary representation from across The Rapid to guide our Capital Planning and Asset Management efforts. The standing members include:

Communications Manager	Information Technology Manager
Chief Operating Officer	Maintenance Manager
Facilities Manager	Purchasing Manager
Financial Analyst	Safety Manager
Finance Manager	Security Manager
Grants and Capital Planning Manager	Special Services Manager
Grants Officer	Strategic Planning Manager
Human Resources Manager	Training and Safety Manager

Other Rapid staff members may be asked to periodically participate depending on what the committee is discussing.

This is the Capital Improvement Plan formulated by The Rapid. The Capital Planning Committee has spent the first part of 2021 formulating The Rapid's this 5-Year Capital Improvement Plan which covers FY 2022 through FY 2026. This process included the following steps:

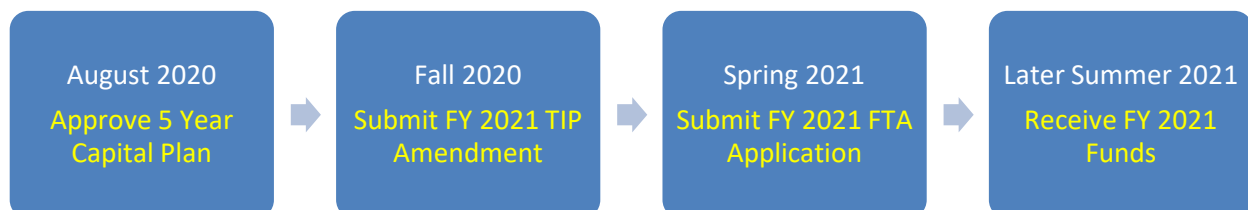
- Reviewed the capital project application process and project scoring criteria.
- Sent out a call for projects internally for capital projects within the 5-year horizon.
- Reviewed submissions and scored them based on scoring criteria.
- Formulated 5-Year Capital Plan based on this review process.

The project scoring helps to determine which projects are selected for funding in the Capital Plan. The results of the scoring can be seen below in Figure 2, the green shaded projects are receiving funding in the FY 2021 capital budget.

Figure 2: Summary of FY 2022 Capital Project scoring

Project	Points Received	Ranking
Revenue Vehicle Replacement	89.6	1
Demand Response Vehicle Replacement	88.4	2
Associated Capital Maintenance	84.2	3
Revenue Vehicle Mid-Lifecycle Repower	83.2	4
Bus Stop Enhancements	77.6	5
New Shelters	75.4	6
ADP Hardware	74.8	7
ADP Software	74.6	8
Central Station Oval Drive	74.2	9
Facilities Rehabilitation	72.6	10
RCS Canopy Renovation	71.4	11
Intelligent Transportation Systems	71.1	12
New Campus	70.7	13
Slilver Line 60th Lot Camera Replacement	69.4	14
Facility Equipment	68.8	15
Non-Revenue Vehicle Replacments	68.1	16
Ellsworth Exterior Renovation	66.1	17
Platform Replacement Cameras	65.3	18
Security and Traffic Control Gates	63.8	19
Facility and Bus Security Equipment	63.1	20
Ellsworth Interior Renovation	60.8	21
Panic Buttons/Misc. Security Items	58.9	22
Wealthy Upgrades	57.9	23
Radio Sysytem Wide Transition	56.0	24
Access/Perimeter Control	55.8	25

The process emphasized the prioritization of capital needs first and then matched the needs to available funding, as opposed to starting by looking at available funding. The vast majority of the projects selected were the top scored projects but there were a couple of exceptions as the Capital Planning Committee does look at factors beyond just project scoring.



The 5-Year Capital Improvement Plan will be revised throughout the year as necessary, but projects for the upcoming fiscal year must be included in the plan before it is brought to the Rapid Board at its annual budget meeting held each summer. Projects included in FY 2022 for this capital plan and that are eligible for federal formula grant funding will be included in our FY 2022 grant application to the Federal Transit Administration (FTA) which begins in the fall of 2021. Funds applied for in the fall of 2021 will be available to The Rapid in the late summer of 2022.

V. Capital Funding Sources

Funding sources for the projects in this plan include federal formula grants, as well as state matching funds, most federal grants are matched with 20% state funding. Funding sources included in the 5-Year Capital Program include:

5307 Grant: Federal formula funds for capital transit projects. Funding is distributed by formula, using population, population density and service delivery to determine the award amount. The Rapid's 5307 funds are anticipated to increase incrementally year over year but are dependent on Congressional action.

5339 Formula Grant: Federal formula funds dedicated for purchase and rehabilitation of buses and bus-related facilities. Just over half of the 5339 funds are distributed by a formula, similar to how 5307 funds are distributed. The Rapid's 5339 funds are also anticipated to increase incrementally year over year.

Congestion Mitigation and Air Quality Grant: Grand Valley Metropolitan Council (GVMC) receives Congestion Mitigation and Air Quality (CMAQ) funds each year, to fund projects that improve area air quality. The Rapid receives a share of these funds and uses them to fund rideshare efforts, clean air action days and purchase additional buses. Our region recently became an attainment area meaning its air quality is improving. As a result, CMAQ funds decreased substantially starting in FY 2021 and the future availability of funding through the program for the West Michigan region is in doubt because of its cleaner air.

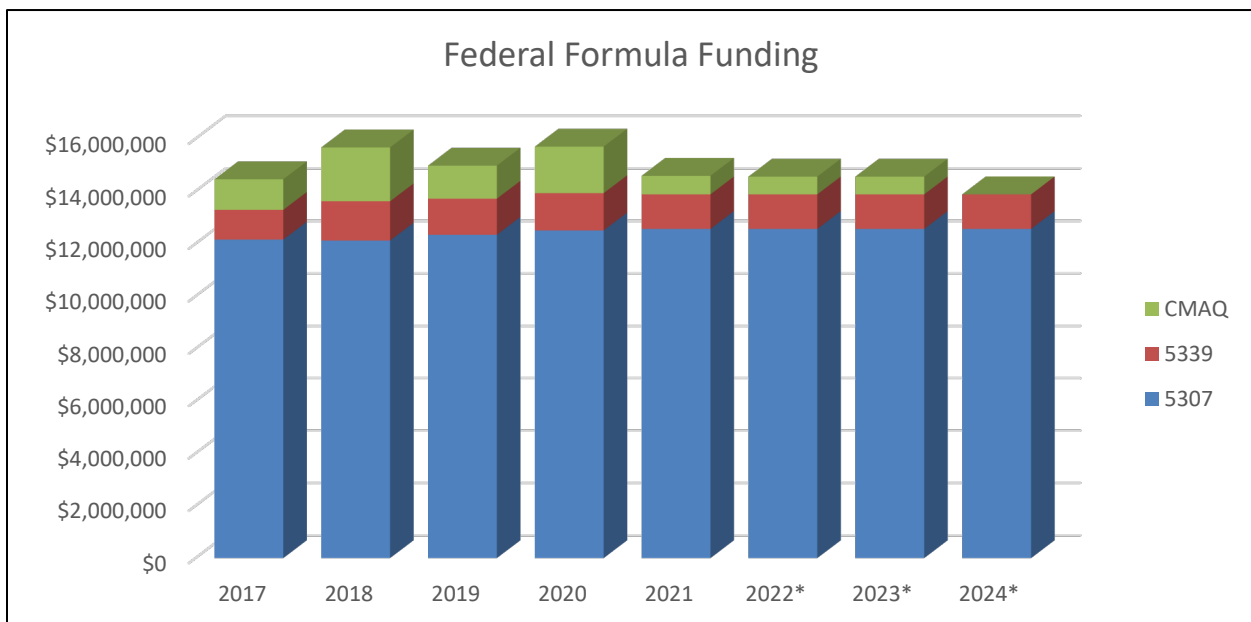


Figure 4: History and projections for The Rapid's federal formula funds; FY 2021 through 2023 are projections

COVID Recovery Grants: With the pandemic outbreak in 2020, Congress passed the CARES Act which included \$25 billion to support public transit systems across the country. Subsequently, Congress has passed the CRRSA and American Rescue Plan Act, which are providing further operating assistance to The Rapid. These funds are primarily intended to be used to cover operating expenses, although they do allow The Rapid not to apply for Preventative Maintenance funds, resulting in more funds for other capital projects.

These funding sources are all the sources included in the current 5-Year Capital Improvement Plan. The Rapid anticipates looking at additional funding sources in the coming years to expand our funding base and meet the capital needs identified in the capital planning process.

Additionally, the new federal administration has proposed some significant infrastructure investment projects that are currently being debated in congress. There is no specific legislation that has been finalized from this process, but The Rapid is closely monitoring the opportunities this may provide.

VI. FY 2022 to FY 2026 Capital Improvement Plan

	Project Description	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total
Vehicle Purchase	Fixed Route Buses	\$1,203,228	\$9,815,152	\$9,382,740	\$6,378,270	\$6,490,000	\$33,269,390
	Demand Response Buses	\$397,324	\$1,544,640	\$1,181,652	\$803,529	\$614,700	\$4,541,845
	Service Vehicles	\$230,000	\$150,000	\$95,000	\$95,000	\$95,000	\$665,000
	RapidVans	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$625,000
	Vehicle Purchase Subtotal	\$1,955,552	\$11,634,792	\$10,784,392	\$7,401,799	\$7,324,700	\$39,101,235
New/Rehab Facilities	New Campus	\$9,275,000	\$0	\$0	\$2,500,000	\$0	\$11,775,000
	Ellsworth Exterior Rehabilitation	\$400,000	\$0	\$0	\$0	\$0	\$400,000
	RCS Drive Repaving	\$882,000	\$0	\$0	\$0	\$0	\$882,000
	RCS Canopy Rehabilitation	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
	New Shelters	\$127,018	\$100,000	\$100,000	\$0	\$0	\$327,018
	Division United	\$818,361	\$0	\$0	\$1,000,000	\$1,000,000	\$2,818,361
	New/Rehab Facilities Subtotal	\$11,502,379	\$1,100,000	\$100,000	\$3,500,000	\$1,000,000	\$17,202,379
Vehicle Main.	Bus Mid-Life Drive Repowering	\$86,549	\$1,271,811	\$1,800,872	\$1,386,688	\$2,248,317	\$6,794,237
	Tire/Tube Lease	\$0	\$0	\$0	\$133,654	\$278,968	\$412,622
	Shop Equipment	\$0	\$20,000	\$5,000	\$5,000	\$5,000	\$35,000
	Bus Capital Maintenance	\$700,000	\$700,000	\$600,000	\$500,000	\$400,000	\$2,900,000
	Demand Response Vehicle Parts	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000
	Vehicle Maintenance Subtotal	\$786,549	\$1,996,811	\$2,410,872	\$2,030,342	\$2,937,285	\$10,161,859
Facility Main.	General Facility Rehabilitation	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
	Facility Equipment	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
	Bus Stop Enhancements	\$10,000	\$10,000	\$50,000	\$250,000	\$500,000	\$820,000
	Facility Maintenance Subtotal	\$50,000	\$50,000	\$90,000	\$290,000	\$540,000	\$1,020,000
IT	RTIS Sign Replacement	\$0	\$0	\$840,000	\$0	\$0	\$840,000
	IT Hardware	\$176,500	\$176,500	\$200,000	\$200,000	\$250,000	\$1,003,000
	IT Software	\$160,000	\$175,000	\$200,000	\$200,000	\$250,000	\$985,000
	Intelligent Transportation Systems	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000	\$1,200,000
	Information Technology Subtotal	\$576,500	\$591,500	\$1,480,000	\$640,000	\$740,000	\$4,028,000
Operations	GO!Bus Operation	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$3,500,000
	Preventative Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
	Operations Subtotal	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$3,500,000
Security	Bus Security Cameras	\$230,000	\$50,000	\$50,000	\$50,000	\$50,000	\$430,000
	Security Equipment	\$10,000	\$100,000	\$120,000	\$120,000	\$120,000	\$470,000
	Security Subtotal	\$240,000	\$150,000	\$170,000	\$170,000	\$170,000	\$900,000
Grant Awards	Laker Line Expanded Scope	\$4,962,500	\$0	\$0	\$0	\$0	\$4,962,500
	Low-No Grant Application	\$2,355,200	\$0	\$0	\$0	\$0	\$2,355,200
	Laker Line Subtotal	\$7,317,700	\$0	\$0	\$0	\$0	\$7,317,700
Planning	Unified Planning Work Program	\$780,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,580,000
	UPWP Subtotal	\$780,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,580,000
	TOTALS	\$23,908,680	\$16,423,103	\$15,935,264	\$14,932,141	\$13,611,985	\$84,811,173

VII. FY 2022 Capital Improvement Plan

	Project Description	Previous Grants	FY 2022 5307	FY 2022 5339 Formula	FY 2022 CMAQ	Discretionary or TBD	Total
Vehicle Purchase	2 Fixed Route Buses	\$0	\$183,228	\$0	\$300,000	\$720,000	\$1,203,228
	Demand Response Buses	\$0	\$397,324	\$0	\$0	\$0	\$397,324
	Non-Revenue Vehicles	\$0	\$230,000	\$0	\$0	\$0	\$230,000
	Rapid Van Vehicles	\$0	\$0	\$0	\$125,000	\$0	\$125,000
	Vehicle Purchase Subtotal	\$0	\$810,552	\$0	\$425,000	\$720,000	\$1,955,552
New/Rehab Facilities	New Campus	\$0	\$7,957,997	\$1,317,003	\$0	\$0	\$9,275,000
	Ellsworth Exterior Rehabilitation	\$400,000	\$0	\$0	\$0	\$0	\$400,000
	RCS Drive Repaving	\$882,000	\$0	\$0	\$0	\$0	\$882,000
	New Shelters	\$0	\$127,018	\$0	\$0	\$0	\$127,018
	Division United	\$0	\$0	\$0	\$0	\$818,361	\$818,361
	New/Rehab Facilities Subtotal	\$1,282,000	\$8,085,015	\$1,317,003	\$0	\$818,361	\$11,502,379
Vehicle Main.	Bus Mid-Life Repower	\$0	\$86,549	\$0	\$0	\$0	\$86,549
	Bus Capital Maintenance	\$0	\$700,000	\$0	\$0	\$0	\$700,000
	Vehicle Maintenance Subtotal	\$0	\$786,549	\$0	\$0	\$0	\$786,549
Facility Main.	General Facility Needs	\$0	\$20,000	\$0	\$0	\$0	\$20,000
	Facility Equipment	\$0	\$20,000	\$0	\$0	\$0	\$20,000
	Stop Enhancements	\$0	\$10,000	\$0	\$0	\$0	\$10,000
	Facility Maintenance Subtotal	\$0	\$50,000	\$0	\$0	\$0	\$50,000
IT	IT Hardware	\$0	\$176,500	\$0	\$0	\$0	\$176,500
	IT Software	\$0	\$160,000	\$0	\$0	\$0	\$160,000
	Intelligent Transportation Systems	\$0	\$240,000	\$0	\$0	\$0	\$240,000
	Information Technology Subtotal	\$0	\$576,500	\$0	\$0	\$0	\$576,500
Operations	GO!Bus Operations	\$0	\$700,000	\$0	\$0	\$0	\$700,000
	Preventative Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
	Operations Subtotal	\$0	\$700,000	\$0	\$0	\$0	\$700,000
Security	Replacement Cameras	\$0	\$230,000	\$0	\$0	\$0	\$230,000
	General Security Maintenance	\$0	\$10,000	\$0	\$0	\$0	\$10,000
	Security Subtotal	\$0	\$240,000	\$0	\$0	\$0	\$240,000
Grant Awards	Laker Line Expanded Scope	\$4,962,500	\$0	\$0	\$0	\$0	\$4,962,500
	Low-No Grant Application	\$0	\$0	\$0	\$0	\$2,355,200	\$2,355,200
	Laker Line Subtotal	\$4,962,500	\$0	\$0	\$0	\$2,355,200	\$7,317,700
Planning	UPWP Activities	\$0	\$495,000	\$0	\$0	\$285,000	\$780,000
	UPWP Subtotal	\$0	\$495,000	\$0	\$0	\$285,000	\$780,000
		\$6,244,500	\$11,743,616	\$1,317,003	\$425,000	\$4,178,561	\$23,908,680

VIII. Capital Project Descriptions

A. Vehicle Purchases

1. Fixed Route Buses – \$33,266,162

Fixed route buses provide the backbone of The Rapid's service. Replacing our fixed route buses on a regular basis is essential to providing safe, reliable, and efficient bus service to our community. The Rapid generally operates fixed route buses for 12 years or 500,000 miles, beyond that point the repairs become prohibitively expensive and affect our operating budget. The bus replacement schedule over the course of the 5-Year Capital Plan is shown below.



	2022	2023	2024	2025	2026	Total
Buses purchased	2	11	12	8	10	43
Cost	\$1,200,000	\$9,815,152	\$9,382,740	\$6,378,270	\$6,490,000	\$33,266,162

One element of fleet management that The Rapid is monitoring is the nationwide move towards bus electrification. There are increasing directives and grants from the FTA to move towards zero emissions vehicles, primarily electric battery powered buses. The Rapid is monitoring this FTA activity and determining internally what our fleet composition should be moving forward and will make adjustments to future bus purchases as necessary.

2. Demand Response Buses – \$4,541,845



GO!Bus vehicles provide complementary demand response transportation service as required by the Americans with Disabilities Act (ADA). Once again, replacing these vehicles is essential for providing safe and effective GO!Bus service to our community. The Rapid generally operates GO!Bus vehicles for 7 years or 200,000 miles, the replacement schedule over the course of the 5-Year Capital Plan is shown below.

	2022	2023	2024	2025	2026	Total
GO!Buses purchased	15	16	12	8	6	49
Cost	\$397,324	\$1,544,640	\$1,181,652	\$803,529	\$614,700	\$4,541,845

3. Service Vehicles– \$665,000

The Rapid utilizes a variety of service vehicles, including vehicles for road supervisors, facilities and fleet maintenance and other pool vehicles. These vehicles must be replaced periodically as they complete their useful life. The request for FY 2022 is for a higher amount due to this item being neglected for a number of years, with some of the vehicles programmed to be replaced in excess of 15 years old and well past their useful life.



	2022	2023	2024	2025	2026	Total
Service Vehicles	\$230,000	\$150,000	\$95,000	\$95,000	\$95,000	\$665,000

4. RapidVans – \$625,000



The Rapid provides RapidVan vanpools for commuters to utilize for trips coming into Kent, Ottawa and Allegan Counties. These vanpools encourage ridesharing and provide substantial cost savings for the participants. The Rapid uses part of the CMAQ grant to fund the replacement of these vehicles and ensure the continuation of this program.

	2022	2023	2024	2025	2026	Total
RapidVans purchased	4	4	4	4	4	20
Cost	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$625,000

B. Facility Construction

5. New Campus – GO!Bus Facility \$11,775,000

Construct a new GO!Bus Facility, containing all demand response vehicle storage, maintenance, dispatch, administration, and scheduling. Currently MV Transportation operates The Rapid's GO!Bus service and rents a space for this purpose. These costs are passed on to The Rapid through the hourly rate they charge for services.

This would centralize all GO!Bus operations and give The Rapid flexibility in how it oversees and administers demand response service. It also would provide flexibility to incorporate new transportation services such as on-demand services as they come on-line.



	2022	2023	2024	2025	2026	Total
New Campus	\$9,275,000	\$0	\$0	\$2,500,000	\$0	\$11,775,000

6. Ellsworth Exterior Rehabilitation – \$400,000



The Ellsworth building was renovated in 1998, with EIFS added to the south and east faces in 2006. There are several items that need maintenance to keep the facility in good operating condition. The clay brick masonry on the north and west faces need tuck pointing repair of the mortar joints. The EIFS is typically a 10-12 year solution (from 2006), and so is in need of redoing system joint sealants and examining and repairing points

of failure in the system. Last, the roof is nearing the end of its useful life and will need to be replaced.

7. RCS Drive Repaving – \$882,000

The platform at Rapid Central Station is surrounded by a concrete drive lane used by buses each day. It has gone through many repairs over its lifetime. It is in need of being replaced. Given that it surrounds the platform, it will need to be replaced in phases to keep the buses operational.

There is snow melt piping that runs through a portion of the drive lane, mostly under bus parking.



8. New Shelters – \$327,018

Purchase and install 15 new shelters to be placed around The Rapid's service area. These locations will be cleared through the NEPA process prior to the grant application. The shelters will be purchased off our existing contract with Tolar and the funds in the project include required concrete pads as well.

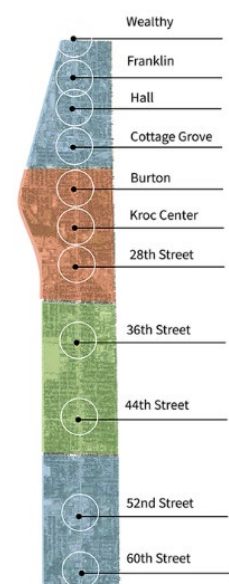


	2022	2023	2024	2025	2026	Total
New Shelters	\$127,018	\$100,000	\$100,000	\$0	\$0	\$327,018

9. Division United – \$2,818,361

The Rapid is in the process of completing its Division United Transit Oriented Development study. A substantial portion of this study demonstrates land use investment strategies to stimulate equitable development along the corridor including affordable housing, retail, and employment opportunities.

The Rapid intends to take a proactive approach in spurring these developments. Through key investments in transportation and development opportunities in the corridor and by partnering with local governments, businesses, residents and non-profit organizations, The Rapid can spur development and catalyze the development called for in Division United. The exact nature of the investments and where the funding can come from are still being determined, but the inclusion of this project in the Capital Improvement Plan demonstrates The Rapid's intention to move this project forward.



	2022	2023	2024	2025	2026	Total
Division United	\$818,361	\$0	\$0	\$1,000,000	\$1,000,000	\$3,928,744

C. Vehicle Maintenance

10. Bus Mid-Life Drive Repowering – \$6,794,237

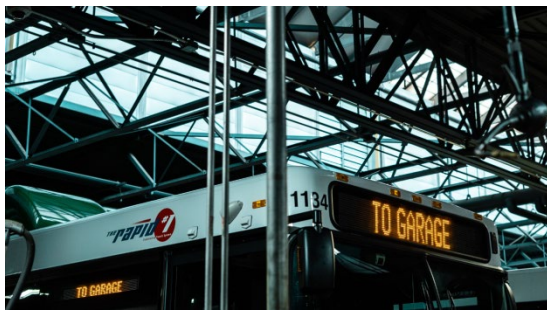
The Rapid is conducting a mid-life bus repowering program of all its buses. In the past we would run with the original engines, and if they failed we had to react to this and repair the engines. This leads to buses failing while in service, unpredictable maintenance schedules and reduced reliability of our service.



Under this program, The Rapid repowers bus engines as the buses enter the second half of their useful life. This will mean we can proactively maintain these buses, making them more reliable on the road and resulting in maintenance savings over time as this project is implemented. Additionally, this may extend the useful life of the buses.

	2022	2023	2024	2025	2026	Total
Bus Mid-Life Drive Repowering	\$86,549	\$1,271,811	\$1,800,872	\$1,386,688	\$2,248,317	\$6,794,237

11. Bus Capital Maintenance – \$2,900,000



The Rapid must purchase high value bus parts, including fuel pumps, particulate filters, air compressors, driver seats and alternators to maintain its fleet in a state of good repair. This line item will be used to ensure our maintenance staff has the necessary bus parts on hand to carry out necessary bus maintenance and repairs. The cost of bus capital maintenance is expected to decrease

over time because of the investment in bus mid-life drive repowering.

	2022	2023	2024	2025	2026	Total
Bus Capital Maintenance	\$700,000	\$700,000	\$600,000	\$500,000	\$400,000	\$2,900,000

D. Facility Maintenance

12. General Facility Rehabilitation – \$100,000

The Rapid owns a number of facilities across the region. All these facilities are need of periodic rehabilitation to keep them in a state of good repair. This line item will be used to purchase such things as flooring, doors, HVAC units and other items that are necessary for the proper operation of The Rapid's facilities.



	2022	2023	2024	2025	2026	Total
General Facility Rehabilitation	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000

13. Facility Equipment – \$100,000

The Rapid's Facilities Department needs certain equipment to properly carry out its role. In FY 2022 this is expected to include a new floor scrubber and replacement salt spreader.

	2022	2023	2024	2025	2026	Total
Facility Equipment	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000

14. Bus Stop Rehabilitation and Enhancement – \$820,000

Bus stops are in need of periodic repair, subjected to the elements and vandalism. Some of the repair efforts necessitate the purchase of capital items such as new bus signs. There is also the need to provide bus stop enhancements such as shelters and benches.



	2022	2023	2024	2025	2026	Total
Bus Stop Enhancement and Rehabilitation	\$10,000	\$10,000	\$50,000	\$250,000	\$500,000	\$820,000

E. Information Technology

15. IT Hardware – \$1,003,000

The Rapid has various hardware needs, including computer replacements, projectors, network switches and servers. This fund will be used to ensure that The Rapid's hardware requirements are met, ensuring the necessary IT infrastructure is in place.

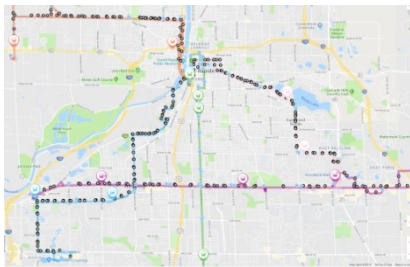
	2022	2023	2024	2025	2026	Total
IT Hardware	\$176,500	\$176,500	\$200,000	\$200,000	\$250,000	\$1,003,000

16. IT Software – \$985,000

The Rapid has specific software needs over the course of the next five years. These include replacing older software systems and getting the necessary licenses for our required software programs.

	2022	2023	2024	2025	2026	Total
IT Software	\$160,000	\$175,000	\$200,000	\$200,000	\$250,000	\$985,000

17. Intelligent Transportation Systems – \$1,200,000



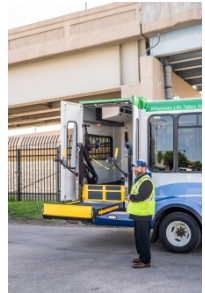
Rapid buses carry a host of technological enhancements onboard allowing for better operation, data generation, enhanced security, and real time bus information for our passenger. These systems need to be upgraded, including bus camera system replacement for our older buses and expanding the capability of our ITS systems.

	2022	2023	2024	2025	2026	Total
Intelligent Transportation Systems	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000	\$1,200,000

F. Operations Funding

18. GO!Bus Operations – \$3,500,000

The Federal Transit Administration allows transit systems to use a portion of their capital funds to fund the operation of federally mandated ADA demand response service. The Rapid takes advantage of this to fund a portion of our GO!Bus costs from the capital budget. These funds are not eligible for State of Michigan matching funds, but they do help us defray our operating budget.



	2022	2023	2024	2025	2026	Total
GO!Bus Operations	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$3,500,000

G. Security

19. Bus Security Camera Replacement – \$430,000

Funding for upgrade to existing platform cameras to a HD 32 mp multi-sensor cameras that allow for continuous 360-degree viewing. These cameras will replace cameras that are beyond their useful life and allow for better coverage of the RCS and Silverline platforms. The new cameras will have video analytics, which will assist in incident investigations saving labor time on collecting video evidence.



	2022	2023	2024	2025	2026	Total
Security Cameras	\$230,000	\$50,000	\$50,000	\$50,000	\$50,000	\$430,000

20. Security Equipment – \$470,000

Funding for security-related projects, including projects such as new and replacement security cameras, access control and upgrades of existing security assets.

	2022	2023	2024	2025	2026	Total
Security Projects	\$10,000	\$100,000	\$120,000	\$120,000	\$120,000	\$470,000

H. Grant Applications

22. Laker Line Expanded Scope —\$4,962,500

The Rapid's Laker Line project is coming in significantly under budget. As a result, the FTA is allowing The Rapid to utilize \$4,962,500 to implement expanded scope projects related to the Laker Line. Projects will include:

- Construction of a park and ride lot at Seward and Lake Michigan
- Purchase of an additional Laker Line BRT vehicle
- Painting of bus only lanes on Monroe Avenue
- Purchase of additional property for Laker Line operations
- Enhanced BRT vehicle features
- Enhanced landscaping at the Standale Trail station
- Convert eight platforms from cellular to wireless communication



The cost and exact scope of each element are still being finalized, but work should begin in FY 2022 on all the expanded scope projects listed above.

23. Low No Electric Bus Grant Application – \$2,355,200



The Rapid submitted a Low/No Emissions Grant to the FTA to purchase 8 electric battery cutaway buses and necessary charging infrastructure to operate our on-demand service. These buses will provide zero-emissions on-demand bus service in the airport industrial area in Kentwood and 3-Mile corridor in Walker.

The Rapid did not receive a grant when the original awards were made, but there is a possibility the grant funds will be placed in the upcoming Transportation Bill. The result of this and any potential funding will not be known until the Transportation Bill passes later this year.

I. Planning

23. Unified Planning Work Program – \$1,580,000

The Unified Planning Work Program (UPWP) is prepared and submitted annually and describes the major transportation planning activities that will take place in the upcoming fiscal year in the Grand Rapids area. Any transportation related planning projects must be contained in an approved UPWP in order to be eligible for federal and/or state funding. The UPWP is developed jointly by The Rapid staff and the Grand Valley Metropolitan Council (GVMC).

The Rapid's 2022 UPWP projects include community outreach the creation of a Long Range Transit Master Plan, that will build off the Align



Study and Comprehensive Operation Analysis to build a vision for transportation services in West Michigan beyond The Rapid's existing system. This study is funded with \$285,000 from CVID Relief Highway Infrastructure Program funds awarded through a competitive funding process from the Grand Valley Metropolitan Council.

	2022	2023	2024	2025	2026	Total
Planning Projects	\$780,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,580,000

Interurban Transit Partnership
Grant Revenues Expenditures
Month Ended 10/31/21

	Adopted Budget	Amended Budget	Month To Date	Year To Date	Balance	Percent Target	0%
1. Federal Grant Assistance	15,581,754	15,581,754	-	-	15,581,754	0%	
2. State Grant Assistance	3,895,438	3,895,438	-	-	3,895,438	0%	
3. Transfer In - Operating Budget	-	-	-	-	-	100%	
4. Use of Restricted Net Assets	-	-	-	-	-	100%	
5. Other Local	-	-	-	-	-	100%	
6. Total Grant Revenue	19,477,192	19,477,192	-	-	19,477,192	0%	
7. Adminstrative Salaries	42,500	42,500	-	-	42,500	0%	
8. Driver Wages	-	-	-	-	-	100%	
9. Temporary Wages	-	-	-	-	-	100%	
10. Fringe Benefit Distribution	17,000	17,000	-	-	17,000	0%	
11. Total Labor	59,500	59,500	-	-	59,500	0%	
12. Tires & Tubes	312,000	312,000	-	-	312,000	0%	
13. Office Supplies	-	-	-	-	-	100%	
14. Printing	3,000	3,000	-	-	3,000	0%	
15. Total Materials & Supplies	315,000	315,000	-	-	315,000	0%	
16. Purchased Transportation	740,000	740,000	-	-	740,000	0%	
17. Specialized Services	-	-	-	-	-	100%	
18. Total Purchased Transportation	740,000	740,000	-	-	740,000	0%	
19. Dues & Subscriptions	30,775	30,775	-	-	30,775	0%	
20. Professional Development	12,200	12,200	-	-	12,200	0%	
21. Miscellaneous	-	-	-	-	-	100%	
22. Total Other Expenses	42,975	42,975	-	-	42,975	0%	
23. Office Lease	-	-	-	-	-	100%	
24. Transit Center Lease	-	-	-	-	-	100%	
25. Storage Space Lease	-	-	-	-	-	100%	
26. Total Leases	-	-	-	-	-	100%	
27. Rolling Stock	3,505,131	3,505,131	-	-	3,505,131	0%	
28. Facilities	5,910,931	5,910,931	-	-	5,910,931	0%	
29. Equipment	116,000	116,000	-	-	116,000	0%	
30. Other	4,535,955	4,535,955	-	-	4,535,955	0%	
31. Total Capital	14,068,017	14,068,017	-	-	14,068,017	0%	
32. Planning Services	4,251,700	4,251,700	-	-	4,251,700	0%	
33. Capitalized Operating	-	-	-	-	-	100%	
34. Total Expenditures	19,477,192	19,477,192	-	-	19,477,192	0%	



Interurban Transit Partnership

INTERURBAN TRANSIT PARTNERSHIP BOARD OF DIRECTORS

RESOLUTION No. 082521-1

Fiscal Year: 2020 - 2021

Moved and supported to adopt the following resolution:

Whereas, the Interurban Transit Partnership, formed under Public Act 196 ("ITP") will levy 1.4308 mills of ad valorem property taxes for the purpose of providing public transportation services during FY 2022; and

Whereas, the 1.4308 millage rate reflects a slight decrease in the millage rate levied by the Interurban Transit Partnership Board of Directors ("ITP Board") in FY 2021 (1.4457); and

Whereas, total expenditures do not exceed total revenues; and

Whereas, estimated revenues (by source) to be collected in the Operating Budget and Grant Budget are contained in the budget document presented to the ITP Board;

THEREFORE BE IT RESOLVED that the ITP Board hereby adopts the FY 2022 Operating and Grant Budgets as presented to the ITP Board on August 25, 2021.

BE IT FURTHER RESOLVED that and the ITP Board hereby approves the continued 1.4308 budgeted millage rate for FY 2022 pursuant to Section 211.24e(3) of the Michigan Truth in Taxation Act.

BE IT FURTHER RESOLVED that the CEO, or their designee, is authorized to execute contracts to maintain employee fringe benefit programs as outlined in the Budget.

BE IT FURTHER RESOLVED that the Interurban Transit Partnership Board has reviewed and hereby approves the Costing for Contracted Services as presented.

BE IT FURTHER RESOLVED that funds in the budget (\$51,107,676 Operating) and (\$23,908,680 Grant) are appropriated for those purposes described in the budget, as required under Section 21 of Act 196 (Public Act of 1986, as amended).

CERTIFICATE

The undersigned, duly qualified and acting secretary of the Interurban Transit Partnership Board, certifies that the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Interurban Transit Partnership Board.

Date



Interurban Transit Partnership

Date: August 25, 2021
To: ITP Board
From: Andy Prokopy, Manager of Information Technology
Subject: RCS & Kentwood Station TVMs

ACTION REQUESTED

Staff is requesting authorization to approve a contract with INIT in an amount not to exceed \$396,129 for the purchase and installation of four (4) additional ticket vending machines.

BACKGROUND

As part of the Laker Line project, the Rapid awarded the contract to our E-Fare vendor INIT to engineer, manufacture, and install new ticket vending machines for the new Laker Line BRT, which included enhanced features including the ability to sell new Wave cards, check the balance of existing cards, and add additional funds to Wave cards. Currently, the only support for purchasing Wave cards, checking balances, or reloading cards at Rapid Central Station is through the Info Center inside RCS, during standard business hours M-F 6:30am – 6:30pm. The Rapid plans to add a total of four (4) additional TVMs, three (3) located at the RCS platform and one (1) located at Kentwood Station hub (which doesn't currently have a TVM) for improved service and convenience for our customers.

ACTION PLAN

The new ticket vending machines will be manufactured, installed, and commissioned by INIT. Placement of the TVMs will include one (1) TVM at the RCS Silver Line platform, two (2) placed at each end of the RCS main platform, and one (1) TVM placed on or near the central platform and shelters at Kentwood Station.

Per the proposal, the estimated delivery is approximately 6 months from the order placement, however due to worldwide electronic chip and material shortages, delivery may be delayed by up to 6 months, for a potential delivery timeline 12 months from the issuance of the PO.

PROCUREMENT

This is a sole source procurement. INIT was awarded the competitive bid proposal back in Sept 2018 beating out several other vendors. Since INIT has already manufactured TVMs for The Rapid, the design, specifications, and backend programming are already established. Working with a different manufacturer would require additional development work from the vendor and INIT to integrate the Wave Card system for card sale, balance check, and adding of funds. Consequently, procurement of TVMs through a different vendor would be cost prohibitive.

FUNDING

Funding for this contract will be from Federal and State grants, no local funds will be used.



Interurban Transit Partnership

DATE: July 7, 2021

TO: ITP Board

FROM: Jason Prescott

SUBJECT: JUNE 2021 PARATRANSIT RIDERSHIP REPORT

Paratransit ridership information for June 2021, as compared to June 2020

	2021	2020	% Change
Total Paratransit Ridership	18,292	9,797	86.7%
ADA Ridership	15,004	8,314	80.5%
Non-Disabled Senior (NDS) Ridership	81	40	102.5%
PASS Ridership	298	123	142.3%
Network 180	2,747	623	340.9%
Cascade Township	566	197	187.3%

Ridership averages, as compared to 2020

	2021	2020	% Change
Weekday Ridership	627	372	68.5%
Saturday Ridership	236	163	44.8%
Sunday Ridership	203	82	147.6%

Other Performance Measures

	2021	2020	% Change
On-Time Performance	98.08%	96.69%	1.4%
On-Time Drop-Off	96.63%	95.05%	1.7%
Average Cost Per Trip	\$28.84	\$30.32	-4.9%

June 2021 Paratransit Ridership and Operating Statistics

ADA	2021	2020	Change	% Change
Clients	1,165	879	286	32.5%
Passenger Trips	15,004	8,314	6,690	80.5%

NDS				
Clients	13	3	10	333.3%
Passenger Trips	81	40	41	102.5%

PASS				
Clients	13	12	1	8.3%
Passenger Trips	298	123	175	142.3%

CONTRACTED				
Clients	2	0	2	#DIV/0!
Passenger Trips	46	0	46	#DIV/0!

RIDELINK				
Clients	79	242	(163)	-67.4%
Passenger Trips	116	697	(581)	-83.4%
Phone Calls	3,149	2,070		
Total Trips sched. thru Rapid call center	1,054	1,859		

TOTALS				
Clients	1,272	1,136	136	12.0%
Passenger Trips	15,545	9,174	6,371	69.4%
Average Weekday Ridership	627	372	255	68.5%
Average Saturday Ridership	236	163	73	44.8%
Average Sunday Ridership	203	82	121	147.6%
All Ambulatory Passengers	10,161	5,237	4,924	94.0%
All Wheelchair Passengers	5,384	3,937	1,447	36.8%
No - Shows	326	326	0	0.0%
Cancellations	3,474	836	2,638	315.6%
MV				
Average Cost per Trip	\$28.84	\$30.32	(\$1.48)	-4.9%
Riders per Hour	1.8	1.6	0.2	14.4%
Accidents per 100,000 Miles	0.0	0.0	0	#DIV/0!

Trip Denials	0	1	-1	-100.0%
NTD Travel Time (minutes)	33	32	1	2.7%

NETWORK 180				
Passenger Trips	2,747	623	2,124	340.9%
Average Weekday Ridership	125	29	96	331.0%

TOTAL PASSENGER TRIPS	18,292	9,797	8,495	86.7%
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Paratransit Service Quality Statistics: network 180 Excluded

Complaints	2021	2020	% of Trips	% Change
MV Complaints	6	6	0.0%	0.0%

On-Time Performance				
On-Time Compliance - Pick-up	98.08%	96.69%	1.4%	1.4%
On-Time Compliance - Drop-off	96.63%	95.05%	1.6%	1.7%



Interurban Transit Partnership

Date: July 7, 2021
To: ITP Board
From: Jason Prescott – Special Services Manager
Subject: FY 2021 3rd Quarter PARATRANSIT REPORT CARD

In keeping with the commitment of reporting system performance to the community, attached is the FY 2021 3rd Quarter Paratransit Report Card

Productivity – Paratransit ridership for the 3rd quarter (54,726) increased by 197% compared to the same quarter of FY2020.

Preventable Accidents– There were 0 preventable accidents per 100,000 revenue miles for the third quarter FY2021.

Customer Service – There were .0002 complaints per 1,000 passengers.

Travel Time – Average trip length was 33.3 minutes for the third quarter of FY21.

Passengers per Hour – 3rd quarter service was provided to an average of 1.8 passengers per hour.

On-Time Performance – The paratransit vehicles were on-time for 98.06% of the trips.

On-Time Appointment Drop-Off – The paratransit vehicles dropped passengers off on time for appointments 95.59% of the time.

Cost Per Trip – Cost per paratransit trip averaged as \$28.82 for this quarter.

Ratio to Fixed-Route bus - For every, one passenger who boarded a paratransit vehicle, (17) passengers boarded the fixed-route bus system.

A summary of the report card is attached.

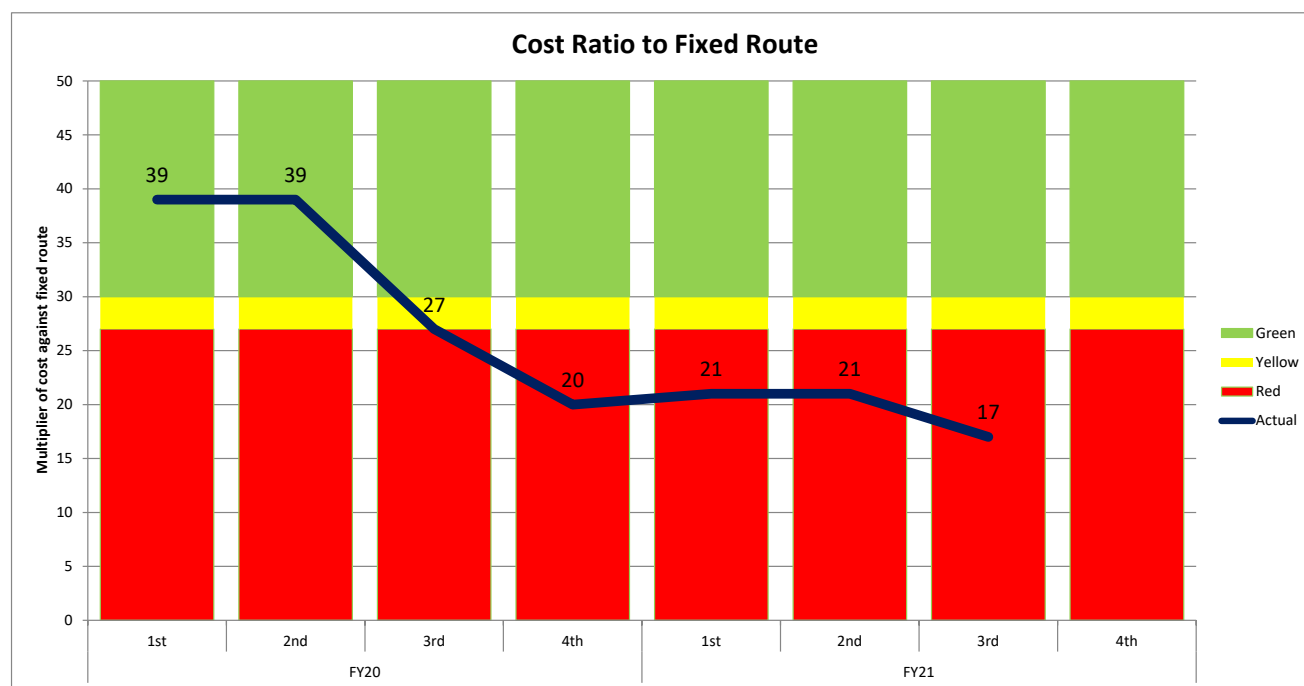
PARATRANSIT FY2021 REPORT CARD STANDARDS

	FY2021						FY2020							
	Standard	1st	2nd	3rd	4th	Annual	1st	2nd	3rd	4th	Annual			
Productivity														
Total Paratransit Ridership	N/A	42,475	45,939	54,726			69,508	60,696	18,394	41,928	190,526	N/A	N/A	N/A
Passengers Per Hour	≥2.0	1.5	1.7	1.8			1.9	2.0	1.6	1.6	1.8	≥ 2.0	< 2.0 and > 1.7	≤ 1.7
	Actual value - not percentage change													
Preventable Accidents														
Preventable Accidents (per 100k miles)	≤ 0.9	0.3	0.3	0			1.5	1.0	0.0	1.0	0.9	≤ 0.9	> 0.9 and < 1.5	≥ 1.5
	Actual value - not percentage change													
Customer Service														
Complaints (per 100k passengers)	≤ 0.9	0.01	0.013	0.0002			1.1	1.0	0.01	0.01	0.53	≤ 0.9	> 0.9 and < 1.5	≥1.5
Travel Time (minutes)	≤ 30	38.6	36.3	33.3			30	31	29	37.3	31.82	≤ 30	> 30 and < 33	≥33
	Actual value - not percentage change													
On-Time Performance														
Percentage of On-Time Trip	≥ 95%	98.86%	98.30%	98.06%			93.66%	95.61%	98.06%	98.50%	96.46%	≥95%	< 95% and > 93%	≤ 93%
Percentage of On-Time Drop-Offs	≥ 95%	97.17%	97.04%	95.59%			94.02%	96.20%	97.20%	96.57%	96.00%	≥95%	< 95% and > 93%	≤ 93%
	Actual value - not percentage change													
Cost Effectiveness														
Cost Per Passenger	N/A	\$33.93	\$31.47	\$28.82			\$25.63	\$26.51	\$34.93	\$31.95	\$29.75	N/A	N/A	N/A
Ratio of Paratransit to Fixed Route Ridership	1:30	1:21	1:21	1:17			1:39	1:39	1:27	1:20	1:31	≥30	< 30 and > 27	≤ 27
	Actual value - not percentage change													

FY2020

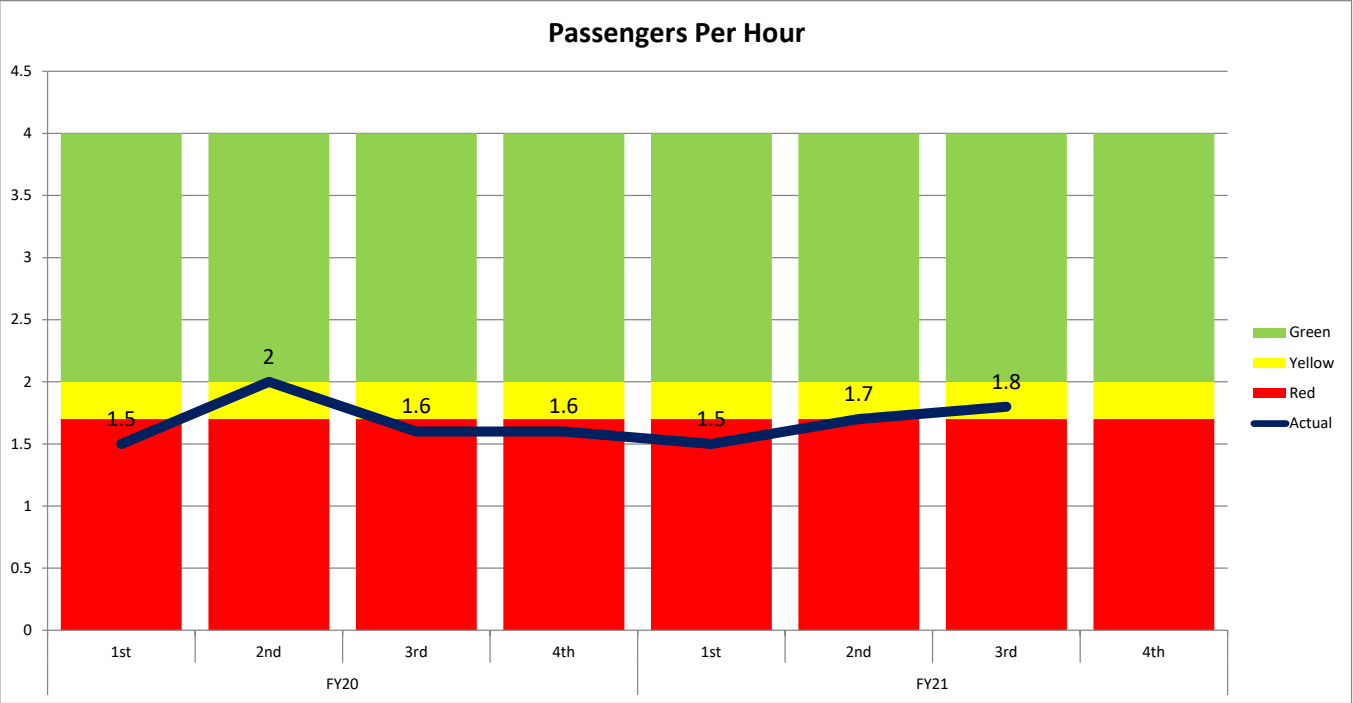
1st	2nd	3rd	4th
1:39	1:39	1:27	1:20

		Red	Yellow	Green	Actual
FY20	1st	27	3	20	39
	2nd	27	3	20	39
	3rd	27	3	20	27
	4th	27	3	20	20
FY21	1st	27	3	20	21
	2nd	27	3	20	21
	3rd	27	3	20	17
	4th	27	3	20	



FY2020			
1st	2nd	3rd	4th
1.5	2	1.6	1.6

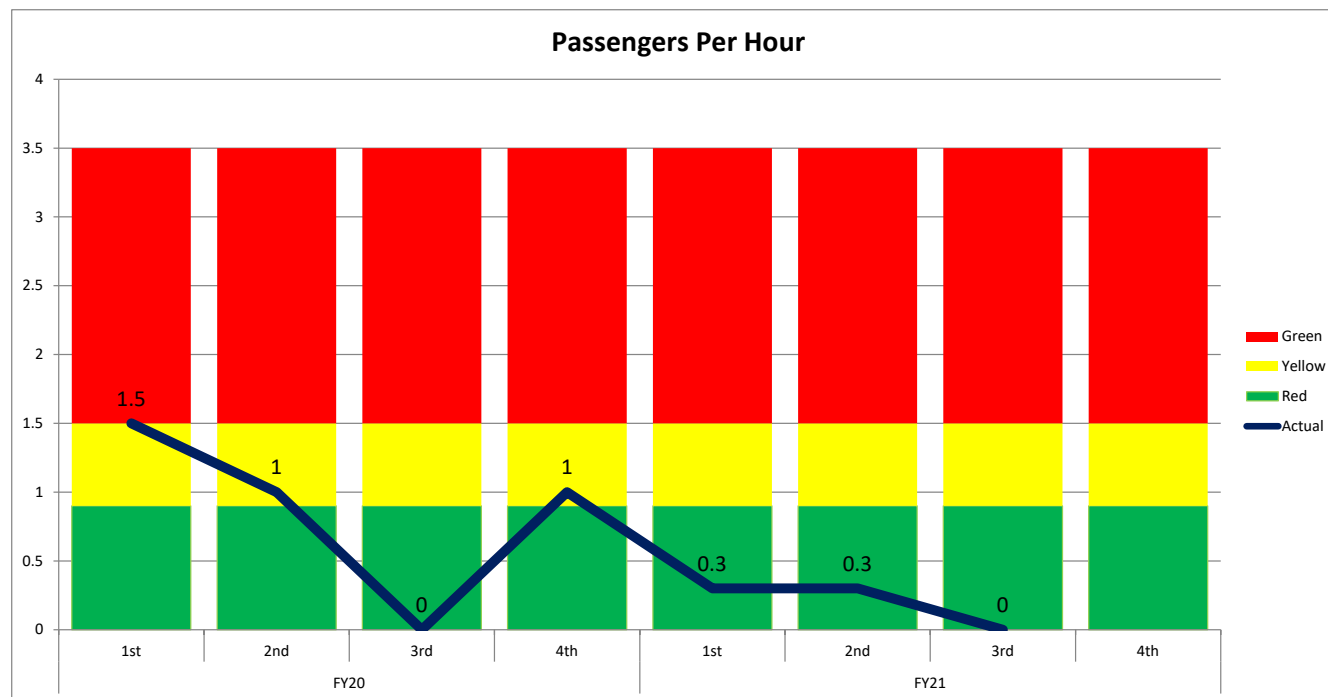
		Red	Yellow	Green	Actual	
FY20	1st	1.7	0.3	2	1.5	
	2nd	1.7	0.3	2	2	
	3rd	1.7	0.3	2	1.6	
	4th	1.7	0.3	2	1.6	
FY21	1st	1.7	0.3	2	1.5	
	2nd	1.7	0.3	2	1.7	
	3rd	1.7	0.3	2	1.8	
	4th	1.7	0.3	2		



FY2020

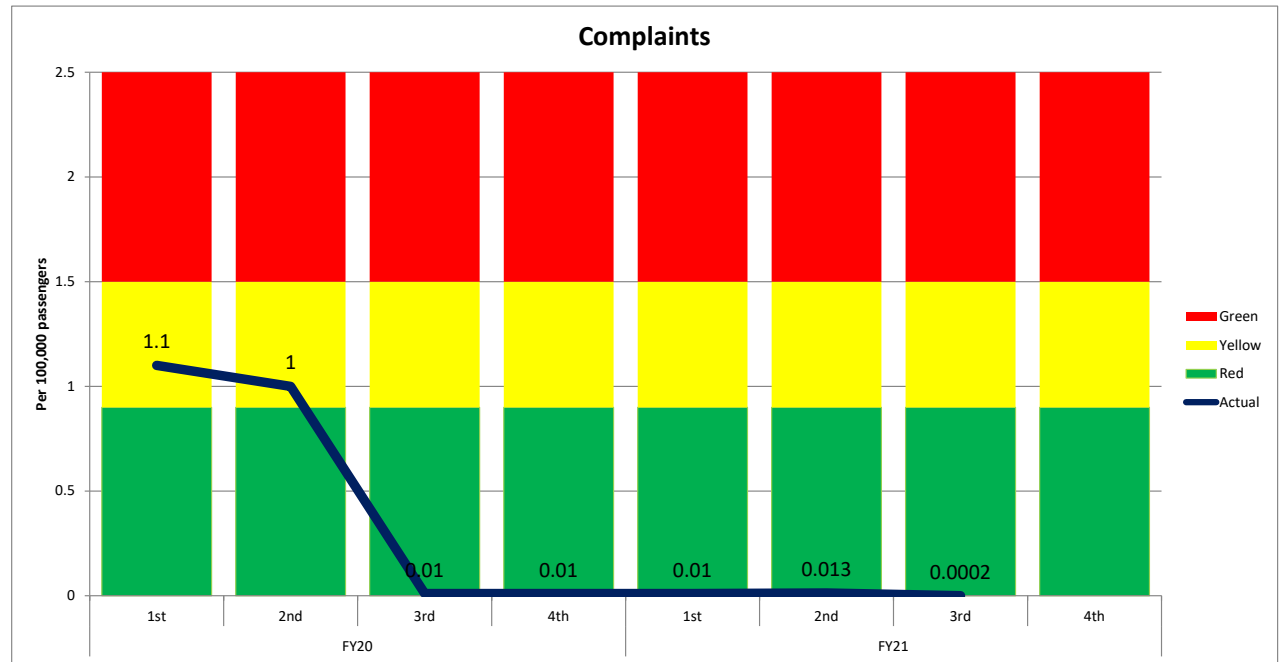
1st	2nd	3rd	4th
1.5	1	0	1

		Red	Yellow	Green	Actual
FY20	1st	0.9	0.6	2	1.5
	2nd	0.9	0.6	2	1
	3rd	0.9	0.6	2	0
	4th	0.9	0.6	2	1
FY21	1st	0.9	0.6	2	0.3
	2nd	0.9	0.6	2	0.3
	3rd	0.9	0.6	2	0
	4th	0.9	0.6	2	



FY2020			
1st	2nd	3rd	4th
1.1	1	0.01	0.01

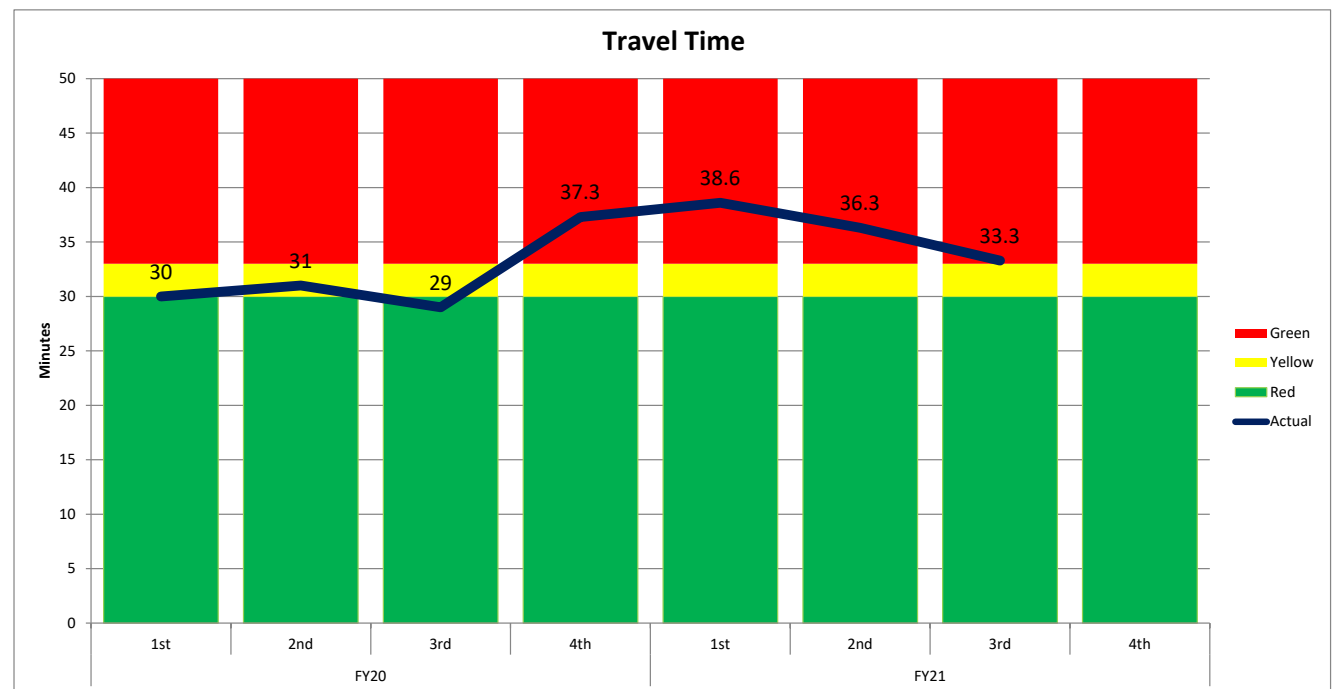
		Red	Yellow	Green	Actual
FY20	1st	0.9	0.6	1	1.1
	2nd	0.9	0.6	1	1
	3rd	0.9	0.6	1	0.01
	4th	0.9	0.6	1	0.01
FY21	1st	0.9	0.6	1	0.01
	2nd	0.9	0.6	1	0.013
	3rd	0.9	0.6	1	0.0002
	4th	0.9	0.6	1	



FY2020

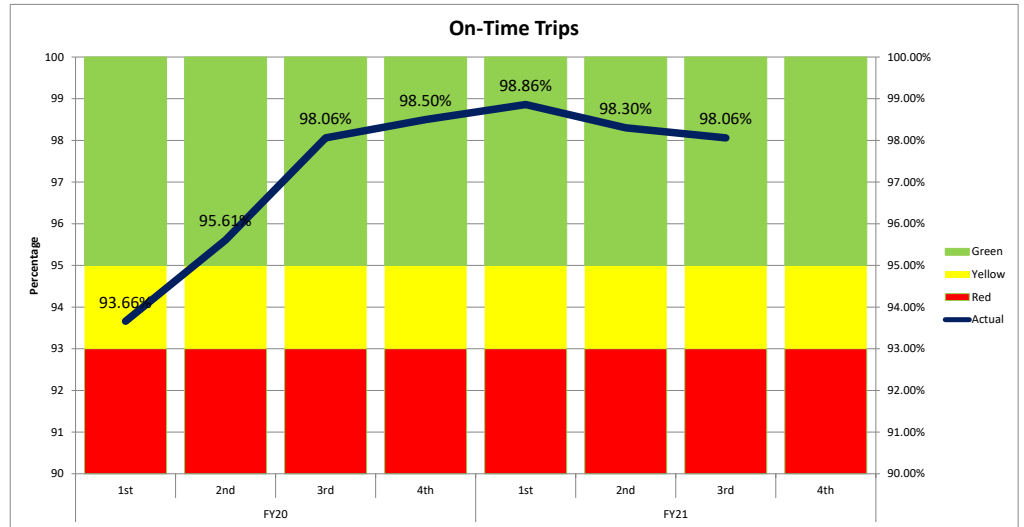
1st	2nd	3rd	4th
30	31	29	37.3

	Red	Yellow	Green	Actual
FY20 1st	30	3	17	30
2nd	30	3	17	31
3rd	30	3	17	29
4th	30	3	17	37.3
FY21 1st	30	3	17	38.6
2nd	30	3	17	36.3
3rd	30	3	17	33.3
4th	30	3	17	



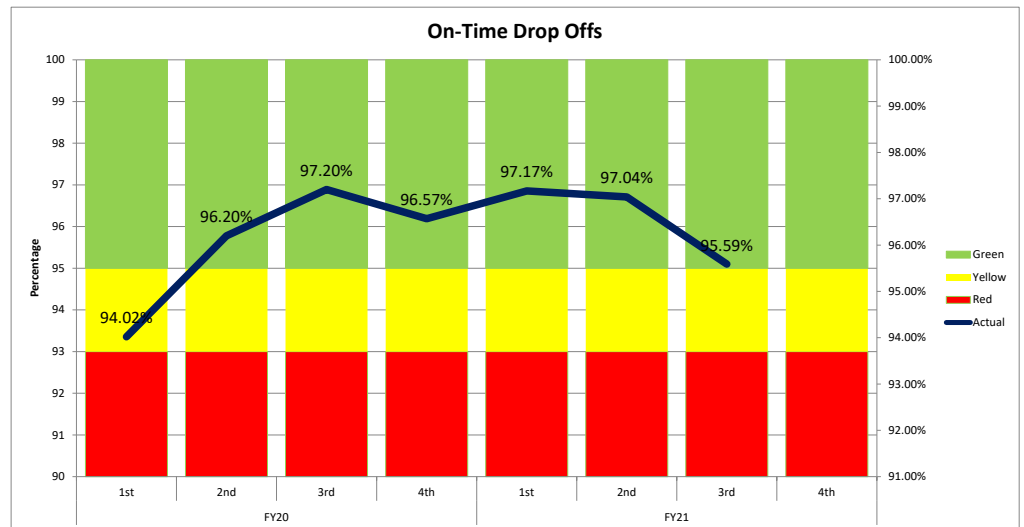
FY2020				
1st	2nd	3rd	4th	
93.66%	95.61%	98.06%	98.50%	

		Red	Yellow	Green	Actual
FY20	1st	93	2	5	93.66%
	2nd	93	2	5	95.61%
	3rd	93	2	5	98.06%
	4th	93	2	5	98.50%
FY21	1st	93	2	5	98.86%
	2nd	93	2	5	98.30%
	3rd	93	2	5	98.06%
	4th	93	2	5	



FY2020				
1st	2nd	3rd	4th	
94.02%	96.20%	97.20%	96.57%	

		Red	Yellow	Green	Actual
FY20	1st	93	2	5	94.02%
	2nd	93	2	5	96.20%
	3rd	93	2	5	97.20%
	4th	93	2	5	96.57%
FY21	1st	93	2	5	97.17%
	2nd	93	2	5	97.04%
	3rd	93	2	5	95.59%
	4th	93	2	5	





Date: June 25, 2021
To: ITP Board
From: Maxwell Dillivan, AICP – Senior Planner
Subject: FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – May 2021

OVERVIEW

In similar fashion to April, ridership and productivity figures in May 2021 largely out-performed May 2020 due to the drastically reduced service levels between the two months. Encouragingly, May 2021 remained steady compared to April 2021 with a slight increase in total riders.

BACKGROUND INFORMATION

Monthly Ridership

	May 2021	May 2020	% Change
Regular Fixed Route Service (<i>Routes 1–18, 24, 28, 44</i>)	246,889	125,207	↑ 97.2%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	30,113	4,391	↑ 585.8%
Total Monthly Fixed Route Ridership	277,002	129,598	↑ 113.7%

Daily Average Ridership

	May 2021	May 2020	% Change
Weekday Total	11,817	5,112	↑ 131.1%
Weekday Evening	1,582	303	↑ 421.4%
Saturday	5,967	3,426	↑ 74.2%
Sunday	2,166	2,141	↑ 1.2%

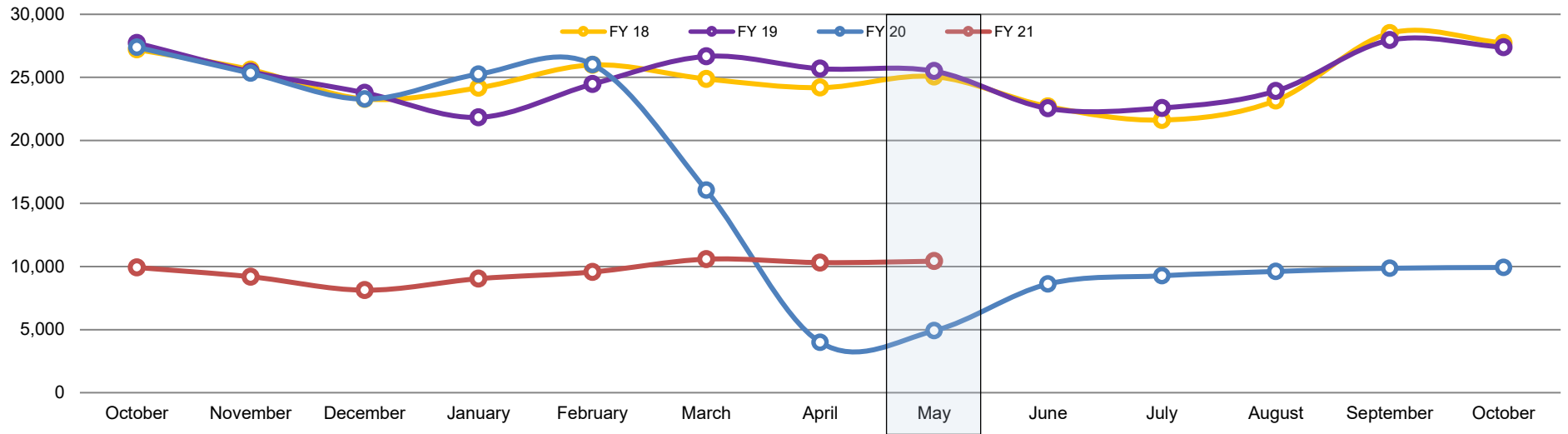
Productivity Summary

	May 2021	May 2020	% Change
Average passengers per hour per route	9.3	10.1	↓ 7.5%
Average passengers per mile per route	0.70	0.76	↓ 7.8%
Average farebox recovery percent per route	11.0%	10.7%	↑ 2.7%

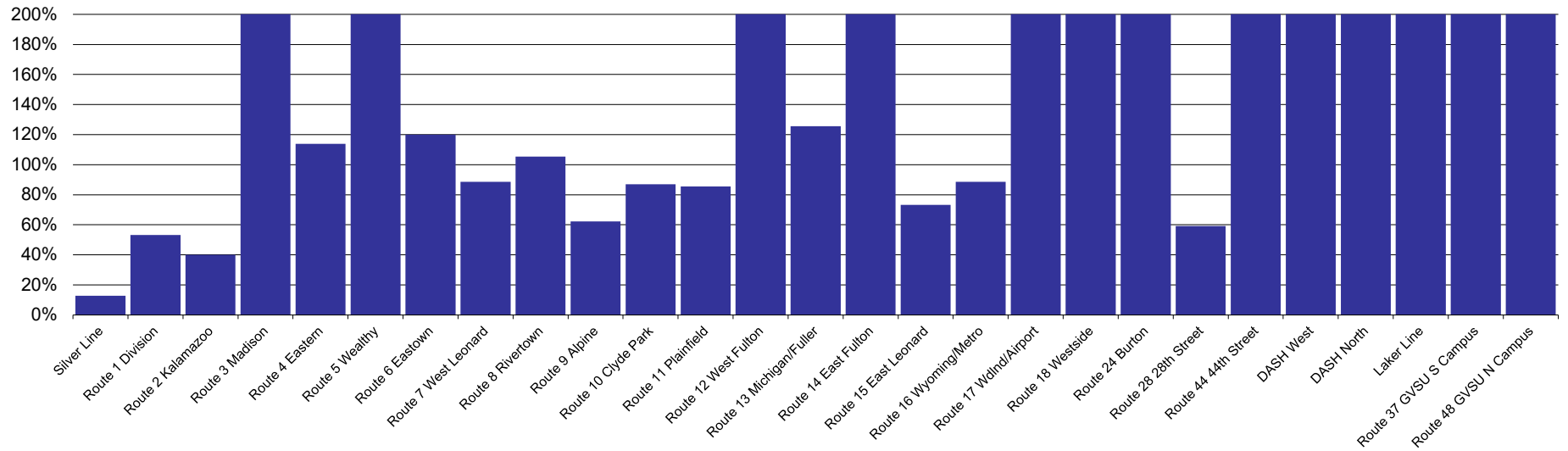
Fiscal Year Ridership

	FY 2021	FY 2020	% Change
Regular Fixed Route Service (<i>Routes 1–18, 24, 28, 44</i>)	2,841,412	3,760,986	↓ 24.5%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	596,888	1,593,463	↓ 62.5%
Total Fixed Route Ridership YTD	3,438,300	5,354,449	↓ 35.8%

Monthly Weekday Average Ridership History



Percent Change by Route: May 2021 compared to May 2020





Date: July 14, 2021
To: ITP Board
From: Maxwell Dillivan, AICP – Senior Planner
Subject: FIXED ROUTE RIDERSHIP AND PRODUCTIVITY REPORT – June 2021

OVERVIEW

Beginning with the June report, comparisons between 2021 and 2020 are much more applicable with similar service levels. Ridership and productivity remained steady from May 2021 to June 2021 as nominal gains were made compared to 2019 pre-pandemic ridership levels. Farebox recovery in June 2021 was low due to the 11-day Wave Card Appreciation promotional event. Saturday ridership decreased compared to 2020 due to DASH services being suspended on Saturdays beginning in May 2021.

BACKGROUND INFORMATION

Monthly Ridership

	June 2021	June 2020	% Change
Regular Fixed Route Service (<i>Routes 1–18, 24, 28, 44</i>)	256,512	218,956	↑ 17.2%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	31,719	21,869	↑ 45.0%
Total Monthly Fixed Route Ridership	288,232	240,825	↑ 19.7%

Daily Average Ridership

	June 2021	June 2020	% Change
Weekday Total	11,525	9,302	↑ 23.9%
Weekday Evening	1,560	1,211	↑ 28.8%
Saturday	5,679	6,249	↓ 9.1%
Sunday	2,992	2,978	↑ 0.5%

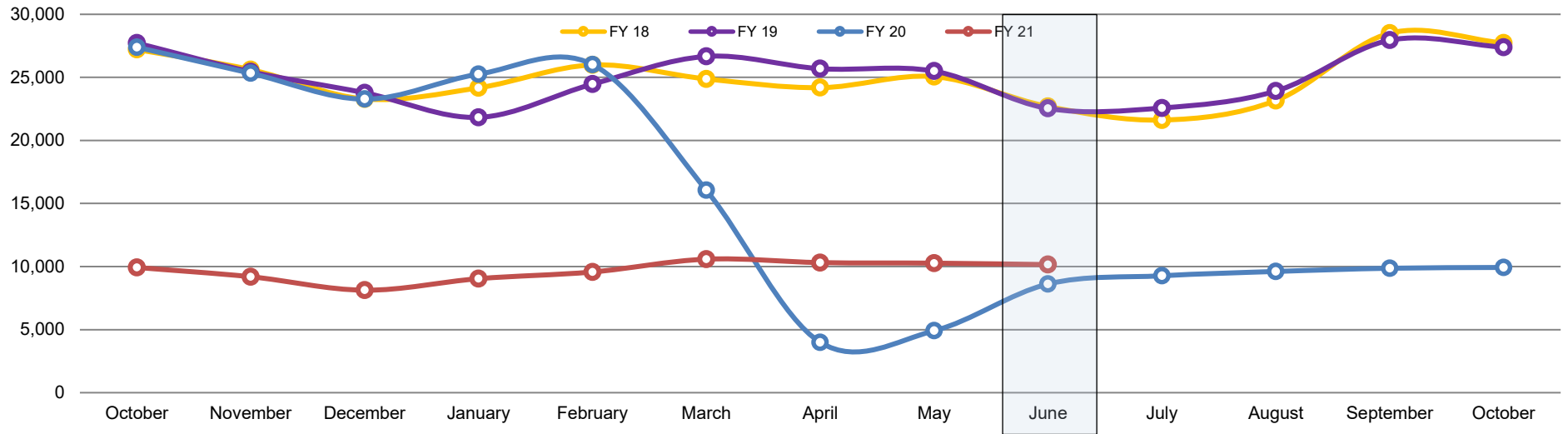
Productivity Summary

	June 2021	June 2020	% Change
Average passengers per hour per route	9.1	8.5	↑ 7.7%
Average passengers per mile per route	0.68	0.64	↑ 6.1%
Average farebox recovery percent per route	6.8%	9.1%	↓ 24.8%

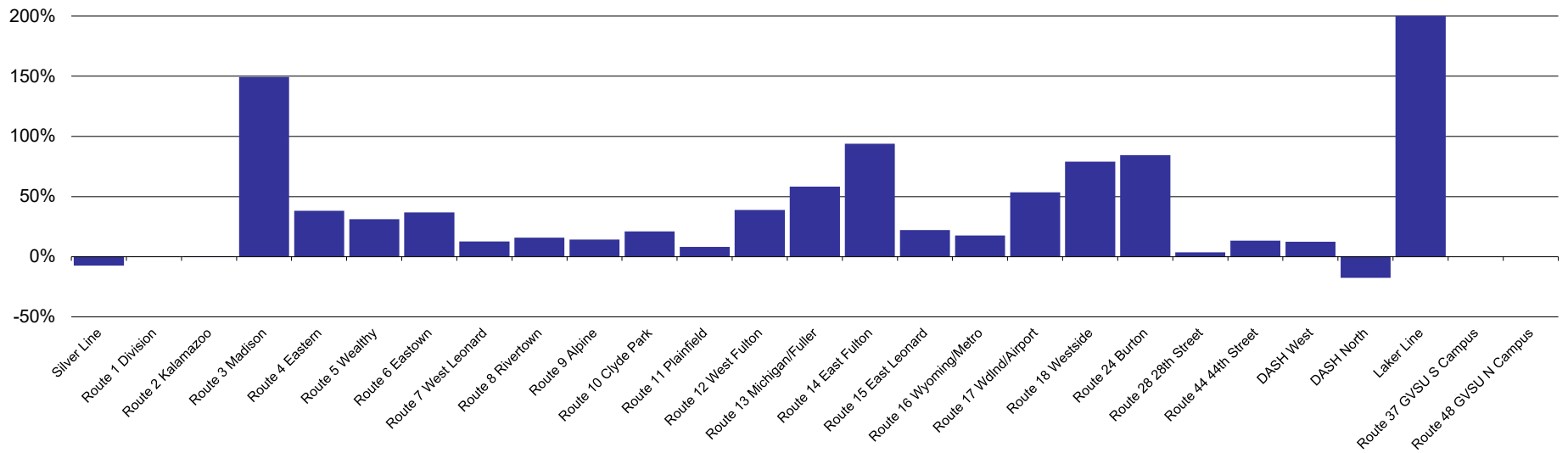
Fiscal Year Ridership

	FY 2021	FY 2020	% Change
Regular Fixed Route Service (<i>Routes 1–18, 24, 28, 44</i>)	3,292,780	3,979,942	↓ 17.3%
Contracted Service (<i>GVSU, DASH, GRCC, and Ferris</i>)	628,607	1,615,332	↓ 61.1%
Total Fixed Route Ridership YTD	3,921,387	5,595,274	↓ 29.9%

Monthly Weekday Average Ridership History



Percent Change by Route: June 2021 compared to June 2020





Date: July 20, 2021
To: ITP Board
From: Maxwell Dillivan, AICP – Senior Planner
Subject: FY 2021 THIRD QUARTER FIXED ROUTE REPORT CARD

BACKGROUND

In keeping with the commitment of reporting system performance to the community, attached is the FY 2021 Third Quarter Fixed Route Report Card (April 2021 through June 2021).

System-wide performance in the third quarter generally mirrored that of the first and second quarters. Ridership and productivity measures for the quarter fell below established recovery targets, and as ridership on both regular and contracted services remained stagnant through the quarter, cost effectiveness measures plunged into the red category. Certain measures performed notably well, particularly on-time performance which for the third consecutive quarter exceeded the standard despite it being increased to 90% for this fiscal year. Preventable accidents remained low for the third straight quarter and exceeded its target.




REGULAR FIXED ROUTE SERVICE PERFORMANCE

(Regular fixed route service includes routes 1 – 18, 24, 28, 44, and Silver Line)

Productivity – Fixed route ridership in this quarter (765,206) decreased 58.1% (-1,061,149) compared to the same quarter of FY 2019. This is below the standard of $\geq 75\%$ and classifies in the **yellow** category.

Cost Effectiveness – Cost per passenger was \$11.51 in this quarter. This is \$4.55 above the standard of \$6.96 and classifies in the **red** category. In addition, there were 0.70 passengers per revenue mile in this quarter. This is 0.50 below the standard of 1.20 and classifies in the **red** category.

FY 2021 Third Quarter Report Card – Regular Fixed Route Service

<u>Category</u>		<u>3rd Quarter Apr-Jun 2021</u>	<u>Measurement Standard</u>	<u>Change</u>	<u>Standard</u>	<u>Difference</u>
	<u>Productivity</u>					
	¹ Total Fixed-Route Ridership	765,206	1,826,355 (Q3 FY19)	-1,061,149	\geq 75.0% (of Q3 FY19)	-33.1%
	<u>Cost Effectiveness</u>					
	⁶ Cost per Passenger	\$11.51	\$4.52 (Q3 FY19)	\$6.99	\leq \$6.96	\$4.55
	⁷ Passengers per Revenue Mile	0.70	1.60 (Q3 FY19)	-0.90	\geq 1.20	-0.50




CONTRACTED SERVICE REPORT

(Contracted service includes GVSU, GRCC, Ferris State, and DASH routes)

Productivity – Contracted service ridership in this quarter (139,272) decreased 83.8% (-722,315) compared to the same quarter of FY 2019. This is below the standard of $\geq 75\%$ and classifies in the **red** category.

Cost Effectiveness – Cost per passenger was \$12.61 in this quarter. This is \$6.84 above the standard of \$5.77 and classifies in the **red** category. In addition, there were 0.64 passengers per revenue mile in this quarter. This is 0.68 below the standard of 1.32 and classifies in the **red** category.

FY 2021 Third Quarter Report Card – Contracted Service

<u>Category</u>		<u>3rd Quarter Apr-Jun 2021</u>	<u>Measurement Standard</u>	<u>Change</u>	<u>Standard</u>	<u>Difference</u>
	<u>Productivity</u>					
	¹ Total Fixed Route Ridership	139,272	861,587	-722,315	\geq 75.0% <i>(of Q3 FY19)</i>	-58.8%
	<u>Cost Effectiveness</u>					
	⁶ Cost per Passenger	\$12.61	\$4.12 <i>(Q3 FY19)</i>	\$8.49	\leq \$5.77	\$6.84
	⁷ Passengers per Revenue Mile	0.64	1.60 <i>(Q3 FY19)</i>	-0.96	\geq 1.32	-0.68

TOTAL SERVICE PERFORMANCE

(Performance for the entire fixed route system (regular fixed route and contracted services), not including GO!Bus and Vanpool)

Productivity – Total ridership in this quarter (904,478) decreased 59.9% (-1,349,016) compared to the same quarter of FY 2019. This is 15.1% below the standard of $\geq 75.0\%$ and classifies in the **yellow** category.





Preventable Accidents – There were 0.61 preventable accidents per 100,000 revenue miles in this quarter. This is 0.39 below the standard of 1.00 preventable accidents per 100,000 revenue miles and classifies in the **green** category.

Customer Service – There were 10.83 complaints per 100,000 passengers in this quarter. This is 1.02 above the standard of 7.00 and classifies in the **yellow** category. In addition, there were 2.10 commendations per 100,000 passengers. There is no standard for this category.

On-Time Performance – Routes operated on-time 92.7% of the time in this quarter. This is 2.7% above the on-time performance standard of 90.0%. As a result, this category classifies in the **green** category.

Cost Effectiveness – Cost per passenger was \$11.68 in this quarter. In addition, there were 0.69 passengers per revenue mile in this quarter. These performance measures do not have standards for total service.

FY 2021 Third Quarter Report Card – Total Services

<u>Category</u>		<u>3rd Quarter Apr-Jun 2021</u>	<u>Measurement Standard</u>	<u>Change</u>	<u>Standard</u>	<u>Difference</u>
	<u>Productivity</u> Total Fixed Route Ridership	904,478	2,253,494 (Q3 FY19)	-1,349,016	≥ -75.0%	-15.1%
	<u>Preventable Accidents</u> Accidents per 100,000 Revenue Miles	0.61	0.71 (Q3 FY20)	-0.10	≤ 1.00	-0.39
	<u>Customer Service</u> Complaints per 100,000 Passengers	10.83	9.81 (Q2 FY21)	1.02	≤ 7.00	3.83
	Commendations per 100,000 Passengers	2.10	3.54 (Q2 FY21)	-1.44	none	n/a
	<u>On Time Performance</u> Percentage of On-Time Buses	92.7%	90.0% (Q3 FY20)	2.72%	≥ 90.0%	2.7%
	<u>Cost Effectiveness</u> Cost per Passenger	\$11.68	\$4.45 (Q3 FY19)	\$7.23	n/a	n/a
	Passengers per Revenue Mile	0.69	1.63 (Q3 FY19)	-0.94	n/a	n/a

FY 2021 Report Card Standards

Performance Measure	Measurement Standard	Annual Standard	Q1	Q2	Q3	Q4
<u>Productivity</u>						
Total Ridership ¹	Compared to same quarter of non-pandemic year	< 46.25% 46.25% > 65.0% > 65.0%	< 30.0% 30.0% > 50.0% > 50.0% <i>of Q1 FY20</i>	< 50.0% 50.0% > 75.0% > 75.0% <i>of Q2 FY19</i>	< 50.0% 50.0% > 75.0% > 75.0% <i>of Q3 FY19</i>	< 75.0% 75.0% > 85.0% > 85.0% <i>of Q4 FY19</i>
<u>Safety</u>						
Preventable Accidents per 100,000 Miles ²	Trending over past years; lowered threshold based on reduced traffic	> 1.18 1.18 > 0.82 < 0.82	> 1.0 1.0 > 0.5 < 0.5	> 1.0 1.0 > 0.5 < 0.5	> 1.25 1.25 > 1.00 < 1.0	> 1.25 1.5 > 1.25 < 1.25
<u>Customer Service</u>						
Complaints per 100,000 Passengers ³	Compared to previous quarter	> 13.25 13.25 > 7.75 < 7.75	> 20.0 20.0 > 10.0 < 10.0	> 15.0 15.0 > 8.0 < 8.0	> 10.0 10.0 > 7.0 < 7.0	> 8.0 8.0 > 6.0 < 6.0
Commendations per 100,000 Passengers ⁴	None; track and report					
<u>On Time Performance</u>						
Percentage of On-Time Buses ⁵	Fixed standard	< 85.0% 85.0% > 90.0% > 90.0%	< 85.0% 85.0% > 90.0% > 90.0%	< 85.0% 85.0% > 90.0% > 90.0%	< 85.0% 85.0% > 90.0% > 90.0%	< 85.0% 85.0% > 90.0% > 90.0%
<u>Cost Effectiveness</u>						
Cost per Passenger (Fixed Route) ⁶	Projected fixed-route operating expenses divided by ridership projection; adjusted based on anticipated pandemic recovery	> \$8.10 \$8.10 > \$6.84 < \$6.84	> \$9.25 \$9.25 > \$8.41 < \$8.41 <i>f/ Q4 FY20</i>	> \$8.46 \$8.46 > \$7.69 < \$7.69 <i>f/ Q2 FY19</i>	> \$6.96 \$6.96 > \$6.33 < \$6.33 <i>f/ Q3 FY19</i>	> \$5.42 \$5.42 > \$4.93 < \$4.93 <i>f/ Q4 FY19</i>
Cost per Passenger (Contracted) ⁶	Projected fixed-route operating expenses divided by ridership projection; adjusted based on anticipated pandemic recovery	> \$5.42 \$5.42 > \$4.93 < \$4.93	> \$6.26 \$6.26 > \$5.69 < \$5.69 <i>f/ Q4 FY20</i>	> \$5.36 \$5.36 > \$4.87 < \$4.87 <i>f/ Q2 FY19</i>	> \$6.34 \$6.34 > \$5.77 < \$5.77 <i>f/ Q3 FY19</i>	> \$3.71 \$3.71 > \$3.37 < \$3.37 <i>f/ Q4 FY19</i>
Passengers per Mile (Fixed Route) ⁷	Projected ridership/route growth; seasonally adjusted based on anticipated pandemic recovery	< 0.91 0.91 > 1.01 > 1.01	< 0.62 0.62 > 0.68 > 0.68 <i>f/ Q4 FY20</i>	< 0.71 0.71 > 0.79 > 0.79 <i>f/ Q2 FY19</i>	< 1.08 1.08 > 1.20 > 1.20 <i>f/ Q3 FY19</i>	< 1.22 1.22 > 1.35 > 1.35 <i>f/ Q4 FY19</i>

Performance Measure	Measurement Standard	Annual Standard	Q1	Q2	Q3	Q4
Passengers per Mile (Contracted) ⁷	Projected ridership/route growth; seasonally adjusted	< 1.26 1.26 > 1.39 > 1.39	< 0.93 0.93 > 1.03 > 1.03 <i>f/ Q4 FY20</i>	< 1.12 1.12 > 1.24 > 1.24 <i>f/ Q2 FY19</i>	< 1.19 1.19 > 1.32 > 1.32 <i>f/ Q3 FY19</i>	< 1.78 1.78 > 1.98 > 1.98 <i>f/ Q4 FY19</i>
<u>Service Revenue</u>						
Farebox Recovery ⁸	No target currently; tracking only					
Contract Revenue ⁹	No target currently; tracking only					
Total Service Revenue ¹⁰	No target currently; tracking only					

¹ Total passengers carried on The Rapid line haul services (regular fixed and contracted services excluding GO!Bus and Vanpool).

² Total number of preventable accidents per 100,000 miles. "Preventable" is defined as any accident involving a company vehicle that results in property damage and/or personal injury in which the employee failed to exercise every reasonable precaution to prevent the accident.

³ Registered complaints logged by customer service via social media, phone, mail, walk-in or by email regarding the fixed-route system. Late bus complaints due to the weather conditions and unfounded complaints are not included.

⁴ Registered commendations logged by customer service via social media, phone, mail, walk-in or by email regarding the fixed-route system.

⁵ This category is based on Avail GPS data that track all fixed-route buses. "On-time" is defined as departing from zero minutes before to five minutes after scheduled departure time.

⁶ Total line-haul operating expenses divided by total passengers carried. Capital expenses are 100% Federally and State funded and therefore are not included in operating expense calculations. Standards adjust quarterly based on averages from the previous year.

⁷ The number of passengers carried per revenue mile. "Revenue mileage" does not include miles traveled to/from the beginning/end of a route. Standards adjust quarterly based on averages from the previous year.

⁸ The percentage of revenue received from boardings divided by operating expenses. Farebox recovery will be reconciled and reported on an annual basis.

⁹ The percentage of contract revenue compared to total operating expenses. Contract revenue will be reconciled and reported on an annual basis.

¹⁰ The total amount of revenue received from both fares and contracted services. Total service revenue will be reconciled and reported on an annual basis.



Interurban Transit Partnership

Date: August 25, 2021
To: ITP Board
From: Linda Medina, Finance Manager
Subject: June Operating Statement

Attached are the financial reports through June 30, 2021, for general operating and grants.

FY 2021 YTD Operating Statement Analysis

Total revenue is under budget by 2.3% before CARES Act.

- Go Bus and Community Mental Health rides continue to increase as linehaul ridership is trending at lower levels.
- Reimbursement for eligible operating expenses through the CARES Act has been requested in the amount of \$15,054,438.

Total expenses are under budget by 6.7%.

- Contractual services are under budget 4.8% mainly due to legal fees being lower than budgeted.
- Utilities, Insurance, and Miscellaneous is under budget by 5.5% mainly due to a milder winter causing utilities to be lower than budgeted.

Included in the report is May and June's professional development and travel reports.

Please feel free to reach out to me directly at (616) 774-1149 or lmolina@ridetherapid.org with any additional questions regarding the attached financial reports.

The Rapid
FY 2021 Operating Statement
Year to Date as of June 30, 2021

	YTD as of June 30		Variance		FY 2020 YTD Actual	Note - Annual FY 2021 Budget
	Budget	Actual	\$	%		
Revenues and Operating Assistance						
Passenger Fares	\$ 2,088,438	\$ 2,109,909	\$ 21,471	1.0%	\$ 3,275,374	\$ 2,878,858
Sale of Transportation Services						
CMH Contribution	173,951	227,211	53,260	30.6%	321,969	223,970
Dash Contract	1,711,882	1,676,913	(34,969)	-2.0%	1,515,096	2,279,054
Grand Valley State University	2,195,136	2,186,185	(8,951)	-0.4%	1,758,337	2,833,029
Van Pool Transportation	19,910	19,339	(571)	-2.9%	52,966	29,910
Township Services	445,673	427,074	(18,599)	-4.2%	419,890	593,259
Other	249,781	264,230	14,448	5.8%	330,067	357,959
Subtotal Sale of Transportation Services	4,796,335	4,800,952	4,617	0.1%	4,646,691	6,317,181
State Operating	11,737,999	10,951,644	(786,356)	-6.7%	10,620,696	15,277,210
Property Taxes	13,046,555	13,044,493	(2,062)	0.0%	12,441,739	17,395,471
Advertising & Miscellaneous	410,573	427,398	16,825	4.1%	424,599	590,211
Subtotal Revenues and Operating Assistance	32,079,900	31,334,396	(745,504)	-2.3%	31,409,099	42,458,931
Grant Operating Revenue (Cares Act)	4,414,888	15,054,438	10,639,550	100.0%	6,780,381	5,886,517
Total Revenues and Operating Assistance	\$ 36,494,787	\$ 46,388,833	\$ 9,894,046	27.1%	\$ 38,189,481	\$ 48,345,448
Expenses						
Salaries and Wages						
Administrative	\$ 4,142,032	\$ 3,810,428	\$ (331,604)	-8.0%	\$ 3,934,006	\$ 5,384,641
Operators	10,838,777	9,562,342	(1,276,435)	-11.8%	10,718,344	14,014,550
Maintenance	1,593,492	1,502,358	(91,133)	-5.7%	1,568,282	2,071,539
Subtotal Salaries and Wages	16,574,300	14,875,129	(1,699,171)	-10.3%	16,220,632	21,470,730
Benefits	7,676,893	7,309,936	(366,957)	-4.8%	6,999,626	9,334,842
Contractual Services	2,303,894	2,199,973	(103,920)	-4.5%	1,733,528	4,016,519
Materials and Supplies						
Fuel and Lubricants	1,205,596	1,225,849	20,253	1.7%	1,277,166	1,671,209
Other	1,058,166	999,747	(58,418)	-5.5%	1,249,559	1,603,391
Subtotal Materials and Supplies	2,263,761	2,225,596	(38,165)	-1.7%	2,526,725	3,274,600
Utilities, Insurance, and Miscellaneous	4,594,905	4,276,641	(318,265)	-6.9%	2,685,277	5,192,293
Purchased Transportation	3,731,697	3,772,145	40,449	1.1%	4,109,514	5,056,464
Expenses Before Capitalized Operating	37,145,450	34,659,421	(2,486,030)	-6.7%	34,275,302	48,345,448
Capitalized Operating Expenses	-	-	-	0.0%	-	-
Total Operating Expenses	\$ 37,145,450	\$ 34,659,421	\$ (2,486,030)	-6.7%	\$ 34,275,302	\$ 48,345,448
Net Surplus/(Deficit) without CARES		\$ (3,325,025)			\$ (2,866,203)	
Net Surplus/(Deficit) with CARES		\$ 11,729,413			\$ 3,914,179	

The Rapid
FY 2021 Operating Statement
Year to Date as of May 31, 2021

	YTD as of May 31		Variance		FY 2020 YTD Actual	Note - Annual FY 2021 Budget
	Budget	Actual	\$	%		
Revenues and Operating Assistance						
Passenger Fares	\$ 1,866,992	\$ 1,838,496	\$ (28,496)	-1.5%	\$ 3,091,151	\$ 2,878,858
Sale of Transportation Services						
CMH Contribution	154,173	192,040	37,867	24.6%	314,418	223,970
Dash Contract	1,522,825	1,518,382	(4,443)	-0.3%	1,336,303	2,279,054
Grand Valley State University	2,061,201	2,052,250	(8,951)	-0.4%	1,783,977	2,833,029
Van Pool Transportation	17,410	17,194	(217)	-1.2%	51,363	29,910
Township Services	396,478	388,536	(7,942)	-2.0%	371,437	593,259
Other	224,737	245,787	21,050	9.4%	318,606	357,959
Subtotal Sale of Transportation Services	4,376,825	4,414,189	37,365	0.9%	4,424,470	6,317,181
State Operating	10,525,130	9,845,040	(680,090)	-6.5%	9,453,874	15,277,210
Property Taxes	11,596,916	11,595,544	(1,372)	0.0%	11,059,323	17,395,471
Advertising & Miscellaneous	365,914	383,134	17,220	4.7%	358,593	590,211
Subtotal Revenues and Operating Assistance	28,731,777	28,076,403	(655,374)	-2.3%	28,387,412	42,458,931
Grant Operating Revenue (Cares Act)	3,924,345	13,854,438	9,930,093	100.0%	5,224,602	5,886,517
Total Revenues and Operating Assistance	\$ 32,656,122	\$ 41,930,840	\$ 9,274,719	28.4%	\$ 33,612,014	\$ 48,345,448
Expenses						
Salaries and Wages						
Administrative	\$ 3,727,828	\$ 3,422,863	\$ (304,966)	-8.2%	\$ 3,553,233	\$ 5,384,641
Operators	9,851,431	8,665,520	(1,185,911)	-12.0%	9,920,870	14,014,550
Maintenance	1,434,142	1,350,198	(83,945)	-5.9%	1,419,084	2,071,539
Subtotal Salaries and Wages	15,013,401	13,438,580	(1,574,821)	-10.5%	14,893,186	21,470,730
Benefits	6,752,864	6,483,296	(269,569)	-4.0%	5,568,336	9,334,842
Contractual Services	2,076,846	1,989,325	(87,521)	-4.2%	1,451,689	4,016,219
Materials and Supplies						
Fuel and Lubricants	1,056,371	1,044,896	(11,476)	-1.1%	1,196,445	1,671,209
Other	907,836	873,349	(34,487)	-3.8%	1,126,046	1,603,691
Subtotal Materials and Supplies	1,964,208	1,918,245	(45,963)	-2.3%	2,322,491	3,274,900
Utilities, Insurance, and Miscellaneous	4,209,842	3,999,199	(210,643)	-5.0%	2,435,903	5,192,293
Purchased Transportation	3,290,107	3,326,446	36,339	1.1%	3,839,725	5,056,464
Expenses Before Capitalized Operating	33,307,268	31,155,090	(2,152,178)	-6.5%	30,511,330	48,345,448
Capitalized Operating Expenses	-	-	-	0.0%	-	-
Total Operating Expenses	\$ 33,307,268	\$ 31,155,090	\$ (2,152,178)	-6.5%	\$ 30,511,330	\$ 48,345,448
Net Surplus/(Deficit) without CARES		\$ (3,078,688)			\$ (2,123,917)	
Net Surplus/(Deficit) with CARES		\$ 10,775,750			\$ 3,100,685	

PROFESSIONAL DEVELOPMENT & TRAVEL REPORT
ALL EMPLOYEES
MAY 2021

AMOUNT	PURPOSE	EMPLOYEE (s)	LOCATION
\$ 250.00	West Michigan CEO Summit	D. Prato	Grand Rapids, MI

\$ 250.00

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

PROFESSIONAL DEVELOPMENT & TRAVEL REPORT
 ALL EMPLOYEES
 JUNE 2021

AMOUNT	PURPOSE	EMPLOYEE (s)	LOCATION
\$ 2,180.00	Leadership Training	Various	The Rapid
\$ 450.00	National ADA Symposium	J. Prescott	Virtual
\$ 325.00	APTA Legislative Conference	D. Prato	Virtual
\$ 255.00	Indianapolis Webinar Workshop	N. Groendal	Virtual
\$ 35.00	Economic Club of GR	D. Prato	Virtual
\$ 25.00	Future of Commuting Online Summit - ACT	W. Ehresman	Virtual
\$ 25.00	GRACC Breakfast With Legislators	D. Prato	Virtual
<hr/>			
\$ 3,295.00			

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

Interurban Transit Partnership
Grant Revenues & Expenditures
Month Ended 06/30/21

GL0376

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	Adopted Budget	Amended Budget	Month To Date	Year To Date	Balance	Percent Target
Grant Revenue						
1. Federal Grant Assistance	7,515,903	7,515,903	548,818	6,641,345	874,558	88%
2. State Grant Assistance	1,878,976	1,878,976	137,205	1,660,336	218,640	88%
3. Transfer In - Operating Budget	0	0	0	0	0	100%
4. Use of Restricted Net Assets	0	0	0	0	0	100%
5. Other Local	0	0	0	0	0	100%
6. Total Grant Revenue	9,394,879	9,394,879	686,023	8,301,681	1,093,198	88%
Labor						
7. Administrative Salaries	20,800	20,800	1,431	13,248	7,552	64%
8. Driver Wages	0	0	0	0	0	100%
9. Temporary Wages	0	0	0	0	0	100%
10. Fringe Benefit Distribution	8,320	8,320	1,104	7,833	487	94%
11. Total Labor	29,120	29,120	2,535	21,081	8,039	72%
Material & Supplies						
12. Tires & Tubes	241,104	241,104	43,538	164,456	76,648	68%
13. Office Supplies	0	0	0	1,540	1,540	100%
14. Printing	2,388	2,388	811	48,328	45,940	2,024%
15. Total Material & Supplies	243,492	243,492	44,349	214,324	29,168	88%
Purchased Transportation						
16. Purchased Transportation	740,000	740,000	58,333	525,000	215,000	71%
17. Specialized Services	542,368	542,368	135,591	271,182	271,186	50%
18. Total Purchased Transportation	1,282,368	1,282,368	193,924	796,182	486,186	62%
Other Expenses						
19. Dues & Subscriptions	20,753	20,753	0	0	20,753	0%
20. Professional Development	20,350	20,350	25	25	20,325	0%
21. Miscellaneous	0	0	0	0	0	100%
22. Total Other Expenses	41,103	41,103	25	25	41,078	0%
Leases						
23. Office Lease	0	0	0	0	0	100%
24. Transit Center Lease	0	0	0	0	0	100%
25. Storage Space Lease	0	0	0	0	0	100%
26. Total Leases	0	0	0	0	0	100%
Capital						
27. Rolling Stock	1,678,116	1,678,116	0	400,487	1,277,629	24%
28. Facilities	2,677,617	2,677,617	98,633	2,942,184	264,567	110%
29. Equipment	886,906	886,906	5,693	1,577,175	690,269	178%
30. Other	1,994,280	1,994,280	339,055	2,177,011	182,731	103%
31. Total Capital	7,236,919	7,236,919	443,381	7,096,857	140,062	98%
32. Planning Services	561,878	561,878	1,809	173,212	388,666	31%
33. Capitalized Operating	0	0	0	0	0	100%
34. Total Expenditures	9,394,880	9,394,880	686,023	8,301,681	1,093,199	88%



Planning & Technology Committee Members

Mayor Rosalynn Bliss

Jack Hoffman
Citizen Members:

Robert Postema
Ryan Anderson

Terry Schweitzer (Chair)
Dave Bulkowski

Paul Troost

PLANNING & TECHNOLOGY COMMITTEE MEETING MINUTES

Monday, July 12, 2021 – 8:30 a.m.

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

ATTENDANCE:

Committee Members Present:

Mayor Rosalynn Bliss, Dave Bulkowski, Terry Schweitzer, Paul Troost

Committee Members Absent:

Ryan Anderson, Jack Hoffman, Robert Postema

Staff Attendees:

Max Dillivan, Nancy Groendal, Julie Ilbrink, Steve Luther, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Steve Schipper, Kevin Wisselink

Other Attendees:

Mr. Schweitzer called the meeting to order at 8:32 a.m.

1. PUBLIC COMMENT

No public comments were offered.

2. MINUTES – March 8, 2021

The minutes from March 8, 2021, were reviewed. No changes or corrections were submitted.

3. INFORMATION

a. Laker Line Expanded Scope

Mr. Monoyios shared an update on the Laker Line. We received approval from the FTA to use some of the cost savings. Staff went through a list to determine what should be kept or omitted. It was determined the station at Collindale should be omitted. The capital costs from last Fall are being refined to accomplish all the other tasks on the lists. A response will be prepared for the FTA to outline what elements of the expanded scope proposal will utilize the funding.

Mr. Schweitzer asked if the new buses would be articulated. Mr. Monoyios confirmed they would be the same as we have now. This will provide us with additional capacity to extend the line or increase frequency as ridership improves.

Mr. Schweitzer asked about the park-and-ride at Cummings and how it would work with the park-and-ride GVSU has to the east of this location. Mr. Monoyios stated GVSU has started doing some engineering on that site with the hopes that with the extra funds, we can develop the site. It will need to be determined if this will be a primary or secondary park-and-ride.

b. Division United Implementation

Mr. Monoyios shared an update on Division United. The plans have been finalized with the project partners (Grand Rapids, Kentwood and Wyoming). All the documents are on the website (divisionunited.org). The team is working on a marketing video to showcase the value that currently is Division Ave. It includes interviews and drone footage which will make it a lot of fun.

Mr. Monoyios shared Mayor Bliss had requested a legislative document to inform our elected officials. His team is developing this document.

Mr. Schweitzer stated a mention was made in the study process about having a rider's union to advocate for services and communication with the agency. Language has been proven to be a barrier as far as getting feedback. There is a citizen's advisory committee that advocates for senior citizens and the disabled. He wondered if there was a potential to broaden that component. Mr. Monoyios verified that Jason Prescott has included a stronger equity composition of that Committee.

c. Township Policies – External Scenarios

Mr. Monoyios shared updates on township policies. Mayor Kepley had put together an ad hoc committee to dive deeper into the scenarios. Ever since the preferred alternative was adopted by the Board, he has received inquiries into expanding the service outside of the six cities. This includes the Special Olympics center, LMCU Ballpark and Cascade Engineering.

Mr. Monoyios attended an on-site visit with Special Olympics in Byron Township. He is working with the CEO of Special Olympics to get data on when people are coming, where they're going to, where they're coming from, etc.

Mr. Monoyios has had conversations with Cascade Engineering. Their human resources department has been receiving a lot of concerns expressed about not being able to get to or home from work for 2nd shift. They would like to further discussions on how The Rapid could help implement solutions.

There were also conversations with Mr. Chamberlin of LMCU Ballpark regarding workers that come to the park seasonally, times that staff need to be there and go home, etc. More communication will take place to see if we can work together to meet their needs.

Mayor Bliss shared she is pleased to hear these conversations are taking place. Mayor Bliss shared she has not received an update on Wheels-To-Work since before COVID. She is wondering if they were going to be resuming service, and if not, if this would be an opportunity for The Rapid to step in.

Mr. Bulkowski shared Wheels-To-Work had a serious disruption and is just beginning to come back. He wondered when we would begin testing the on-demand zones. Mr. Monoyios expressed his team is compiling the data which will be shared with this committee as soon as possible. Ms. Prato shared the data is valuable to understand where the riders are coming from, and what we need to do to accommodate their needs.

d. COA Expanded Priorities

Mr. Monoyios shared the revenue hour neutral service recommendation will be implemented in August 2021. He also added that compiled Expanded Priorities is currently being reviewed by the executive leadership. It will be brought to committee once the review is completed.

Mr. Dillivan shared Route 2 needed a boost mid-day; this is now being seen. Ms. Prato added she is hearing requests to get B-shift home and C-shift to work.

Mr. Bulkowski noted he heard information about the COA being broadcast on the bus was in Spanish only. Mr. Dillivan expressed they are on the precipice of launching a full campaign during the middle to end of July. Flyers from the previous round of COA are still on some of the buses. New on-board flyers and announcements will be prepared in English and Spanish and will be put on the buses soon.

e. Ridership Update and Wave Card Customer Appreciation Data

Mr. Dillivan provided an update on ridership and Wave Card Customer Appreciation data. The last report sent to the Board was in May. While there are some changes due to the pandemic, we are on our way towards full recovery. We are seeing better numbers this year as compared to last year. Mr. Dillivan shared the use of Wave Cards increased during this promotional time.

Mr. Troost asked if cash and paper tickets are still accepted. Mr. Dillivan stated cash will always be accepted while the paper tickets are being phased out. The goal is to see Wave Card usage at 80%.

Mr. Bulkowski expressed The Rapid has been doing great work with non-profit partners. It can be difficult for entities to give out Wave Cards, so a paper ticket that has a QR code on it that allows for a single ride has been appreciated. He would like to ensure this continues to be an option.

f. The Future of Transit Demand – Paradigm Shift

Mr. Monoyios shared conversations have taken place around the future of transit demand, and if we are seeing a paradigm shift. Employment and education changes has affected demand as fewer people were coming into the office. People are still needed to get supplies, but more are using delivery services no matter the income level.

Mr. Schweitzer expressed appreciation for the opportunity to discuss. He shared it appears that as a driver in the community, the number of vehicles on the road seems to be back to where we were pre-pandemic. However, this has not carried over to ridership. Mayor Bliss added other transit options such as electric bikes and scooters have become more readily available which allows people to get around more independently. If people cannot afford a car, they have other ways to get around other than public transportation.

Ms. Prato shared conversations have been had about the value transit provides. Historically, the FTA counts heads, and we are awarded for how many heads are on the bus. She shared we are starting to think about ridership differently, looking at the value transit has at the nexus in the community – is there access to jobs, healthcare, crisis facilities, etc. Ms. Prato and the team are looking at what we are doing and asking how it rolls up to the greater community outcomes. While there may be just a few riders on the bus, those people are on the bus because they need us to get where they're going. Ms. Prato expressed Grand Rapids does not have the density or parking problems that other cities do, so we are working to define the value that transportation brings as it relates to the convenience of being able to access a personal vehicle. This thinking helps guide discussions behind where transportation can and should go, and decisions around accessibility.

Mayor Bliss shared conversations have been had about diversifying the fleet as more individual forms of transportation become available. While parking downtown is currently good, there are quite a few

asphalt parking lots that may be developed in the coming years which will reduce parking spots and change how DASH services are provided. Ms. Prato concurred. She expressed this is why it is important for The Rapid to be involved at the beginning of these community discussions.

Mr. Schweitzer shared his observation the e-bikes and scooters are encouraging to see in the city of Walker. While it provides more options for people, it allows expansion of services for those that take public transit to travel further than the end of the route.

Ms. Prato shared public transit has viewed itself as the only form of transportation. Then Uber and Lyft came into being which changed that. Scooters and e-bikes have changed the landscape as well. Our goal is to be a good player in the community. Mr. Bulkowski concurred with Ms. Prato's reflections and is looking forward to what the future holds.

g. Upcoming Conferences

Mr. Monoyios shared upcoming APTA conferences with the committee. There are many conferences available in October in Philadelphia. The Transform Expo is coming up in November in Orlando, FL. Each of these conferences provide great opportunities for board members to attend. Mr. Monoyios also highlighted Rail-Volution which takes a more policy oriented and land-use approach to transportation. The Rail-Volution conference will be held virtually in October 2021.

Mr. Schweitzer expressed appreciation for the opportunity for board members to attend. Ms. Ilbrink will email the Board with the APTA conference registration information.

4. ADDITIONAL COMMENTS

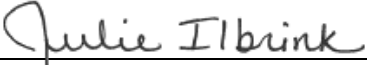
Ms. Prato shared the Planning team is moving forward with many initiatives. The goal of this group is to show traction and gain results. Data will be important to making decisions. Mr. Schweitzer concurred and expressed his appreciation.

5. AJOURNMENT

This meeting was adjourned at 9:34 a.m.

The next meeting is scheduled for September 13, 2021.

Respectfully submitted,


Julie Ilbrink, Board Secretary



Present Performance & Service Committee Members

Charis Austin

David Bilardello (Chair)

Tracie Coffman

Steven Gilbert

Andy Guy

PRESENT PERFORMANCE & SERVICE COMMITTEE MEETING MINUTES

Tuesday, July 13, 2021 – 4 p.m.

Rapid Central Station Conference Room (250 Grandville, SW) | Virtual

ATTENDANCE:

Committee Members Present:

Charis Austin, David Bilardello, Tracie Coffman, Steve Gilbert, Andy Guy

Committee Members Absent:

Staff Attendees:

Steve Clapp, Max Dillivan, Nancy Groendal, Julie Ilbrink, Bill Kirk, Steve Luther, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Steve Schipper, Marie Tubergen, Mike Wieringa, Kevin Wisselink

Other Attendees:

Francis Miller

Mr. Bilardello called the meeting to order at 4:01 p.m.

1. PUBLIC COMMENT

Mr. Miller offered a public comment. He also left a hand-written document for all members of the board.

No other public comments were offered.

2. MINUTES REVIEW – May 11, 2021

Minutes from May 11 were distributed and reviewed. They were approved as written.

3. INFORMATION

a. Ridership and Metrics

1) Fixed Route

Mr. Dillivan presented information on fixed route ridership recovery. The team is framing ridership in terms of recovery and comparing numbers to last year and 2019. He walked through the statistics from the past five months. Overall, ridership is down from 2019 approximately 55%. Mr. Dillivan walked through the 120-day trend to show we are seeing a very slow increase compared to the 2019 rates.

Mr. Bilardello asked about expectations for the school year starting in the Fall. Mr. Dillivan shared the information they have from local schools is that they will be running at nearly full capacity when school resumes. Mr. Dillivan shared they saw increased ridership on the weekends in 2019 which tapered off in 2020.

Ms. Coffman asked when late-night services will be brought back. Mr. Dillivan shared this item is included in the COA's Expansion Priorities which the Board will review later this year. Ms. Prato commented this is a priority in order to get 2nd shift home, 3rd shift to work, along with hospitality and retail workers to their weekend jobs.

Mr. Guy asked if there was any connection between ridership levels and methods of payment. Mr. Dillivan shared a promotional event was held to provide free rides to Wave Card users. During this time, they saw about 50% of the ridership population using the Wave Card. They hope to see this increase as they move towards eliminating paper tickets very soon.

2) Paratransit

Mr. Prescott presented information on paratransit ridership. They are still seeing riders and are getting them where they need to go. The late trips, missed trips, complaints rate has gone down since last year. He has been working with his team to provide excellent customer service to all riders. He shared they are 44% down from pre-pandemic but are doing much better than last year during the pandemic. One of the stressors they have felt with their contractor is an inability to gain and retain drivers. There is one year left on that contract; his team is focusing on productivity during this timeframe. We will be maintaining and insisting that productivity and efficiencies increase during this last contract year.

3) On-Time Performance

Mr. Dillivan presented updates regarding on-time performance. The Rapid considers a bus to be on time if it is anywhere from 0 to 5 minutes late. A bus that arrives before the scheduled time or 5 minutes after the scheduled time is not considered to be on time. Mr. Dillivan shared a graph demonstrating that the fixed route system as a whole is operating above 90% on time and above since March. There were only a small number of dips under the 90% range. He explained that sometimes these dips are experienced more frequently during the summer months as road construction season begins and routes have to go on detour.

4) University Partners

Mr. Monoyios presented an update on university parties. We will be resuming capacity with GVSU on the Laker Line, although it is at a slightly reduced service level of 10-minute frequency versus the 6-minute frequency. However, as the school season comes into full swing, they anticipate getting back to the 6-minute schedule. Mr. Monoyios shared Davenport University's executive offices are interested in resuming conversations regarding options to help solve some of their mobility issues.

Mr. Bilardello asked if Ferris State was back to previous levels. Mr. Monoyios shared it was. Mr. Bilardello asked for clarification on GVSU service levels. Mr. Monoyios shared the Laker Line should be at full strength by their winter session.

Mr. Bilardello asked if the Davenport University venture would be presented to the Board. Mr. Monoyios shared that while the conversations have just begun, he ensured the Board will be presented all information.

5) Customer Appreciation Event

Ms. Tubergen shared the results of the Customer Appreciation event which took place from June 20 to June 30, 2021. The goal of this event was to encourage more riders to participate in the Wave Care program. Ms. Tubergen showed the reduced rate card taps increased over 2,000, while adult rate card taps increased about 9,000, resulting in an overall increase in 16.58% in taps. The total sales also increased by 38.12%.

Mr. Gilbert shared he felt this event was great and wanted to know what the overall cost was to the system to hold this event. Ms. Tubergen replied while it is difficult to estimate how many paid versus non-paid rides were taken due to capping levels, however, the best estimate would be that it cost The Rapid approximately \$36,000 in free rides.

6) Peer Agency Review for On-Demand

Mr. Monoyios shared his team is doing a peer agency review for on-demand services. Part of this process is learning how their service models operate, what types of traffic patterns could be expected, and what type of service model would be best for us. He will continue working with peer agencies and will share more when information is available.

Ms. Coffman asked which peer agencies were being reviewed. Mr. Monoyios shared Little Rock, AK, PACE in suburban Chicago, Pinellas County in Florida, and Lane Transit in Eugene, OR. Our COA consultant identified some of these, while others were already known to us as using paratransit services. Ms. Coffman asked if funding sources of each of the peer agencies will be taken into consideration. Ms. Coffman expressed the importance of knowing this information to help The Rapid make funding decisions in the future. Mr. Monoyios agreed and stated he would add this to the list of information he is gathering.

Mr. Guy expressed his thanks for the hard work the team is doing, and shared he looked forward to future updates.

b. Financial

1) Laker Line Project

Mr. Wisselink shared the Laker Line project came in significantly under budget. Additionally, they just received notification from the FTA that we can spend this money on other projects on our list. He shared the team would like to address the remaining items of scope and will begin working with FTA for the appropriate approvals.

Mr. Bilardello commented he did notice that the Collindale structure had fallen off the scope and asked if there were any plans to restore it. Mr. Wisselink shared the team feels the utility is not present to do this project.

2) Diesel Fuel

Mr. Wisselink shared a purchase was made from J&H oil for diesel fuel. Future predictions of pricing is not expected to change in the next few years. The budget is currently set higher than the current expenditures, and they would like to continue this to cover any overage. He shared we purchase a diesel efficient fuel which is an Exxon Mobile product which can only be purchased at rack price. It has been shown to increase gas mileage while decreasing noxious emissions and diesel particulate filter which builds up in the engine. Mr. Wisselink shared less than half of the fleet are currently using diesel fuel, while the remainder are CNG. With CNG, we

are paying approximately \$.63/gallon. They are also working with Grand Rapids to utilize the renewable natural gas services.

Ms. Coffman asked which buses would be able to use the fuel through the biodigester. Mr. Wisselink shared all CNG buses will be able to use the fuel.

Mr. Bilardello asked for clarification as to how the financial discussions fall into this committee and asked if it will also be presented to the Finance Committee. Ms. Prato shared the agenda is structured with raw topics which involve financial items along with present performance. We have not previously discussed diesel fuel, however, as the price of regular gas goes to \$4/gallon, we know this will cross over into increased ridership and diesel fuel usage.

3) Township Partnerships

Mr. Monoyios shared updates on township partnerships.

- Cascade Township – has reduced their service level by 60 minutes in the evenings and Saturdays. Their DDA agreed to fund the entire service with these changes implemented. It will result in some renumbering of routes.
- Byron Township – has reduced their revenue hours and split between 1M and 1B. Part of the COA is transitioning the hours into peak trips only into Route 10.
- Plainfield Township – a meeting was held with their leadership to discuss future of demand. Route 11 will be going to the Meijer on Plainfield every 15 minutes.
- Gaines Township – Route 2 is going to the Meijer at an increased frequency.

Ms. Coffman asked which township was going to have apartments cut out of the route and if the conversations have taken place. Mr. Dillivan shared it was Gaines Township regarding Woodfield Apartments. The policy has not been fully adopted.

Mr. Bilardello asked if the changes in Cascade effect our side of the border for travel patterns. Mr. Monoyios stated it would mirror the reduced number of trips they opted for. Mr. Bilardello asked if Route 29 goes down 29th Street. Mr. Dillivan shared Route 27 goes down 29th Street.

c. Employees

1) Job Fair and Recruiting

Ms. Groendal shared they recently held two successful job fairs on June 22 and June 29. There were 30 applicants that showed up. Offers were made to 18 people. Five of those people declined the offer, therefore, 13 people will be starting the new class next week. Demographics of these new employees are 8 African-American males, 3 African-American females, 1 Hispanic male and 1 Asian male, There are also 2 Hispanic male technicians starting next week

Ms. Groendal shared there are three positions open: Buyer, Marketing Manager and Transportation Supervisor. All technician openings are filled. They are looking to have another class in September.

2) Technician Training

Mr. Clapp shared they have recently completed natural gas system training. The technicians are certified to inspect the CNG systems on our CNG buses. Training was brought onsite from the National Gas Vehicle Institute (NGVI) to the Laker Line facility. Students must successfully show they possess the knowledge and skills to serve as a certified CNG fuel system inspector. 9 technicians and 1 fleet maintenance supervisor attended the training.

Mr. Clapp recently hired a fleet asset administrator who has come to us from Cummings. He had also worked previously for The Rapid in the parts room for 5 years and is familiar with the processes. This position will provide much needed support for the management of the organization's assets, data mining, reporting, and warranty administration.

d. Safety

1) Safety Update

Mr. Luther shared an update on the COVID response. While it is winding down, we are not quite over it yet. We have not a positive COVID case or exposure in more than a month. The last employee to return to work, went out in early May and was very ill. This employee is scheduled to return July 20.

Mr. Luther shared The Rapid is at 38.5% of employees who have reported being vaccinated, however, he does feel there are more employees that have been vaccinated but are choosing to not report it. Mr. Luther pointed out that while we are below the state and national average, we are higher than several other states.

Mr. Luther shared the frequent disinfection of the buses on the platforms at Central Station, Kentwood Station, and GVSU's PEW campus, will be concluding at the end of July. The nightly disinfection will continue. Mr. Luther also shared we are very well stocked on PPE and sanitizer. He shared masks are still mandated until September 13 but TSA just put out a statement that depending on what the CDC says, they may end the mandate earlier.

e. Fleet and Facilities

1) Rapid Central Station

Mr. Schipper shared Rapid Central Station has been fully re-opened to the public. They now have access to the restrooms, the information center and vending machines.

2) Vehicle Fleet Maintenance

Mr. Clapp shared he is currently at the Gillig factory in California to inspect the buses coming off the line, ensuring the first buses coming off the line meet all the specs and standards. As part of his succession planning, supervisor Casey O'Rourke accompanied Mr. Clapp on this trip to participate in learning what is involved in a bus build.

Mr. Clapp shared fleet maintenance tends to see seasonal failures and issues that arise within our fleet. For instance, they see more right rear body damage throughout the winter months, so they stocked up on the right rear body replacement parts for that season. Summer can bring breakdowns of air conditioning units and engine overheating, but so far this summer we have not seen a rise in the normal seasonal issues.

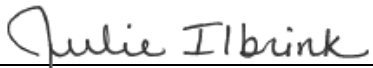
Ms. Prato expressed appreciation for this meeting so we can showcase the talent, successes and challenges we have. We have not experienced being fully staffed with technicians in a long time, the customer appreciation event was to get people familiar and more comfortable with riding the bus. Ms. Prato thanked the team for the work they do every day and is pleased for the interaction they can have with the board members.

4. AJOURNMENT

This meeting was adjourned at 5:13 p.m.

The next meeting is scheduled for September 14, 2021

Respectfully submitted,

A handwritten signature in dark ink, reading "Julie Ilbrink". The signature is written in a cursive style with a large initial "J".

Julie Ilbrink, Board Secretary



Finance Committee Members

Rick Baker *Mayor Gary Carey* *Mayor Stephen Kepley (Chair)* *Mayor Katie Favale* *Mayor Steve Maas*

FINANCE COMMITTEE MEETING MINUTES

Wednesday, June 30, 2021 – 11 a.m.

Rapid Central Station | 250 Grandville Avenue, SW

ATTENDANCE:

Committee Members Present:

Rick Baker, Mayor Gary Carey, Mayor Katie Favale, Mayor Stephen Kepley, Mayor Steve Maas

Committee Members Absent:

Staff Attendees:

Michael Bulthuis, Steve Clapp, Nancy Groendal, Julie Ilbrink, Linda Medina, Nick Monoyios, James Nguyen, Deb Prato, Jason Prescott, Andy Prokopy, Steve Schipper, Brittany Schlacter, Mike Wieringa, Kevin Wisselink

Other Attendees:

Jennifer Mejia (student intern)

Mayor Kepley called the meeting to order at 11:02 a.m.

1. PUBLIC COMMENT

No public comments were provided.

2. MINUTES – April 14, 2021

The minutes from April 14, 2021, were reviewed and approved as written.

3. DISCUSSION

a. Procurement Process

Mr. Wisselink provided an update on The Rapid's procurement process. He walked the committee through the flow chart which helps the team direct how projects need to be handled. He highlighted the partnership with MDOT's DBE directory for any companies that may be interested in putting in a bid. Mayor Kepley suggested putting the procurement process flow chart on the web site to assist companies to get on the bidders list prior to projects being out for bid. Mayor Carey suggested when emailing the vendors, all recipients should be bcc'd to avoid any unfair advantage from competitors. Mr. Baker expressed his gratitude for making the effort to reaching out to the minority businesses.

Mr. Wisselink reviewed a breakdown of our current DBE vendors. At this time, DBE's make up approximately 30% of the total number of vendors utilized. Mr. Wisselink outlined the Procurement Department's next steps which include:

1. Continue to network with local individuals and organizations to gain knowledge and opportunities for outreach.
2. Create a robust distribution list to get opportunities in front of minority contractors.
3. Track all contracts for minority/disadvantaged firms, not just Capital; also track other certifications such as WBE and MBE.
4. Network with talent developers to grow DBE firms that can work with us.
5. Create a procurement inclusion plan as part of the procurement manual or a stand-alone document.

Mayor Carey shared his appreciation for the work that has gone into this project.

b. FY 2022 Preliminary Operating Budget Highlights

Mr. Bulthuis presented the FY 2022 Operating Budget. He shared this budget has been thoroughly reviewed and discussed with the management team during an all-day retreat. He expressed there was good discussion regarding the goals and outcomes for each department, and those discussions helped to shape what the financial picture will look like in the upcoming fiscal year. Mr. Bulthuis reminded the committee that we work with a zero-based budget which is why revenue and expenses will show the same amount. Projected revenue and expenses in FY 2021 is \$48.3 million; projected revenue and expenses in FY 2022 is \$50.9 million. It is anticipated that PL & PD insurance costs, along with medical insurance costs, will increase in the next FY.

The committee discussed insurance coverage, and whether going self-insured would be a good choice. Ms. Prato shared information is being gathered to evaluate all options to determine what will be best for everyone.

Mr. Bulthuis shared information on pension and promotional programs, expressing how and why these budgets have increased. Mr. Bulthuis shared that the budget meeting in July will be more informative and have more details.

Mayor Carey shared his appreciation for the hard work completed by the entire management team. Mayor Kepley shared the environment this year was challenging and is impressed with how the budget has been balanced.

Ms. Medina asked the committee if they would like the budget presented by department. Mayor Kepley shared he would prefer that, and to hear from each of the budget owners as to why their department's budget is increasing or decreasing.

Ms. Prato shared she has been on calls with APTA about the recovery rates other organizations are seeing. She shared we are on par with other agencies across the country. Mr. Schipper expressed many agencies are experiencing difficulties in retaining and obtaining employees. He further shared in our job fair this past week, we had over 20 attendees which is above the national average. Ms. Prato shared the COA process and the benefits seen from this work has been critical in keeping us moving forward in a positive direction.

4. AJOURNMENT

This meeting was adjourned at 12 p.m.

The next meeting is scheduled for August 11, 2021

Respectfully submitted,


Julie Ilbrink, Board Secretary



Finance Committee Members

Rick Baker *Mayor Gary Carey* *Mayor Stephen Kepley (Chair)* *Mayor Katie Favale* *Mayor Steve Maas*

FINANCE COMMITTEE MEETING MINUTES

Wednesday, August 11, 2021 – 4 p.m.

Rapid Central Station | 250 Grandville Avenue, SW

ATTENDANCE:

Committee Members Present:

Rick Baker, Mayor Gary Carey, Mayor Stephen Kepley

Committee Members Absent:

Mayor Katie Favale, Mayor Steve Maas

Staff Attendees:

Michael Bulthuis, Steve Clapp, Nancy Groendal, Deron Kippen, Linda Medina, Steve Luther, Nick Monoyios, Deb Prato, Jason Prescott, Andy Prokopy, Steve Schipper, Kim Stephens, Mike Wieringa, Kevin Wisselink

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

1. PUBLIC COMMENT

No public comments were provided.

2. MINUTES – June 30, 2021

The minutes from June 30, 2021, were reviewed and approved as written.

3. DISCUSSION

a. Operating Budget- Projected Year End Totals

Ms. Medina presented an updated outlook on the operating budget. In April 2021 the Board approved an amendment to the operating budget to \$48.3M. While there has been a slight decrease in state operating assistance, The Rapid is projecting to end the fiscal year at \$46.3M. This is largely driven by reductions on the expense side, with better than projected performance in salaries and wages, largely driven by a reduction in overtime, as well as an improvement in The Rapid's utilities and insurance budget lines.

b. Health Insurance Renewal - Self-Funding/Fully Insured

Carman Baines from USI, the broker of record for The Rapid joined Nancy Groendal to review The Rapid's health insurance history and renewal options with the Committee. The Rapid is currently in an experience-rated fully insured plan administered by Blue Cross Blue Shield of Michigan.

Blue Cross Blue Shield's (BCBSM) current pooling point for experience rated fully funded plans with 300 enrolled is \$175,000. In the last nine months of the current plan year The Rapid experienced six claimants with paid claims in excess of \$75,000. One of the six has paid claims in excess of the pooling point of \$175,000. The current six large claims represent 35% of The Rapid's total claims spend. The Rapid's current loss ratio is 73.6% reflecting premium to claims. The Rapid's current pharmacy spend is slightly over expectation representing 33% of The Rapid's total claims spend. This is largely due to the use of specialty drugs by participants on the plan. As a comparison, USI's book of business pharmacy claims represent approximately 22% of total claims spend.

Ms. Baines reviewed The Rapid's historical experience which has been steady. However, as a result of our claims experience in the 2015/16 plan year, the plan did experience an unprecedented premium increase of 52% due to our 141% loss ratio. Since that time, the plan has improved performance with an 80% loss-ratio. For the current 9-months the plan is running at a 74% loss ratio. Ms. Baines reminded the Committee the enrollment number is a driver of overall costs.

Ms. Baines then provided a review of the 2021/22 BCBSM fully insured renewal proposal assume the current plan designs, and this represented a 1.8%, or approximately \$78,000 cost increase for the plan year beginning 10/1/2021. The Rapid offers four plan designs, two HMO plans and two PPO plans. Most agency employees enroll in the HMO plan. USI has continued to negotiate with BCBSM which resulted in a revised renewal offer with an additional \$75,000 renewal credit which will be applied to the first month of the new plan years premium billing. With the renewal credit the proposed increase for the 2021/22 plan year, the renewal is flat with an increase of less than one-half of one percent.

Ms. Baines reviewed the self-funded offer from BCBSM. In a self-funded arrangement BCBSM is paid to act as the third-party plan administrator for claims processing, network access, care management as well as providing stop loss and aggregate coverage with a \$150,000 stop-loss deductible per contract. The Rapid would be responsible to fund claims on a weekly basis as they are processed by BCBSM. In this self-funded arrangement, BCBSM provides claim factors that when multiplied by our enrollment determines The Rapid's annual expected and maximum aggregate attachment point/claims exposure. The total expected cost of the self-funded plan is \$3.3M compared to fully insured of \$4.2M, with a maximum attachment point of \$3.993 contingent on enrollment. This offer excludes capitation, or in other words there is no upfront hospital pre-payment.

The committee discussion then turned to next steps and factors to consider. There is a maturity factor moving out of first year self-funding for claims as well as the stop loss contract. USI generally considers maturity to be in the range of 20-25%; BCBSM projects a 15% maturity factor in claims and stop loss. Ms. Baines reminded the Committee if The Rapid were to ever move back to fully-insured The Rapid would need to consider the financial impact of claims run-out and administration. Other factors to consider related to a move to self-funding is the unknown impacts of Covid, the sedentary employee lifestyles as well as any growth of the workforce could influence the costs. In addition, The Rapid may experience pharmacy claim growth due to mental health claims being on the rise and specialty drug consumption. A factor of self-funding is the ability to participate in drug rebates paid for certain brand and specialty drugs. Upon inquiry from Mayor Kepley, Ms. Baines discussed the potential to unbundle or carve out pharmacy in future years.

Mayor Carey commented he is a strong proponent of self-funding however, he shared concerns related to the current state of risk and volatility related to Covid. Mayor Carey recommended The Rapid continue to review an option of self-funding in the next year based on the current risk.

Mayor Kepley inquired about the potential for other options for other providers, an a-la-carte manner with the possibility of bringing in different stop-loss providers and/or pharmacy benefit managers over a period of time. The City of Kentwood has experienced success in self-funding by entering the market with a phased approach.

Ms. Baines reviewed the responses for this initial self-funding renewal request. Aetna declined to respond. ASR quoted but their numbers are not firm, and they are reviewing additional large claim data. Cigna declined as uncompetitive. Priority Health quoted and is awaiting disclosures to firm rates. Ms. Baines did confirm there are multiple stop-loss providers and each arrangement for carve-outs come with additional administrative costs.

Ms. Prato shared her current thinking related to uncertainty in a move to self-funding at this time as it relates to many unknowns: Covid, the delta variant; The Rapid's uncertainty in ridership and farebox receipts; the uncertainty in fuel costs, as well as the uncertainty in recruitment and employee retention which drive overtime costs. Her last concern is not with the current proposal but the uncertainty in year two and three. The Rapid has a risk of up to a 50% increase to The Rapid's costs for those years. At the current time The Rapid does not have the internal structure or resources to support promotion of wellness initiatives and employee education to affect member utilization decisions.

Mr. Baker commented that his preference of carrier would be BCBSM if a move was made to self-funding given their knowledge of The Rapid. Mr. Baker questioned if we would have any issues with our union contract. Mr. Schipper responded that there would be no implications due to a change in funding mechanisms.

Ms. Prato and the team will continue to review options and will report back to the Committee of their recommendations before making any final determinations.

c. Administrative Pension Plan – &Co Recommendation Change from Vanguard Index Fund to Fidelity - Fees

The Finance Committee unanimously approved a recommended change in the Administrative Pension Plan holdings moving from the Vanguard Index fund to the Fidelity Index Fund for a fee savings.

d. Insurances

Mr. Schipper delivered a positive insurance update related to our PL/PD insurance. The Rapid was recently informed that two catastrophic claims will not adversely impact our experience as we move to renew this line of insurance and our broker USI has at least three potential bidders, yielding a more competitive bid process. In addition, Mr. Schipper confirmed our Workers' Compensation quote came in approximately \$23,000 less than budgeted.

e. Paratransit Locations

Ms. Prato gave an update to the Committee clarifying the reasons for advancing the potential purchase of our current paratransit operations location.

4. AJOURNMENT

This meeting was adjourned.

The next meeting is scheduled for November 3, 2021

Respectfully submitted,

Deb Prato

Deb Prato, CEO