

**DTC BOARD OF DIRECTORS MEETING MINUTES HELD
ON OCTOBER 23, 2025, AT 4:00 P.M.**

BOARD PRESENT:	Chairperson	Mr. Robert Cramer
	Secretary/Treasurer	Mr. John Naglick
		Mr. Samuel Krassenstein
		Mr. Brandon Lockhart
BOARD MEMBER(S) ABSENT:		Mr. John Paul Rea
		Hon. Mary Sheffield
DETROIT TRANSPORTATION CORPORATION:		Mr. Ernest Latham, Deputy Gen. Mgr.
		Ms. Ophelia Crawford
		Ms. Pamela Day
		Ms. Karen Foster
		Ms. Sarah Gryniewicz
		Mr. Curt Knudsen
		Ms. LaTrinda Perry
		Ms. Michele Pollock
		Mr. Desmond Simmons
		Ms. Leeya Sutter
		Mr. Christopher Thomas
		Ms. Madonna VanFossen
		Mr. Anthony Vinson
OTHER ATTENDEES:		Ms. Gwen Wallace
		Mr. James Zills
		Mr. Luke Biernbaum
		Mr. Khalil Davis, WSP
		Mr. Lucas Lasecki
		Ms. Maria Petrenko, Hadrout
		Ms. Becca Saoiles
		Ms. Dominika Tarazhi

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 4:04 p.m.

Mr. Robert Cramer introduced Mr. Brandon Lockhart as the new member of the Board of Directors. Mr. Cramer performed a roll call, and a quorum was present with the following members: Chairperson Mr. Robert Cramer, Secretary/Treasurer Mr. John Naglick, Mr. Samuel Krassenstein, and Mr. Brandon Lockhart.

1. Approval of the Agenda

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. John Paul Rea to adopt the agenda.

VOTE: All in attendance voted to approve the agenda.

2. Approval of the Minutes of September 4, 2025

MOTION: Moved by Mr. John Naglick and supported by Mr. Samuel Krassenstein to adopt the Minutes for the Board of Directors meeting held on September 4, 2025.

VOTE: All in attendance voted in the affirmative.

Action Items

3. Resolution: Acknowledging the Election of Officers to the Board of Directors of the Detroit Transportation Corporation

MOTION: It was motioned by Mr. Samuel Krassenstein and supported by Mr. Robert Cramer that the following individuals shall be and are hereby elected to serve as officers of the DTC Board of Directors as set forth opposite their respective names until their successors shall have been duly elected and qualified.

Chairperson: Mr. Robert Cramer

Vice-Chairperson: Mr. Samuel Krassenstein

Secretary/Treasurer: Mr. John Naglick

VOTE: All in attendance voted in the affirmative.

4. Resolution: Authorization for approval of Labor Agreement between DTC and Teamsters Local 214 System Control Operator Unit

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. John Naglick 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, System Control Operators Unit, consistent with the package proposal presented on September 16, 2025 and voted and ratified by majority vote on October 17, 2025.

Discussion: Ms. Leeya Sutter stated that in March 2025, the bargaining teams for both management and the union began to negotiate a collective bargaining agreement to replace the one that expired on June 30, 2025. She stated that a package proposal was presented to the union on September 16th, 2025. The union agreed to take the package proposal to a vote to the members, which was ratified by a majority of the vote on October 17, 2025. Ms. Sutter stated that the economic changes of the new agreement are:

- 2.5% wage increase effective the first full pay period following the date of ratification.
- Contract reopeners (wages only) for FY2027 and FY2028
- Conversion of unused ESTA time at the end of each fiscal year at the rate of 2 hours ESTA to 1 hour vacation.
- Provision up to 4 hours of union time per quarter may be used, with notice to their supervisor, for the Steward to attend meetings or represent members outside their regular schedule.
- Increase monthly vacation accrual rates for employees in their 4th, 5th, and 21st+ years of employment
- Increase the training premium for Operators assigned as a System Control Trainer from \$1 per hour to \$3.04 per hour.

Ms. Sutter stated that among the economic changes, there were some administrative changes. The new agreement also provides indemnification language regarding union dues, deductions, clarification regarding how shift premium is paid, and incorporation of the MOU to change administrators of the pension plan.

Mr. John Naglick inquired about the number of people in the bargaining unit. Ms. Sutter answered that there are 13 out of the total employment of 83.

VOTE: All in attendance voted in the affirmative.

5. Resolution: Adoption of Municipal Employees' Retirement System of Michigan (MERS) 457 Plan

MOTION: Moved by Mr. John Naglick and supported by Mr. Samuel Krassenstein that the Governing Body adopts the MERS 457 Supplemental Retirement Program as provided below.

- I. The Participating Employer adopts the Plan for its Employees.
- II. The Participating Employer hereby adopts the terms of the Participation Agreement, which is attached hereto and made a part of this Resolution. The Participation Agreement sets forth the Employees to be covered by the Plan, the benefits to be provided by the Participating Employer under the Plan, and any conditions imposed by the Participating Employer with respect to, but not inconsistent with, the Plan. The Participating Employer reserves the right to amend its elections under the Participation Agreement, so long as the amendment is not inconsistent with the Plan or the Internal Revenue Code or other applicable law and is approved by the Board.
- III. The Participating Employer shall abide by the terms of the Plan, including amendments to the Plan made by the Board, all investment, administrative, and other service agreements of the Plan and the Trust, and all applicable provisions of the Internal Revenue Code and other applicable law.
- IV. The Participating Employer acknowledges that the Board is only responsible for the Plan and any other plans of the Employer administered by MERS and that the Board has no responsibility for other employee benefit plans maintained by the Employer that are not part of MERS.
- V. The Participating Employer accepts the administrative services provided by MERS and any services provided by a Service Manager as delegated by the Board. The Participating Employer acknowledges that fees will be imposed with respect to the services provided and that such fees may be deducted from the Participants' accounts.
- VI. The Participating Employer acknowledges that the Plan contains provisions for involuntary Plan termination.
- VII. The Participating Employer acknowledges that all assets held in connection with the Plan, including all contributions to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, property or rights shall be held in trust for the exclusive benefit of Participants and their Beneficiaries under the Plan. No part of the assets and income of the Plan shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries and for defraying reasonable expenses of the Plan. All amounts of compensation deferred pursuant to the Plan, all property and rights acquired or purchased with such amounts and all income attributable to such amounts, property or rights held as part of the Plan, shall be transferred to the Board to be held, managed, invested and distributed as part of the Trust Fund in accordance with the provisions of the Plan. All contributions to the Plan must be transferred by the Participating Employer to the Trust Fund. All benefits under the Plan shall be distributed solely from the Trust Fund pursuant to the Plan.

VIII. This Resolution and the Participation Agreement shall be submitted to the Board for its approval. The Board shall determine whether the Resolution complies with the Plan, and, if it does, shall provide appropriate forms to the Participating Employer to implement participation in the Plan. The Board may refuse to approve a Participation Agreement by an Employer that does not possess State statutory authority to participate in the Plan. The Governing Body hereby acknowledges that it is responsible to ensure that this Resolution and the Participation Agreement are adopted and executed in accordance with the requirements of applicable law.

BE IT FINALLY RESOLVED: This Resolution shall have no legal effect under the Plan until a certified copy of this adopting Resolution is filed with MERS, and MERS determines that all necessary requirements under the 457 Supplemental Retirement Program Plan and Trust, the Participation Agreement, and this Resolution have been met. All dates for implementation of the Plan shall be determined by MERS from the date of filing with MERS of this Resolution in proper form and content. Upon MERS determination that all necessary documents have been submitted to MERS, MERS shall record its formal approval upon this Resolution and return a copy to the Employer.

Discussion: Ms. Leeya Sutter stated that on September 19, 2025, the Retirement Committee met and is recommending to the Board to adopt the MERS 457 plan. She stated that the change will allow current employees to enroll in the 457 plan through MERS, or they can opt to keep their retirement plan with Empower; however, all new enrollments will be transitioned to MERS. She stated that the change is anticipated to reduce the administrative burden of the plan and improve user experience for the Participants. She stated that based on the analysis provided by MERS, on average, the fees will be significantly reduced by approximately 591%. She also stated that MERS is offering an overall better asset performance.

Mr. Samuel Krassenstein expressed concern about the current employees who would have the ability to keep their 457 with Empower and having to maintain two retirement plans. Ms. Leeya Sutter stated that MERS would be taking over their portion of it, except for us administering by having them complete the new enrollment form and submitting that over to MERS, and then anyone who stays with Empower. She stated that we don't have many employees currently in the Empower plan.

Mr. Samuel Krassenstein asked if there is a reason we wouldn't require everyone to switch over to MERS. Ms. Leeya Sutter answered that because some employees have loans with Empower, they would have to pay off those loans immediately to switch.

VOTE: All in attendance voted in the affirmative.

6. Resolution: Authorization to award a Contract for Door and Gate PM and Repair Services

MOTION: Moved by Mr. Robert Cramer and supported by Mr. John Naglick that that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to enter into an agreement with Mid-America Group for door and gate repair and preventative maintenance (PM) services for a three year contract with two, (2) one (1) year renewals for an amount not-to-exceed One Hundred Forty-Three Thousand and Three Hundred Forty 00/100 Dollars (\$143,340.00) for three years and not to exceed Two Hundred Forty-Six Thousand Two Hundred and Ten 00/100 Dollars (\$246,210.00) for five years. Option years are exercised at DTC's discretion.

Discussion: Ms. Michele Pollock stated that the Detroit Transportation Corporation requires a door and gate repair and PM service. She stated that the contractor shall provide repair services on an as-needed basis for various doors and gates at the 14 locations, which includes all parts, materials, and truck charges. She said that the contractor shall also perform annual PM services on the MCF garage door and gates. Ms. Pollock stated that we are asking the Board to approve a three-year contract with two one-year renewal options, for the

total cost of Two Hundred Forty-Six Thousand Two Hundred and Ten 00/100 Dollars (\$246,210).

Mr. Robert Cramer added that we estimated this based on our anticipated needs of approximately 400 hours a year of weekday service, and 25 hours a year of after-hours, in addition to the PM fee.

Mr. Samuel Krassenstein asked who the current vendor is that provides this today. Ms. Michele Pollock answered that there is no current vendor. Mr. Krassenstein asked if it was done internally. Ms. Pollock answered in the affirmative, adding that we put out bids to get vendors each time there is a need for repairs on an as-needed basis.

VOTE: All in attendance voted in the affirmative.

7. Resolution: Authorization to enter into a Contract to provide Preventative Maintenance and Repair Services on HVAC Systems at MCF and Grand Circus Park Station

MOTION: Moved by Mr. Brandon Lockhart and supported by Mr. John Naglick that the Chief Executive Officer is hereby authorized, empowered, and directed by the DTC Board of Directors to enter into an agreement for HVAC PM and repair services with TRANE for a three-year contract with no renewal options for an amount not-to-exceed One Hundred Fifty-Two Thousand Four Hundred and Nine 78/100 Dollars (\$152,409.78).

Discussion: Mr. Ernest Latham stated that the big lift on this is that we use their BAS to build an automation system, step proprietary system, and that 95% of this equipment is TRANE equipment. He pointed out that when going through the resolution, it shows VAV boxes and BRFS, which are proprietary TRANE units. He stated that it is easier to go through TRANE to obtain parts or services, as they are the OEM provider.

Mr. Samuel Krassenstein inquired about the 30% markup. Ms. Michele Pollock stated that it is TRANE's standard. He asked if the TRANE equipment was already in there. Mr. Latham answered in the affirmative.

Mr. Brandon Lockhart asked where we are in the life cycle of these products and what they may look like in the future. Mr. Ernest Latham stated that the equipment is about 12 years old, and if we went to a new program and new equipment, it would be in the \$5 to \$6 million range for all the equipment. Mr. Brandon Lockhart inquired about the life expectancy and what transition may or may not look like. Mr. Samuel Krassenstein asked if it is out of 15 years to 20 years? Mr. Ernest Latham answered that he would look into it and report back to the Board.

VOTE: All in attendance voted in the affirmative.

8. Resolution: Authorization to enter a Contract for Owner's Representative Services for the Michigan Central Multimodal Facility (MCMF)

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. Brandon Lockhart that the Chief Executive Officer is hereby authorized, empowered, and directed by the DTC Board of Directors to enter into an agreement with Michigan Central Innovation District for owner's representative services for an amount not to exceed One Million and Five Hundred Thousand 00/100 Dollars (\$1,500,000.00). The contract shall end on February 28, 2030.

Discussion: Mr. Robert Cramer stated that the resolution proposes that we award a sole-source owners' representative services contract to the Michigan Central Innovation District, MCID, for \$1.5 million. The sole source in this case is necessary due to the unique position and capabilities to provide the services. He stated that MCID has been heavily engaged throughout the development up to this point. He also stated that MCID

represents Ford Land, which is the owner of the proposed parcels and has been selected as the representative of all the stakeholders that formulate the MOU that guides this entire project. Mr. Cramer stated that the idea would be that we award this contract, in which all of the funding is covered under grant funding. He said that the \$1.5 million would cover all phases, which would be for design, preliminary engineering, final design, and construction. He included that the amount will only be realized if the project is seen all the way through to completion, with the anticipated date of completion of February 28, 2030.

Mr. Robert stated that from this point, MCID would develop the RFP for preliminary engineering, DTC would administer the solicitation through our process, and then MCID would lead the evaluation and review. He said that there would be very close collaboration between stakeholders at the City, DTC, MDOT, which is the sole grant provider for the first phase of the project, MCID, and other partners. Mr. Cramer noted that all grants would be governed through the Master Agreement with MDOT and that it includes up to \$2,000,000 to help offset DTC's cost as per for administration, but that we have not figured out what that means for each step of the project.

Mr. Samuel Krassenstain asked if the \$2,000,000.00 covers that cost. Mr. Cramer answered in the negative, stating that the \$2 million is DTC's direct cost. He explained that if we must hire staff or engage consultants of our own, the \$1.5 million is separate from it and just for MCID.

Mr. John Naglick asked if the idea is that the People Mover would be extended to interface with it. Mr. Robert Cramer answered in the negative, stating that it is not a part of the project.

VOTE: All in attendance voted in the affirmative.

9. Resolution: Authorization to enter into a Contract for SRT to DPM Train Conversion

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. John Naglick that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to enter into an agreement with Hitachi Rail GTS USA for SRT to DPM Train Conversion for an amount not-to-exceed Five Million Forty Thousand Dollars (\$5,040,000.00).

Discussion: Mr. Robert Cramer explained that this is a resolution to approve the contract with Hitachi for conversion testing and commissioning of the vehicles that we purchased from Toronto into the People Mover system. He stated that the cost is a little over \$5,000,000 and includes software development, equipment, building, testing, commissioning the first train, and then the remaining trains afterwards to complete the project we embarked on to replace our 12-car fleet with Toronto cars. Mr. Cramer stated that when we first talked about this, we had WSP help us put together a cost estimate, and that we had to work quickly because the cars were available and not for a long period of time. He stated that at that time, we thought this part of the project would be less than \$2,000,000; however, it was an estimate. He said that Hitachi spent some time under contract to come up with a proposal and noted that they are the OEM for the ATC system. He stated that it has to be Hitachi unless we're going to change the entire ATC system of the People Mover to accept the cars.

Mr. Cramer stated that there are many risks and effort Hitachi must put in place to make sure that our driverless system behaves properly. Mr. Cramer gave an overview of the costs, stating that the proposal given by Hitachi adds up to approximately \$5 million. He stated that we thought we were going to be able to complete this for about \$7 or \$8 million, but with the increase to the Hitachi and then looking at some of the equipment components that we will have to pay to refurbish, the total project cost is now over \$12 million.

Mr. Cramer stated that we are proposing to award this contract, which is still about 18 months from award, for them to complete their part of the process. He said that in the meantime, we will be pursuing a number of

funding opportunities to make up the difference, which is about \$4 million. Mr. Cramer stated that we are going to make a request to the City for a one-time budget increase for the People Mover. He also said that we believe there may be state opportunities. He stated that Mr. Ernest Latham has been working on some public-private partnership concepts, such as securing naming rights of the cars for 10 years, to bring revenue into the project. Mr. Cramer stated that the storage cost is approximately \$50,000 per month.

Mr. John Naglick asked if the \$5,000,040 is included in the \$5,780,000 ATC Vehicle upgrade. Mr. Robert Cramer answered in the affirmative, stating that it's \$5,040,000.00, and then what's i of that is equipment and parts that we will have to either purchase or refurbish for about \$500,000, which also includes the work we have already paid Hitachi to do to come up with the detail.

Mr. Brandon Lockhart asked if there is still thought about eventually changing station plans or finding supporters who would be willing to put up money for naming rights. Mr. Robert Cramer answered in the affirmative, stating that it is on the table. He stated that we have been thinking about a lot of different concepts, such as a sponsorship that acknowledges the public, an art sponsorship, and an event sponsorship.

VOTE: All in attendance voted in the affirmative.

10. Resolution: Authorization to enter into a Contract for Vehicle Storage and Services

MOTION: Moved by Mr. Samuel Krassenstein and Mr. Brandon Lockhart that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to pay the October 2025 storage fee and enter into an agreement with Easton Railcar Services for vehicle storage service for one (1) year with one-year renewal option for an amount not-to-exceed One Million One Hundred Fifty-Eight Thousand and Two Hundred Sixty-Four 08/100 Dollars (\$1,158,264.08).

Discussion: Mr. Robert Cramer stated that this is to continue storing the vehicles at Easton Railcar Services in Pennsylvania. He stated that this covers a 12-month period with an option for 12 more and covers our storage fee for October because we were over by one month.

Mr. Samuel Krassenstein inquired about storing the cars in Easton. He asked if this is our rehab vendor and if we are in close proximity. Mr. Robert Cramer answered that we picked Easton because we needed a place that was willing to handle them and had inside storage space that was reasonably priced, and they have the capability as a railcar yard to provide services for us. He stated that if we need them to disassemble, reassemble, or handle mechanical issues, they have hourly rates for us to pay them to do it. He stated that for the Hitachi work, the cars will be able to stay there where they can take things on and off; Hitachi can go work there. He also stated that it's inside, out of the weather, and Easton also provides services to keep them fresh every month or so. Mr. Cramer said that the Monroe site was a little bit cheaper but didn't have the indoor storage capability or the ability to work.

VOTE: All in attendance voted in the affirmative.

11. Resolution: Authorization to approve a Change Order Change Action: Equature Recording System Services

MOTION: Moved by Mr. John Naglick and supported by Mr. Samuel Krassenstein that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to approve a change order to Equature contract for recording system services in the amount of Three Thousand Eight Hundred and Seventy-Three 30/100 Dollars (\$3,873.30) bringing the total contract amount to Seventy-Seven Thousands Four Hundred and Sixty-Six 35/100 Dollars (\$77,466.35).

Discussion: Mr. Robert Cramer stated that this is a purchase order change action for Equature, which is our recording system services. He stated that there was a miscalculation when we originally awarded it; therefore, we need a change order to add \$38,173.30 to this authorization.

VOTE: All in attendance voted in the affirmative.

12. Chief Executive Officer/ Staff Reports

Marketing & Advertising Review, Social Media Updates

Ms. Madonna Van Fossen, DTC Marketing and Advertising Manager, and Ms. Maria Petrenko of Hadrout presented the Marketing & Advertising Review. Ms. Van Fossen and Ms. Petrenko also debuted a video of the new People Mover commercial to the Board. Ms. Petrenko stated that the commercial will be placed on the company's website.

Rail Replacement Shutdown

Mr. Robert Cramer stated that the system will be shut down beginning November 10th through November 22nd, which is a Lions game and the Sunday before Thanksgiving. Mr. Cramer explained that this work replaces the switch near Times Square. He stated that during this time, there will be a lot of training within the departments.

13. Public Participation

Ms. Domenika Tarazhi introduced herself as being with Modish Creative, a full-service advertising and design company in Detroit. She stated that her manager lives in Detroit and takes the People Mover daily and noticed that some of the signage had incorrect spelling on it. She stated that the other reason why she was in attendance was to see if there was an opportunity to partner with DTC. She stated that she did not know if we had a vendor or were doing the work in-house. Mr. Robert Cramer commented that we do have a mix of in-house as well as Hadrout for our digital marketing. He added that some of our content is created by the City's Arts and Culture Department, which has made some of our posters.

Ms. Tarazhi asked how she would go about having an opportunity with DTC. Mr. Cramer advised that she leave her contact information with Ms. Madonna Van Fossen.

Mr. Lucas Lasecki thanked DTC for their general sponsorship of the Transportation Riders United 25th anniversary gala.

14. Adjournment

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. John Naglick, to adjourn the meeting at approximately 5:00 p.m.

VOTE: All in attendance voted in the affirmative.

Signed by:

John Naglick

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John Naglick, Corporation Secretary