

**DTC BOARD OF DIRECTORS MEETING MINUTES HELD
ON July 24, 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.
Ms. Ericka Alexander
Cf. Edward Arnold
Mr. Ray Calloway
Ms. Ophelia Crawford
Ms. Pamela Day
Ms. Karen Foster
Mr. Cornelius Henry
Ms. LaTrinda Perry
Ms. Michele Pollock
Ms. Leeya Sutter
Mr. Christopher Thomas
Ms. Madonna Van Fossen
Mr. Anthony Vinson
Mr. James Zills

OTHER ATTENDEES:

Mr. Luke Biernbaum
Mr. Khalil Davis
Mr. Nate Fisher
Mr. Frank Judd (VMT Law)
Mr. Lucas Lasecki
Mr. Brandon Lockhart
Mr. Robert Pawlowski
Ms. Melinda Powers
Mr. John Waugh (MERS)

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 4:10 p.m.

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

1. Approval of the Agenda

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

VOTE: All in attendance voted to approve the agenda.

2. Approval of the Minutes of June 26, 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 June 26, 2025.

VOTE: All in attendance voted in the affirmative.

Action Items

3. Resolution: Adoption of Municipal Employees' Retirement System of Michigan (MERS) Defined Benefit Plan

MOTION: It was motioned by Mr. Luke Polcyn and supported by Mr. Samuel Krassenstein that the Board of Directors of the Detroit Transportation approve:

1. the adoption of the MERS Defined Benefit Plan in accordance with Plan Section 4 for its eligible employees, subject to the MERS Plan Document and as authorized by 1996 PA 220, as both may be amended; and
2. Pursuant to Public Act 738 of 2002, DTC authorizes electronic transactions to make payments to MERS for the Defined Benefit Plan and affirms that it is in compliance with MCL 124.303.

Discussion: Ms. Leeya Sutter stated that approval was sought to transfer the DTC Employee Defined Benefit Retirement Plan Administration to MERS. She said that on November 23, 2023, the DTC Retirement Committee approved a motion directing the procurement department to solicit proposals for a third-party administrator for the company's Defined Benefit Retirement Plan. Ms. Sutter stated that the RFP had been issued, and three proposals had been received. Vendor interviews were conducted on July 25, 2024, and MERS was selected as a preferred provider.

Ms. Leeya Sutter stated that the retirement committee also issued notices to employees in the labor unions, advising them of the intent to secure a Third Party Administrator through the RFP process. She said that an agreement supporting the transition has been obtained through either contract ratification of collective bargaining agreements or signing a Memorandum of Understanding (MOU) with the respective unions. Ms. Sutter stated that on August 6, 2024, representatives from procurement, DTC staff, and the Retirement Committee's legal counsel met with MERS to conduct a detailed review of the company's pension plan, and as part of the review, MERS requested a full census report and actuarial valuation. She noted that the actuarial report dated June 27, 2025, confirms that DTC's plan is adequately funded at the level of at least 100%. On July 21, 2025, the Retirement Committee reviewed the actuarial evaluation and recommended presenting this item to DTC's Board of Directors for approval to adopt the MERS Defined Benefit Plan.

Mr. Robert Cramer stated that the actuarial report confirms that we're at least 100% funded, and in making this transition, if we were under 100% it would have required us to fund up to that level to make this transfer to join. He stated that we have worked through all of the details, and this will ensure that the benefits through MERS has specificities about plans and can customize. He stated that MERS worked closely with us to make sure they could accommodate our rules to ensure that this plan provides equal or greater benefits to the

current plan that we would be leaving from, which is Comerica's. Mr. Cramer stated that right now, we must work with our own actuary and request different valuations. MERS has programs with many agencies, and useful tools that allow check ins and forecasting. He stated that there are various scenarios for careers, and how MERS impacts individual benefits.

Mr. John Naglick commented on his readiness to move forward with MERS and expressed gratitude to the staff and Mr. Frank Judd, DTC's outside counsel, for all making the conversion from Comerica to MERS.

Mr. Samuel Krassenstain inquired about the 115%. Mr. Robert Cramer explained that a part of the calculation that goes in is based on the conservative but proven return rates for MERS. He stated that the change moves us from being 85% funded to 115% funded.

Mr. Samuel Krassenstein asked if being overfunded is a cushion in case returns drop? Mr. Robert Cramer answered in the affirmative.

VOTE: All in attendance voted in the affirmative.

4. Resolution: Establishing Authorized Signatories for MERS Contracts and Service Credit Purchase Approvals

MOTION: Moved by Mr. John Naglick and supported by Mr. Luke Polcyn, by the Board of Directors of the Detroit Transportation Corporation:

1. The holders of the following job position(s) are hereby Authorized Officials that can sign: (1) MERS Adoption Agreements, Resolutions, Participation Agreements, Administrative Services Agreements, Withdrawal Agreements and any other contracts between MERS and the Employer with respect to Employer's participation in any MERS-administered product and any amendments and addendums thereto, and (2) MERS Defined Benefit service credit purchase approvals:
 - a. Board Chairperson and CEO,
 - b. Board Secretary,
 - c. General Manager,
 - d. Human Resource Director; and
2. This Resolution may be revoked in writing or amended by the Governing Body at any time, provided that it will not be effective until such writing or amended Resolution is received by MERS. The Governing Body agrees that MERS may rely upon this Resolution as conferring signing authority upon the holders of the above job position(s) to bind Employer with respect to MERS; and
3. The Authority finds and declares that all formal discussions and decisions regarding the adoption of this resolution were conducted in a meeting open to the public; and
4. That this resolution shall become effective immediately upon its adoption.

Discussion: Mr. Robert Cramer stated that the resolution establishes authorized signatories for the MERS system for contracts and service credit purchase approvals. He stated that it establishes the positions and that we need to have at least two. Mr. Cramer stated that we chose to have the Board Chair and the Board Secretary, the General Manager, and the Human Resources Director as the four, and these can be changed in the future.

VOTE: All in attendance voted in the affirmative.

5. Resolution: Authorization to Award Contract for Office Supplies and Office-Related Products

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 contract with Staples for two (2) years for an amount not to exceed **Thirty Thousand and 00/100 dollars (\$30,000.00)** and **Fifteen Thousand and 00/100 dollars (\$15,000.00)** for each of up to three option years for a total not to exceed of **Seventy Thousand and 00/100 Dollars (\$75,000.00) for five (5) years.**

Discussion: Ms. Michele Pollock stated that we are here to ask the Board to approve a contract, a cooperative contract with Staples for five years, for a total amount of \$75,000. She stated that the State of Michigan has awarded a contract with Staples for office supplies and office-related items and that this contract is extended to local units of government and public transit agencies.

Ms. Pollock stated that FTA approves this type of procurement because it reduces expenses and lead time. She also stated that we are asking the Board to approve the Staples contract for two years with three one-year renewal options to be exercised at the sole discretion of DTC.

Mr. Samuel Krassenstein inquired about the \$2,000.00 for the next two-year contract. Ms. Pollock stated that we won't exceed it. He asked how it aligns with our spending. Mr. Robert Cramer answered that this is the estimate put together to request this authorization level; however, the Board could approve more, but we believe this is enough based on our spending.

Mr. Luke Polcyn asked for an example of an office supply definition that would amount to this kind of capital. Mr. Robert Cramer answered that this is boilerplate language, and he does not think we would find something that qualified in this case. Mr. Samuel Krassenstein suggested that it would include furniture.

VOTE: All in attendance voted in the affirmative.

6. Resolution: Authorization to approve a Contract for Maintenance, Repair, and Operation (MRO) Supplies

MOTION: Moved by Mr. Luke Polcyn 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 contract with Grainger for one (1) year with two (2) 2-year renewal options for an amount not to exceed **Seventy Thousand and 00/100 (\$70,000.00)** a year and **One Hundred Forty Thousand and 00/100 (\$140,000.00)** for each two 2-year option renewals for a total of **Three Hundred and Fifty Thousand and 00/100 (\$350,000.00) for five (5) years.**

Discussion: Ms. Michele Pollock stated that we are requesting the Board's approval for a cooperative purchase agreement with Grainger. She stated that it will be for one year with two (2), 2-year option renewals. She stated that it will align with the State of Michigan contract with Grainger for purchasing, maintenance, repair, operations and industrial supplies. Ms. Pollock stated that this is best practice with the FTA, allowing the intergovernmental agreements to be tapped into the State contract.

VOTE: All in attendance voted in the affirmative.

7. Resolution: Authorization to approve Grainger Purchase Orders PO #25-171 and PO #26-001

MOTION: Moved by Mr. Luke Polcyn and approved by Mr. John Naglick that that the Chief Executive Officer is hereby authorized, empowered and directed by the DTC Board of Directors to approve Grainger

purchase orders PO #25-171 for an amount of Fifteen Thousand and 00/100 (**\$15,000.00**) and PO# 26-001 for an amount of Twenty Thousand and 00/100 (**\$20,000.00**) totaling Thirty-Five Thousand and 00/100 (**\$35,000.00**).

Discussion: Mr. Robert Cramer stated that we've been using Grainger based on their list pricing for items without a separate contract. He stated that we've made purchases and have invoices that have gone over the \$25,000 threshold that need to be paid. He stated that the resolution is asking the Board to approve the payments on the two purchase orders based on purchases from earlier this year, and that moving forward, it'll be covered under the MiDeal contract.

VOTE: All in attendance voted in the affirmative.

8. Resolution: Authorization to approve a Change Order for CCTV Preventative Maintenance and Inspection

MOTION: Moved by Mr. Luke Polcyn 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 Johnson Controls' contract for CCTV inspections. The change order will add repair services and funds of **Twenty-Five Thousand and 00/100 Dollars (\$25,000.00)**, bringing the total contract amount to **Two Hundred and Seventy-Four Thousand and Four Hundred and Seventy-Six and 92/100 Dollars (\$274,476.92)**.

Discussion: Mr. Robert Cramer stated that the resolution is a purchase order change action, also known as POCA, for CCTV preventive maintenance inspection services. He stated that we approved a contract for preventive maintenance and inspection services for CCTV systems that expires at the end of this calendar year. He said based on the inspections that we have recently and those we anticipate, we are asking for an increased authorization level of an extra \$25,000 to cover repairs based on those preventive maintenance and inspection service items that would take us beyond the original amount.

Mr. Samuel Krassenstein asked if it would go to rebid at the end of the year. Mr. Cramer answered in the affirmative.

Mr. Robert Cramer asked if this is what we just awarded. Mr. Ernest Latham answered that previously stated in the JCI contract that they had CCTV and the SCADA together. Mr. Cramer commented that the new contract is just CCTV.

Mr. Luke Polcyn asked when we improved this during the contract performance in 2023, was it not to exceed \$250,000.00? He asked if we expected to spend it all down. He also asked if we had a cushion or did this end up costing more and getting us less than we expected when we started the contract. Mr. Ernest Latham stated that there were several repairs we had to the SCADA system, door matters, and ADA compliance issues. He stated that JCI performed the work[after the work PMs increased.

Mr. Samuel Krassenstein asked if it had been covered by this contract. Mr. Ernest Latham answered in the negative, stating that this is separate.

VOTE: All in attendance voted in the affirmative.

9. Chief Executive Officer/ Staff Reports

Ridership:

Mr. Robert Cramer presented the ridership report to the Board, stating that we're tracking right along the same

total as last year and believes that we are going to pass last year's. He stated that February was a little lower than last year, but generally, the months have been tracking pretty close, and that our daily averages are still close to 10% over where they were last year.

Vehicle Revenue

He stated that for the monthly vehicle revenue hours, we have more revenue hours than in 2024 and 2023; however, we are still quite a bit less than we were in 2019 and 2015. Mr. Cramer stated that the more service we get out on the track is always a good thing, but we're making a lot out of the service we have currently. He said that our goal right now is to have three, two-car trains in revenue service 90% of the time that we're open. He stated that two trains in service is basically our standard now, which is about 7 minutes in between trains.

Net Promoter Score

Mr. Robert Cramer stated that the Net Promoter Score was introduced in 2024. He said that we had some good activity, but that we did not have a lot of responders. He stated earlier this month that we installed all new signage, which are vinyl signs on every train and in every station. He said that they are going to be affixed to the poster holders on the trains and in the stations, so that anytime a poster is not there, it will be available and viewed by default.

He stated that our Net Promoter Score in 2024 was 69, this year the score is 74, and that the range is -100 to 100. He also stated that the primary reason for Promoter scores' "Ease of Use", equals over half the reasons respondents give for what contributes to their Net Promoter score. He said that for the most part, the detractors - which are not many - basically all of those scores can be tied to some sort of disruption. For example, the train stops, and there is a delay in service is the only issue that we have that leads to anything other than a positive promoter or a neutral score.

TTC Railcars

Mr. Robert Cramer stated that we secured the cars and have a total of 22 cars between Pennsylvania and Michigan, as well as many crates of supplies. He stated that we had a big truck delivery of some major rail pieces and that another 40 or 50 skids full of boxes of parts are teed up for us here in the last couple of months, and that we'll be working to ship stateside as well. Mr. Cramer stated that we have to go through the process of what's needed to upfit the cars, to be able to bring them into the system and have them be certified safely to operate. He stated that there are two components: One is the mechanical side, which is anything that needs to be updated, changed, or tweaked on the cars themselves. The other side is the ATC and the driverless system.

Mr. Robert Cramer stated that we've been working with Hitachi and WSP to work through what that would take, and that our first response came quite a bit higher than we thought we would have to spend on that ATC driverless side. He stated that we are processing the information that we received and charting out the course of how to accommodate this budget-wise and payment-wise. He also said that we don't have a final recommendation, but we are working on that to see if we want to continue with our original path of outfitting the cars to replace the whole fleet, which would be the highest-level implementation. He stated that the lowest level would be that we abandoned the plan of actually replacing the fleet with these cars and turning to a mode of harvesting a 5 to 10 year inventory of major components that we could use to keep the cars that we have out on the track running and that would allow us not to have to invest this significant cost for the driverless system.

Mr. Cramer explained that Toronto's cars are the same vintage, but the driverless systems are not exactly the same. He said that the engineering and work that must be done is extensive to make sure Hitachi can certify that these trains can operate safely.

Mr. Samuel Krassenstein asked what the original outfit cost was per car. Mr. Cramer answered that it was approximately \$7,000,000.00 for the purchasing and outfitting of 12 cars, which was about \$500,000, including storing and shipping, and that Hitachi's proposal for their portion of that came back at over \$5,000,000. Mr. Cramer stated that there are still some unknowns when getting into those mechanical upgrades. He stated that WSP has given us some good confidence that shaves down the budget

Mr. Samuel Krassenstein asked Mr. Ernest Latham if each car is outfitted with driverless technology or if it is only the lead car. Mr. Ernest Latham answered that each car has its own control. He stated that each car is able to see its own brain and does its own talking back to the automatic train control. Mr. Krassenstein asked that even when they're connected if it's not possible to have one that's connected and another one's basically a dummy car that's pulling. Mr. Latham answered that the reason we use two is because one's active on one side, and if it switches over to the passive car, having no driver there would lead us to a point if we switched over and there was nothing to hand it to, that particular train would ultimately not move. Mr. Krassenstein commented that if the train stops, we'd have to go manual. Mr. Robert Cramer stated that we would have to send somebody out there and then switch it to manual because you can't move the train without someone there onboard.

Rail Replacement Shutdown

Mr. Robert Cramer stated that we have one more component of the rail replacement project, which is to replace switch #1. He stated that we are targeting the day after Labor Day and that it should be 10 or 11 days. He also stated that we are teeing up any other work we can do because, based on our hours, we don't have any daytime hours unless we stop service. He stated that we'll have a good amount of daytime service to do projects in other parts of the track as well, and to give them a chance to clean up a few check mark items from the rail curve replacement.

Triennial Review

Mr. Robert Cramer stated that the FTA is coming in a couple of weeks. It's a two-day process of being on-site. He stated that we have submitted many documents to them and that they are presently doing a desk review and will come onsite to examine further files and tour the system. He stated that DTC's review is on Wednesday and Thursday, and DDOT's is on Monday and Tuesday.

August Board of Directors Meeting

Mr. Robert Cramer explained that there is a conflict with the date of the scheduled Board of Directors Meeting, August 28, 2025. He suggested picking an alternate date.

Service Awards

Mr. Cramer announced the Service Awards for DTC employees who have met a fifth increment anniversary milestone. He stated that they each received a certificate and a photo opportunity. He named the following:

Chrishawn Stanton, who is our Operations Supervisor, 5th anniversary
Officer Martinez, Transit Police, 5th anniversary
Leland Pastor, System Control Operator, 20th anniversary
Steven Thomas, Electronic Technician/Maintenance Supervisor, 25th anniversary,

Recognitions

Mr. Robert Cramer announced the departure of Chief Edward Arnold and stated his appreciation for Chief Arnold's service. He stated that Chief Arnold will be going to Beverly Hills, MI and taking the position of Director of Public Safety. Mr. Cramer stated that Sergeant Anthony Goddard, who has been with the Transit Police for a long time, would be taking over the interim role while we search for our future chief.

Mr. Cramer also announced the departure of Mr. Luke Polcyn from DTC's Board of Directors. He stated that Mr. Polcyn has shown incredible dedication, interest, excitement, and passion for the People Mover. Mr. Polcyn was presented with a mock-up of the station sign and a People Mover T-shirt as tokens of appreciation for his service on the DTC Board of Directors. Mr. Polcyn was also appointed as a People Mover Champion and performed an interview after the meeting for the website.

10. Public Participation

Mr. Lucas Lasecki offered his congratulations to Mr. Polcyn and Chief Arnold. Mr. Lasecki also gave positive feedback on the performance metrics.

Mr. Robert Pawlowski also thanked Mr. Polcyn and Chief Arnold for their services. Mr. Pawlowski stated that he will not be attending the meeting in person for a period, but will periodically attend the meetings virtually, due to attending Oakland County Community College in the fall.

Mr. Luke Biernbaum of Integral Blue stated that they had recently pursued the CCTV preventative maintenance project and had submitted a procurement protest letter a while back and had not received a response. He stated that they had reached out, hoping to speak to gain insight about the evaluation of the project regarding how the selection was made. Mr. Biernbaum requested contact information so that he could speak with someone. Mr. Robert Cramer asked Mr. Biernbaum to place his information in the chat, and he or Mr. Mark Pitchford would reach out to him.

Adjournment

MOTION: Moved by Mr. Luke Polcyn, and supported by Mr. Samuel Krassenstein, to adjourn the meeting at approximately 4:57 p.m.

VOTE: All in attendance voted in the affirmative

DocuSigned by:

John Naglick

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John Naglick, Corporation Secretary