



**DETROIT
TRANSPORTATION
CORPORATION**

**DETROIT PEOPLE MOVER
DETROIT TRANSIT POLICE**

DETROIT TRANSPORTATION CORPORATION

BOARD OF DIRECTORS MEETING

THURSDAY, JUNE 26, 2025

4:00 P.M.

GUARDIAN BUILDING
500 GRISWOLD
SUITE 2900

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**BOARD OF DIRECTORS MEETING AGENDA
June 26, 2025 – 4:00 P.M.**

Call to Order/Opening Remarks

<u>Tab No.</u>	<u>Agenda Item</u>	<u>Action</u>
1.	Agenda	Approval
2.	Minutes from May 22, 2025, Board of Directors Meetings	Approval
3.	Closed Session <i>to discuss union negotiations and pending litigation</i>	Discussion
4.	Resolution: Approve Collective Bargaining Agreement with Maintenance Supervisors (AFSCME)	Approval
5.	Resolution: Approve Collective Bargaining Agreement with Police Sergeants (Teamsters)	Approval
6.	Resolution: Approve Collective Bargaining Agreement with Police Officers (Teamsters)	Approval
7.	Resolution: People Mover HVAC Preventive Maintenance Contract	Approval
	<i>Recommendation to approve a contract for HVAC Preventive Maintenance inspections and associated repairs for rail vehicles.</i>	
8.	Staff Reports • Mid-Year Ridership • System Plan Progress • Social Media/Upcoming Events	Information
9.	Public Participation	Information
10.	Adjournment	Approval



**DTC BOARD OF DIRECTORS MEETING MINUTES
HELD ON MAY 22, 2025, AT 4:00 P.M.**

BOARD PRESENT:

Chairperson
Vice Chairperson
Secretary/Treasurer

Mr. Robert Cramer
Mr. Luke Polcyn
Mr. John Naglick
Mr. Samuel Krassenstein

BOARD MEMBER(S) ABSENT:

Mr. John Paul Rea
Hon. Mary Sheffield

DETROIT TRANSPORTATION CORPORATION:

Mr. Ernest Latham, Deputy Gen. Mgr.
Cf. Edward Arnold
Ms. Pamela Day
Ms. Karen Foster
Mr. Cornelius Henry
Mr. Curt Knudsen
Ms. LaTrinda Perry
Ms. Leeya Sutter
Mr. Christopher Thomas
Mr. Anthony Vinson
Ms. Gwen Wallace
Mr. Michael Walter
Mr. James Zills

OTHER ATTENDEES:

Mr. Luke Biernbaum
Mr. Khalil Davis
Mr. Lucas Lasecki
Mr. Ryan Mauck
Ms. Dominique McCarthy
Mr. Robert Pawlowski
Mr. Adam Sayyae
Mr. Ryan Schiffer

Meeting Called to Order/Opening Remarks

Chairperson Mr. Robert Cramer called the meeting of the Detroit Transportation Corporation Board of Directors to order at approximately 4:02 p.m.

Mr. Robert Cramer performed a roll call. A quorum was present with the following members: Chairperson Mr. Robert Cramer, Secretary/Treasurer Mr. John Naglick, Mr. John Paul Rea, and Mr. Samuel Krassenstein.

1. Approval of the Agenda

MOTION: Moved by Mr. Luke Polcyn and supported by Mr. John Naglick to adopt the amended agenda.

Mr. Robert Cramer suggested removing Action Item #3 from the agenda.

VOTE: All in attendance voted to approve the agenda.

2. Approval of the Minutes from April 24, 2025

MOTION: Moved by Mr. Luke Polcyn and supported by Mr. Samuel Krassenstein to adopt the Minutes for the Board of Directors meeting held on April 24, 2025.

VOTE: All in attendance voted in the affirmative.

Action Items

3. Resolution Authorization for Vehicle HVAC Annual Preventive Maintenance

The resolution for vehicle HVAC Annual Preventive Maintenance was tabled.

4. Resolution Authorization to increase and close out the ThyssenKrupp Elevator Escalator Rehab Contract

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. Luke Polcyn that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to increase TK Elevators Systemwide Escalator Repair contract by **Thirty-Seven Thousand Forty-Four Dollars and 96/100 (\$37,044.96)** to a close out price of **\$2,531,957.04**.

Discussion: Mr. Curt Knudsen stated that this is the large escalator refurbishment contract that TK Elevator has been completing over the last year. He stated that when it was originally brought to the Board, there was no contingency and that there were fifteen units in the scope of work. Mr. Knudsen stated that in the course of completing all the work for the 15 units, there are two small things to be added, one at the Renaissance Center Station and one at the Broadway Station. He said that this is a small chain close-out change order of approximately Thirty-Seven Thousand Dollars (\$37,000) on the \$2.5 million contract.

Mr. Knudsen noted that there could be a decrease if the Broadway escalator handrails could be replaced under warranty.

Mr. Samuel Krassenstein observed that the TKE contracts are both extensions and asked for an explanation of why the contract cannot be increased by \$57,000 or \$67,000. He also asked why there are two separate actions. Mr. Robert Cramer answered that they are two separate services. He explained that this is a change order on the grant-funded escalator overhaul projects and that this was a large one-time project to bring all of the escalators back up and running. He stated that the changes are extra things that had not been budgeted for in the authorization. Mr. Cramer said the other resolution is for an ongoing preventive maintenance and repair contract for elevators and escalators. He stated that this is a bridge because the Board approved Kone, but we hadn't finished negotiating the contract.

VOTE: All in attendance voted in the affirmative.

5. Resolution Authorization to increase and close out the ThyssenKrupp Elevator Escalator Repair Contract

MOTION: Moved by Mr. Luke Polcyn and supported by Mr. John Naglick that the Chief Executive Officer is hereby authorized, empowered, and directed by the DTC Board of Directors to approve a one-month contract extension with TK Elevators for maintenance and repair services and an increase authorization amount by **Twenty-Nine Thousand Seven Hundred Dollars a (\$29,700.00)**.

Discussion: Mr. Robert Cramer stated that the current contract we have with TKE ends at the end of the month. He stated that we have an approved vendor, Kone, but have not finished the contract negotiation, but that we are anticipating beginning in July. Mr. Cramer stated that we have a few known repairs that need to be made and one month of preventive maintenance activities. He stated that this is a one-month contract with TKE under the current terms, bridging to the new vendor.

Mr. Luke Polcyn asked why it is characterized as a one-month agreement instead of an extension and if it is an amendment to the existing agreement. Mr. Polyn and Mr. Cramer discussed amending the resolution to reflect a one-month extension to the existing agreement in the Resolve clause for maintenance repair services for Twenty-nine seven hundred dollars (\$29,700.00). Mr. Luke Polcyn asked if the amount is already authorized under the current contract. Mr. Robert Cramer answered that we need to increase the authorizing amount to the pricing that TKE uses, which is an hourly rate, but that this is additional funding we need to spend above the original. The original motion was amended to reflect a contract extension through June 30, 2025 and increased total authorization by \$29,700.00.

VOTE: All in attendance voted in the affirmative.

6. Resolution Authorization to extend Contract(s) for Rail Replacement Project

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. Luke Polcyn that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to enter into a contract amendment as herein stated with Delta Railroad to extend the contract from May 31, 2025, to May 31, 2026 for the provision of the rail replacement services as directed by the DTC.

Discussion: Mr. Robert Cramer stated that most of the work was completed during the original shutdown, but Delta Railroad did not have the time, based on our having to wait for the Buy America clearance for the switch, to fit in the original schedule. He stated that the original contract goes through May 31st, but we are waiting to schedule and complete the last portion of work, which should be between 7 and 10 days of work; we are aiming for after Labor Day. He stated that it is to replace switch #1, which is one of the two outside switches, the switch next to the Times Square Station. Mr. Cramer stated that we are proposing to extend the contract through May 31, 2026, in case we have to push back the extra work until past the Fall.

VOTE: All in attendance voted in the affirmative.

7. Chief Executive Officer Report

Ridership

Mr. Anthony Vinson stated that we had high hopes for 2024 with our free-fare program. We were able to increase ridership to over a million, our goal this year was to hit 2 million. He stated that we are falling a little short of that of that goal, but we are getting off to a good start He stated that we're close to being about even from where we were this time last year and that right now we're about 20,000 riders short up through the first four months, which includes the NFL draft. Mr. Vinson stated that all the riders that we had in April of 2024, we've been able to catch up through the months. He noted that we had a strong January compared to January of last year.

Mr. Samuel Krassenstein inquired about the bump in ridership during the NFL Draft. Mr. Anthony Vinson answered the that three day total was 70,000. Mr. Krassenstein asked how much it is above a normal April Weekend. Mr. Vinson stated that we average approximately 2,500 – 2,800 on a quiet weekday and 3,500 – 4,000 on a busy weekday such as if a conference is in town. He stated that Saturday is our busiest day and that we could be as high as 6,065 and if there's something in town we could be up to 8,000 on a Saturday.

Mr. Anthony Vinson stated that the Grand Circus Park Station has had more riders than it did last year. He said that we were doing a good job working with conventions, encouraging them to use the system. Mr. Vinson stated that we've started advertising and putting more information on our digital displays. He said that we are also putting information out for game days, a couple of hours prior to the start of the day.

Mr. Samuel Krassenstein commented that we are expecting about 100,000 people downtown this weekend and that it would be good to see what the ridership will be.

Mr. Robert Cramer stated that our April numbers were about 60,000 less this year than last year, and if you subtract the draft bump, it's possibly close to even. He stated that we had an increase of 81% in January because the Auto Show was back for the first time. He also stated that in March, we were ahead of our pace last year, but February and April were a little bit behind. Mr. Cramer said that our busiest days for similar events are a little bit higher than the same events last year, so we are moving in the right direction, but there is still a lot of opportunity for us to better tie into some of the events and the Convention Center. Mr. Cramer stated that having trains out on the track and the screens enhanced are certainly boosting all the way, but he feels that there's a lot more potential.

Mr. Tony Vinson stated that we really look at 2015, 2019, 2018, 2023, 2025, and now 2025. He commented that in 2015 there was the Joe Louis Arena large ridership because of the Red Wings games and the Auto Show in January. He noted that in 2019, Joe Lewis went away, but the Auto Show was still in January. Mr. Vinson mentioned pre-COVID and that 2023 was our first full year open after COVID.

Mr. Vinson stated that we are also tracking vehicle revenue hours on a regular basis, and having a goal of three trains out and tracking that.

Mr. Robert Cramer stated that we are not on pace to meet our high goal of getting two million this year, but we still have a lot of the year ahead of us, and we will be looking ahead as more of these events pick up.

Upcoming Events

Mr. Robert Cramer stated that Movement will be this weekend and that next week we will be opening at 5:00 a.m. for the Grand Prix to support the large number of volunteers and paid staffers. Mr. Cramer mentioned that there will be major events happening every week until September. He also stated that the fireworks event will be a big day for us.

8. Public Participation

Mr. Robert Pawlowski gave recognition to the Marketing team and all that were involved with the first round of volunteers during the Tiger's Opening Day. Last month he was also one of the volunteers who first got to do it and be able to sit most of the day and help out riders and people who are fairly new to the area get engaged and use our system and find all the tools and attractions that were available. He stated that he would want to see more of these volunteer opportunities take more headway, especially in the agency, itself, whether it's just for major events or events on the weekends. He mentioned that he had not heard anything about Movement, getting volunteer opportunities this weekend, but is something we could do next year, because Movement is also another huge event that attracts people from all across our country. He advised that DTC keep the program going because it is doing well.

Mr. Adam Sayyae presented a business plan proposal to help DTC boost revenue, increase ridership and also bring national attention. He stated that the business plan involves temporarily renovating one of the five rotating People Mover cars into a mobile ticketed first-of-its-kind local to Detroit experience. It involved partnering with local brewery to sell local drinks, having special event themes like the Motown Lounge or Detroit Sports Lounge, all having people riding through the city listening to Detroit music. He also stated that all the renovations are temporary and can be reverted back to the original car within 48 hours. Mr. Sayyae said that licensing operations, insurance, and everything in between will be handled privately, while the DTC can just sit back and rake in passive income. He stated that he had done countless hours of research within the past couple months to see if this plan is even possible. He stated that it is very possible and can make the DTC look like a revolutionizer, and not just moving people, but moving culture as well.

9. Closed Session

MOTION: It was motioned by Mr. John Naglick and supported by Mr. Robert Cramer that the Board of Directors enters into a Closed Session to discuss and consult with outside counsel the pending legal action because the discussion during Open Session will have a detrimental financial effect on the pending action.

Mr. Robert Cramer preformed the roll call to enter into the Closed Session.

The Board of Directors entered the Closed Session at approximately 4:29 p.m.

The Closed Session ended at approximately 5:01 p.m.

The Board of Directors returned from the Closed session and was recalled back into the Open Session at approximately 5:02 p.m.

It was motioned by Mr. Luke Polcyn supported by Mr. Samuel Krassenteinto take the actions as were recommended by outside counsel related to the pending legal action.

10. Adjournment

MOTION: Moved by Mr. Luke Polcyn, and supported by Mr. Samuel Krassenstein, to adjourn the meeting at approximately 5:03 p.m.

VOTE: All in attendance voted in the affirmative.

John Naglick, Corporation Secretary



**DETROIT
TRANSPORTATION
CORPORATION**

**DETROIT PEOPLE MOVER
DETROIT TRANSIT POLICE**

DATE: June 26, 2025
TO: DTC Board of Directors
FROM: Human Resource Director
SUBJECT: Approval of Labor Agreement Between the Detroit Transportation Corporation and the American Federation of State, County, and Municipal Employees ("AFSCME") Local 2394, Maintenance Supervisor Unit

RECOMMENDATIONS

The DTC Board authorizes the CEO to update, finalize and execute the labor agreement (June 23, 2025-June 30, 2028) between DTC and AFSCME Local 2394, Maintenance Supervisors, consistent with agreements reached on June 18, 2025, ratified by majority vote June 18, 2025.

DISCUSSION

In March 2025, the bargaining teams for both management and the union began to negotiate a collective bargaining agreement to replace the agreement expiring on June 30, 2025.

A tentative agreement was reached between the parties on June 18, 2025, and the membership of AFSCME Local 2394, Maintenance Supervisors Unit, ratified their collective bargaining agreement on June 18, 2025. The new agreement includes the following economic changes:

- 2.5% wages increase effective the first full pay period following date of ratification.
- Contract reopeners for wages only for FY2027 and FY2028
- Payout of sick bank balances as of June 30, 2025
- Conversion of unused ESTA time at the end of each fiscal year at the rate of 2 hours ESTA to 1 hour vacation.
- Increase the monthly vacation accrual for the last tier (21+ years of service) from 17.00 hours to 18.67 to match other labor agreements

Among other administrative changes, the new agreement also provides indemnification language related to union dues collections, clarification language regarding how shift premium is earned, and language giving the employer the ability to change administrators of the pension plan in the future.

The resolution now brought before the Board is for the purpose of approving this agreement between the Detroit Transportation Corporation and AFSCME Local 2394, effective June 23, 2025 through June 30, 2028.

ATTACHMENT:

1. Resolution

RESOLUTION AUTHORIZATION FOR
APPROVAL OF LABOR AGREEMENT BETWEEN DTC AND AMERICAN FEDERATION
OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES ("AFSCME")
MAINTENANCE SUPERVISOR UNIT

At a regularly scheduled meeting of the Board of Directors of the Detroit Transportation Corporation ("Corporation" or "DTC"), a Michigan Public Body Corporate, in the City of Detroit, County of Wayne, on Thursday, June 26, 2025, at 4:00 p.m. local time, pursuant to the notice duly given.

Present Members:

Absent Members:

The following preamble and resolution were offered by _____ and supported by _____.

WHEREAS, the DTC, was created and organized pursuant to Act 7, Public Acts of Michigan, 1967, as amended and pursuant to the express authorization provided in the Interlocal Agreement dated October 3, 1985, effective October 4, 1985, executed by and between the Southeastern Michigan Transportation Authority and the City of Detroit; and

WHEREAS, Section 13(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 5333(b)) requires fair and equitable protective arrangements and the continuation of collective bargaining rights; and

WHEREAS, AFSCME Local 2394, Maintenance Supervisors negotiated with DTC management in good faith over multiple sessions and both sides signed a Tentative Agreement on June 18, 2025 and a ratification vote was held June 18, 2025 where a majority of members approved the agreement; and

WHEREAS, the new agreement will be effective June 23, 2025 and go through June 30, 2028; and

WHEREAS, the CEO and staff will incorporate the items in the Tentative Agreement as revisions to the existing contract to create the new contract; and

NOW THEREFORE BE IT RESOLVED, that the CEO shall be and is hereby authorized, empowered and directed by the DTC Board of Directors on behalf of the Corporation to update, finalize and execute a new labor agreement between DTC and AFSCME Local 2394, Maintenance Supervisors, consistent with the tentative agreement reached on June 18, 2025 and ratified by majority vote on June 18, 2025.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

RESOLUTION DECLARED ADOPTED, dated this 26th day of June 2025.

John Naglick, Corporation Secretary



DATE: June 26, 2025
TO: DTC Board of Directors
FROM: Human Resource Director
SUBJECT: Approval of Labor Agreement Between the Detroit Transportation Corporation and the International Brotherhood of Teamsters, Local 214, Sergeants Unit

RECOMMENDATIONS

The DTC Board authorizes the CEO to update, finalize and execute the labor agreement (June 23, 2025-June 30, 2028) between DTC and Teamsters Local 214, Sergeants Unit, consistent with agreements reached on June 17, 2025, ratified by majority vote June 21, 2025.

DISCUSSION

In March 2025, the bargaining teams for both management and the union began to negotiate a collective bargaining agreement to replace the agreement expiring on June 30, 2025.

A tentative agreement was reached between the parties on June 17, 2025, and the membership of Teamsters, Local 214, Sergeants Unit ratified their collective bargaining agreement on June 21, 2025. The new agreement includes the following economic changes:

- 2.5% wages increase effective the first full pay period following date of ratification.
- Contract reopeners for wages only for FY2027 and FY2028
- Payout of sick bank balances as of June 30, 2025
- Conversion of unused ESTA time at the end of each fiscal year at the rate of 2 hours ESTA to 1 hour vacation.
- Increase the maximum number of vacation hours that can be carried from one year to the next from 160 to 320 to align with the accrual rate of more senior employees in the bargaining unit.
- Provide up to 4 hours of union time per quarter may be used, with notice to the Chief, for the Steward to attend meetings or represent members outside their regular schedule.
- Elimination of annual Personal Leave time

Among other administrative changes, the new agreement also provides a reduction of steps in the grievance process due to the restructuring of the department from 2024, clarification language regarding how shift premium is earned, and language giving the employer the ability to change administrators of the pension plan in the future.

The resolution now brought before the Board is for the purpose of approving this agreement between the Detroit Transportation Corporation and Teamsters, Local 214, effective June 23, 2025 through June 30, 2028.

ATTACHMENT:

1. Resolution

RESOLUTION AUTHORIZATION FOR
APPROVAL OF LABOR AGREEMENT BETWEEN DTC AND TEAMSTERS LOCAL 214
SERGEANTS UNIT

At a regularly scheduled meeting of the Board of Directors of the Detroit Transportation Corporation ("Corporation" or "DTC"), a Michigan Public Body Corporate, in the City of Detroit, County of Wayne, on Thursday, June 26, 2025, at 4:00 p.m. local time, pursuant to the notice duly given.

Present Members:

Absent Members:

The following preamble and resolution were offered by _____ and supported by _____.

WHEREAS, the DTC, was created and organized pursuant to Act 7, Public Acts of Michigan, 1967, as amended and pursuant to the express authorization provided in the Interlocal Agreement dated October 3, 1985, effective October 4, 1985, executed by and between the Southeastern Michigan Transportation Authority and the City of Detroit; and

WHEREAS, Section 13(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 5333(b)) requires fair and equitable protective arrangements and the continuation of collective bargaining rights; and

WHEREAS, Teamsters Local 214 – Sergeants Unit negotiated with DTC management in good faith over multiple sessions and both sides signed a Tentative Agreement on June 17, 2025 and a ratification vote was held June 21, 2025 where a majority of members approved the agreement; and

WHEREAS, the new agreement will be effective June 23, 2025 and go through June 30, 2028; and

WHEREAS, the CEO and staff will incorporate the items in the Tentative Agreement as revisions to the existing contract to create the new contract; and

NOW THEREFORE BE IT RESOLVED, that the CEO shall be and is hereby authorized, empowered and directed by the DTC Board of Directors on behalf of the Corporation to update, finalize and execute a new labor agreement between DTC and Teamsters Local 214, Sergeants Unit, consistent with the tentative agreement reached on June 17, 2025 and ratified by majority vote on June 21, 2025.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

RESOLUTION DECLARED ADOPTED, dated this 26th day of June 2025.

John Naglick, Corporation Secretary



DATE: June 26, 2025
TO: DTC Board of Directors
FROM: Human Resource Director
SUBJECT: Approval of Labor Agreement Between the Detroit Transportation Corporation and the International Brotherhood of Teamsters, Local 214, Transit Police Officers Unit

RECOMMENDATIONS

The DTC Board authorizes the CEO to update, finalize and execute the labor agreement (June 23, 2025-June 30, 2028) between DTC and Teamsters Local 214, Transit Police Officers Unit, consistent with agreements reached on June 17, 2025, ratified by majority vote June 22, 2025.

DISCUSSION

In March 2025, the bargaining teams for both management and the union began to negotiate a collective bargaining agreement to replace the agreement expiring on June 30, 2025.

A tentative agreement was reached between the parties on June 17, 2025, and the membership of Teamsters, Local 214, Transit Police Officers Unit ratified their collective bargaining agreement on June 22, 2025. The new agreement includes the following economic changes:

- 2.5% wages increase effective the first full pay period following date of ratification.
- Contract reopens for wages only for FY2027 and FY2028
- Payout of sick bank balances as of June 30, 2025
- Conversion of unused ESTA time at the end of each fiscal year at the rate of 2 hours ESTA to 1 hour vacation.
- Increase the maximum number of vacation hours that can be carried from one year to the next from 160 to 320 to align with the accrual rate of senior employees in the bargaining unit.
- Provide up to 4 hours of union time per quarter may be used, with notice to the Chief, for the Steward to attend meetings or represent members outside their regular schedule.

Among other administrative changes, the new agreement also provides a reduction of steps in the grievance process due to the restructuring of the department from 2024, clarification language regarding how shift premium is earned, and language giving the employer the ability to change administrators of the pension plan in the future.

The resolution now brought before the Board is for the purpose of approving this agreement between the Detroit Transportation Corporation and Teamsters, Local 214, effective June 23, 2025 through June 30, 2028.

ATTACHMENT:

1. Resolution

RESOLUTION AUTHORIZATION FOR
APPROVAL OF LABOR AGREEMENT BETWEEN DTC AND TEAMSTERS LOCAL 214
TRANSIT POLICE OFFICERS UNIT

At a regularly scheduled meeting of the Board of Directors of the Detroit Transportation Corporation ("Corporation" or "DTC"), a Michigan Public Body Corporate, in the City of Detroit, County of Wayne, on Thursday, June 26, 2025, at 4:00 p.m. local time, pursuant to the notice duly given.

Present Members: _____

Absent Members: _____

The following preamble and resolution were offered by _____ and supported by _____.

WHEREAS, the DTC, was created and organized pursuant to Act 7, Public Acts of Michigan, 1967, as amended and pursuant to the express authorization provided in the Interlocal Agreement dated October 3, 1985, effective October 4, 1985, executed by and between the Southeastern Michigan Transportation Authority and the City of Detroit; and

WHEREAS, Section 13(c) of the Urban Mass Transportation Act of 1964 (49 U.S.C. 5333(b)) requires fair and equitable protective arrangements and the continuation of collective bargaining rights; and

WHEREAS, Teamsters Local 214, Transit Police Officers Unit negotiated with DTC management in good faith over multiple sessions and both sides signed a Tentative Agreement on June 17, 2025 and a ratification vote was held June 22, 2025 where a majority of members approved the agreement; and

WHEREAS, the new agreement will be effective June 23, 2025 and go through June 30, 2028; and

WHEREAS, the CEO and staff will incorporate the items in the Tentative Agreement as revisions to the existing contract to create the new contract; and

NOW THEREFORE BE IT RESOLVED, that the CEO shall be and is hereby authorized, empowered and directed by the DTC Board of Directors on behalf of the Corporation to update, finalize and execute a new labor agreement between DTC and Teamsters Local 214, Transit Police Officers Unit, consistent with the tentative agreement reached on June 17, 2025 and ratified by majority vote on June 22, 2025.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

RESOLUTION DECLARED ADOPTED, dated this 26th day of June 2025.

John Naglick, Corporation Secretary



**DETROIT
TRANSPORTATION
CORPORATION**

**DETROIT PEOPLE MOVER
DETROIT TRANSIT POLICE**

DATE: June 26, 2025
TO: DTC Board of Directors
FROM: Maintenance Division
Michele Pollock, Strategic Sourcing and Procurement Director
SUBJECT: Vehicle HVAC Preventative Maintenance

RECOMMENDATION

That the Board authorizes the award of a Preventive Maintenance Contract for the DPM Vehicle HVAC Systems to Technical Hot & Cold for a three (3) year contract with 2 1-year options. The not to exceed cost for the 3-year base term is **Five-Hundred Sixty-Seven Thousand Five Hundred and Ten Dollars** (\$567,510.00) and at a total cost not to exceed **One Million Eleven Thousand Six Hundred and Ninety-Four Dollars** (\$1,011,694.00) for Five (5) years.

DISCUSSION

The Detroit Transportation Corporation (DTC) sought proposals from qualified firms that can perform HVAC preventive maintenance (PM) and repair services on DTC's trains. The contractor shall furnish preventive maintenance, parts, materials and labor service necessary to ensure the HVAC is in working condition. Under the Contract, the first year PM will be for nine (9) trains, and the following subsequent years, the PM will be for twelve (12) trains. Technical Hot and Cold was DTC's previous Vehicle HVAC Contractor performing PM maintenance and repairs on DTC's train system.

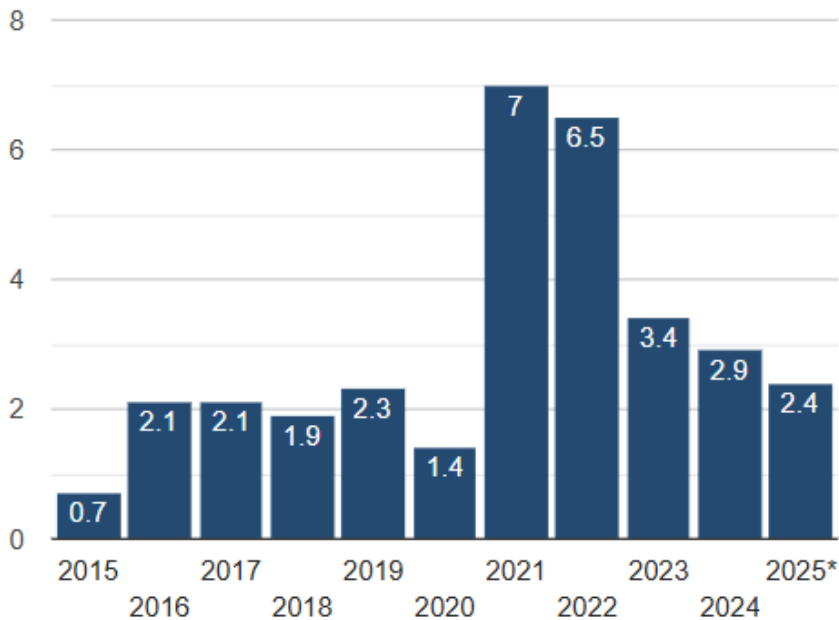
PROCUREMENT PROCESS

(DTC) advertised this bid nationally on www.bidnetdirect.com, the City of Detroit and The People Mover's websites. Nineteen different vendors downloaded at least one bid document, including eight (8) from Michigan as shown in the Exhibit A at the end of the item.

A mandatory walk-thru was held as part of the RFP with only Technical Hot & Cold in attendance. The bid schedule was extended, a second mandatory walk-thru was held two weeks later, four additional vendors were contacted via the phone. Technical Hot & Cold was again the sole vendor in attendance the 2nd time. DTC transmitted a request for Best and Final Offer to TH&C which resulted in a 7.4% cost reduction for their PM labor rates. TH&C's labor increases over the 5 year span of the Contract are roughly 3% per year an acceptable increase.

TH&C's labor increase from 2022 (\$270/hr) to 2025 (\$347/hr) is 28.5% higher for the following reasons. The previous work was accomplished using less stringent Terms and Conditions in DTC's Purchase Order. To ensure Grant eligibility for PM reimbursement, the Full Federal Clauses including the Davis Bacon Act, Buy America, Fly America, Drug & Alcohol Abuse and Testing etc. were included in this RFP. These place additional training, auditing & record keeping requirements on the company. An annual inflation rate chart is included for reference:

Chart: United States Annual Inflation Rates (2015 to 2025)



The cumulative inflation rate from 2022 – 2025 is 15.2% reducing TH&C's increase in labor rate to 13.3%. Michigan HVAC Contractors are saturated with HVAC work at this time. The DPM vehicle PM's are unique, intricate and not production work. Based on these conditions, TH&C's initial and follow-on labor rates are deemed fair and reasonable.

FUNDING & COSTS

The Capital project is funded via 5337 Grants. The contract costs are summarized as follows:

Description	Cost
HVAC Vehicle Preventative Maintenance and Repair Services Contract for the Three (3) Years with 2 1-year renewal option	
Year One (1)	\$152,650.00
Year Two (2)	\$203,610.00
Year Three (3)	\$211,250.00
Total for Base Three (3) Years	\$567,510.00
Year Four (4) – option year 1 to be exercised at DTC discretion	\$218,469.00
Year Four (5) – option year 2 to be exercised at DTC discretion	\$225,715.00
Total Max	\$1,011,694.00

Pricing Proposal Details

	Year 1 - (9 trains) (PM \$14,739 per train)	Year 2 - (12 trains) (PM \$15,301 per train)	Year 3 - (12 trains) (PM \$15,938 per train)	Total for 3 years	
40 hrs, PPE & materials per train	\$ 132,650.00	\$ 183,610.00	\$ 191,250.00	\$ 507,510.00	
Est. \$20,000 for repairs	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 60,000.00	
TOTAL FOR 3 Years for HVAC PM & Repairs				\$ 567,510.00	
Year 4 option year 1 (12 trains) (PM \$15,937.50 per train) (PM \$198,469 + repairs \$20,000)				\$ 218,469.00	
Year 5 option year 2 (12 trains) (PM \$17,143 per train) (PM \$205,715 + repairs \$20,000)				\$ 225,715.00	
TOTAL FOR 5 YEARS for HVAC PM & Repairs				\$1,011,694.00	
Labor for Repair	Year 1 hourly rate	Year 2 hourly rate	Year 3 hourly rate	Year 4 (option year 1) hourly rate	Year 5 (option year 2) hourly rate
Foreman	\$375.00	\$394.00	\$415.00	\$436.00	\$458.00
Engineer	\$385.00	\$405.00	\$426.00	\$448.00	\$470.00
Journeyman Technician	\$350.00	\$368.00	\$387.00	\$407.00	\$428.00
Apprentice Technician	\$350.00	\$368.00	\$387.00	\$407.00	\$428.00
	Quantity		Unit Price		
Refrigerant	100	LB	\$100		
Service Valves	12	EA	\$600		
Filter Dryer Assembly	11	EA	\$160		
Compressor Oil	12	Gallon	\$120		
Parts/Materials mark up 30%					

**RESOLUTION: AUTHORIZATION TO AWARD A CONTRACT
FOR VEHICLE HVAC PREVENTATIVE MAINTENANCE AND REPAIR SERVICE
NAICS CODE: 238220**

At a regularly scheduled meeting of the Board of Directors of the Detroit Transportation Corporation ("Corporation" or "DTC"), a Michigan Public Body Corporate, in the City of Detroit, County of Wayne, on Thursday, June 26, 2025, at 4:00 p.m. local time, pursuant to the notice duly given.

**Present
Members:**

**Absent
Members:**

The following preamble and resolution were offered by _____ and supported by _____.

WHEREAS, the DTC, was created and organized pursuant to Act 7, Public Acts of Michigan, 1967, as amended and pursuant to the express authorization provided in the Interlocal Agreement dated October 3, 1985, effective October 4, 1985, executed by and between the Southeastern Michigan Transportation Authority and the City of Detroit; and

WHEREAS, DTC has identified a need for a SERVICE and PRODUCT to support our Maintenance Department, and

WHEREAS, a Formal and Open Bid Solicitation was used resulting in nineteen (19) vendor downloads, with one (1) responsive bid to the solicitation, with Technical Hot and Cold recommended for approval based on cost and/or other factors consistent with the solicitation document and the procurement policies of DTC; and

WHEREAS, funding is available in Grant Funding through departmental budgets; and

WHEREAS, Technical Hot and Cold (vendor) is an experienced HVAC systems firm that has the historical background of DPM operations; and;

NOW THEREFORE BE IT RESOLVED, that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to enter into a Vehicle HVAC Preventative Maintenance and Repair Service agreement for a three (3) year contract and two (2) 1-year renewal option for an amount not-to-exceed Five-Hundred Sixty-Seven Thousand Five-Hundred Ten dollars and 00/100 **(\$567,510.00)** for the base term with a five-year total maximum cost of One Million Eleven-Thousand Six-Hundred Ninety-Four dollars 00/100 **(\$1,011,694.00)**.

YEAS: _____ **NAYS:** _____ **ABSTENTIONS:** _____

RESOLUTION DECLARED ADOPTED, dated this 26th day of June 2025.

John Naglick, Corporation Secretary

Exhibit A: Vendors Accessing BidNet Posting

Supplier Organization			
Name	Address	City	State/Prov
Comfort mechanical heating and cooling	455 E Eisenhower PKWY Suite 300	Ypsilanti	MI
Construction Journal	400 sw 7th street	Stuart	FL
DEV CARE SOLUTIONS	131 N HIGH ST, SUITE 640, 640	COLUMBUS	OH
DF Interactive NC LLC	125 S Pettigrew St	Raleigh	NC
Fasreh Cooperation	Tierwester Street	Lewistown	CA
George S. Hall, Inc.	4 Gatehall Drive, 2nd Floor	Parsippany	NJ
Heinemann & Co., Inc.	110 Herndon Pkwy	Herndon	VA
INVESTAGE L.L.C.	21221 Oxnard Street, Apt#449	Woodland Hills	CA
Indexing Solutions	973 5th St	Elko	NV
Intellibee Inc	400 Renaissance Center, 2600	Detroit	MI
Lead Pursuits LLC	2450 Colorado Ave., Suite 100E	Santa Monica	CA
Metro Controls	22660 15 Mile Rd	Clinton Township	MI
Motown Heating, Cooling & Refrigeration Inc.	3800 Greenfield unit#1495	Dearborn	MI
School Wholesale Supplies LLC	2120 Donelson Pike	Nashville	TN
Technical Hot & Cold	38568 Webb Dr	Westland	MI
Thermal Mechanical Service	1221 Bowers #2371	Birmingham	MI
W.J. O'Neil	35457 Industrial Road	Livonia	MI
Wabtec Corporation	130 Ridgeview Center DR	Duncan	SC
William Floyd Company	716 Victory Drive	Howell	MI