



**DETROIT
TRANSPORTATION
CORPORATION**

**DETROIT PEOPLE MOVER
DETROIT TRANSIT POLICE**

**DTC BOARD OF DIRECTORS MEETING MINUTES
HELD ON SEPTEMBER 26, 2024, AT 4:00 P.M.**

BOARD PRESENT:

Chairperson
Vice-Chairperson
Secretary/Treasurer

Mr. Luke Polcyn
Mr. G. Michael Staley
Mr. John Naglick
Mr. Samuel Krassenstein
Comm. Abdul Haidous

BOARD MEMBER(S) ABSENT:

Hon. Mary Sheffield

DETROIT TRANSPORTATION CORPORATION:

Mr. Robert Cramer, Gen. Mgr.
Mr. Ernest Latham, Deputy Gen. Mgr.
Ms. Ericka Alexander
Mr. Michael Anderson, Jr.
Cf. Edward Arnold
Ms. Ophelia Crawford
Ms. Jessica English
Ms. Karen Foster
Mr. Herbert Harris
Mr. LaVar Harris
Mr. Curt Knudsen
Ms. LaTrinda Perry
Ms. Leeya Sutter
Mr. Christopher Thomas
Ms. Madonna Van Fossen
Mr. Tony Vinson
Ms. Gwen Wallace

OTHER ATTENDEES:

Mr. Lukas Lasecki
Mr. Ryan Schiffer

Meeting Called to Order/Opening Remarks

Vice-Chairperson Mr. Michael Staley called the meeting of the Detroit Transportation Corporation Board of Directors to order at approximately 4:05 p.m.

A quorum was present with the following members in attendance: Vice-Chairperson Mr. G. Michael Staley, Secretary/Treasurer Mr. John Naglick, Mr. Samuel Krassenstein, and Commissioner Abdul Haidous.

1. Approval of the Agenda

MOTION: Moved by Mr. G. Michael Staley and supported by Mr. John Naglick to adopt the agenda.

VOTE: All in attendance voted to approve the agenda.

2. Approval of the Minutes from August 22, 2024

MOTION: Moved by Mr. Sam Krassenstein and supported by Mr. G. Michael Staley to adopt the Minutes for the Board of Directors meeting held on August 22, 2024.

VOTE: All in attendance voted in the affirmative.

Action Items

3. Resolution Authorization to enter into an agreement to provide Rail Replacement

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. G. Michael Staley that the General Manager shall be and is hereby authorized, empowered and directed by the DTC Board of Directors on behalf of the Corporation to execute Purchase Order Change Action(s) (POCA(s)) up to a new maximum authorization of \$5,484,278.80 for eligible activities under the approved contract with Delta Railroad Construction, Inc. for rail replacement.

Discussion: Mr. Robert Cramer stated that the authorization is for a contingency not-to-exceed 10% to address unforeseen events or circumstances. Mr. Cramer explained that the contingency was not included in the original authorization but was necessary to continue efficient work towards the project completion. Mr. Cramer stated this would be as needed through a purchase order change.

VOTE: All in attendance voted in the affirmative.

4. Resolution Authorization for Purchase Order Change Action (POCA) to increase second-year funding for Painting Services

MOTION: Moved by Mr. Samuel Krassenstein and supported by Mr. G. Michael Staley that the General Manager shall be and is hereby authorized, empowered, and directed by the DTC Board of Directors on behalf of the Corporation to amend the existing contract with Northstar Painting for a not-to-exceed amount of Two Hundred and Twenty-Five Thousand 00/100 Dollars (\$225,000.00) for this three (3) year with two (2) automatic optional year(s) agreement.

Discussion: Mr. Robert Cramer stated that the authorization is to increase the year two authorization by \$25,000.00 for painting services of the Maintenance and Control Facility and stations. He stated that the Facility Manager identified additional painting improvements including the Huntington Place Station. Mr. Cramer stated that the increase would allow the work to be completed prior to the upcoming January 2025 Auto Show.

VOTE: All in attendance voted in the affirmative.

5. Resolution Authorizing to enter into an agreement to replace existing Drain Lines

MOTION: Moved by Mr. John Naglick and supported by Commissioner Abdul Haidous that the General Manager shall be and is hereby authorized, empowered, and directed by the DTC Board of Directors on behalf of the Corporation to award a contract to C.R. Plumbing for a one-time purchase agreement not-to-exceed amount of Twenty-Seven Thousand Five Hundred 00/100 Dollars (\$27,500.00).

Discussion: Mr. Robert Cramer stated that the guideway has approximately 100 feet of drainage pipe adjacent to the MCF and Times Square Station that is broken and needs to be replaced. He stated that in addition to replacing the pipe, six clean-outs will be added to the main line so that it can be cleaned out regularly to prevent the pipe from freezing and breaking.

Mr. Cramer explained that DTC has an ongoing contract with Benkari, He stated that two quotes were secured from CR Plumbing and Benkari and that CR Plumbing was approximately \$15,000.00 lower.

Mr. G. Michael Staley asked if we had used this vendor before. Mr. Michael Anderson answered in the negative. Mr. Luke Polcyn asked where the vendor is based. Mr. Michael Anderson stated that the vendor is located in Detroit.

VOTE: All in attendance voted in the affirmative.

6. Resolution Authorization to dispose of Excess Property located at 1259 Broadway to PMB Holdings, LLC

MOTION: Moved by Mr. John Naglick and supported by Commissioner Abdul Haidous that the DTC Board hereby authorizes the conveyance of the vacant property located at 1259 Broadway in the City of Detroit to PMB Holdings (or related entity) for the purchase price of \$275,000.00; and that the General Manager shall be and is hereby authorized, empowered and directed by the Board of Directors to negotiate and execute all documents, contracts, instruments, or other papers necessary or advisable, in the General Manager's discretion, to implement the provisions and intent of this Resolution on behalf of the Detroit Transportation Corporation, including accepting a higher or lower price if the appraisal, review appraisal, or revised appraisal(s) dictate.

Discussion: Mr. Robert Cramer stated that the property at 1259 Broadway is located at the southwest corner of Broadway and Gratiot. He the Board had approved the sale of several DTC vacant properties including 1259 Broadway in 2013. He stated that the property has been operating as a surface lot and that the property was a part of the building of the People Mover system.

Mr. Cramer stated that DTC was approached by PMB Holdings LLC about the purchase of 1259 Broadway. He stated that Integral Realty Resources prepared an appraisal and the valuation of the property is \$275,000.00 and PMB Holdings LLC agreed to the purchase price. Mr. Cramer stated that the sale of the property does not require FTA approval but will need a review appraisal.

Mr. John Naglick asked if PMB Holdings LLC is running the lot. Mr. Cramer stated that the lot is being run by Smart Parking. He also stated that there will be a transfer of ownership of the lot. Mr. Naglick asked if we should do an RFP to see who is interested. Mr. Luke Polcyn answered that it is a small lot. Mr. Samuel Krassenstein inquired about the size of the lot. Mr. Luke Polcyn answered that the lot is 40 feet and goes into the alley.

Mr. G. Michael Staley asked if there are restrictions from the FTA on what to do with the proceeds. Mr. Cramer stated that the proceeds must be reinvested.

Mr. Samuel Krassenstein inquired about the monthly revenue from the lot. Mr. Robert Cramer answered that the revenue is approximately \$20,000/year.

Mr. Luke Polcyn asked if we need to get permission to terminate. Mr. Robert Cramer answered the contract allows for termination with notice, and staff would confirm as much.

VOTE: All in attendance voted in the affirmative.

6. General Manager's Report

Ridership:

Mr. Robert Cramer stated that we "paused" operations on September 3, 2024. He stated that 975,000 was the number collected the day before the closure. Mr. Cramer stated that with the free fare program we have increased the ridership goal by 50% and that we have a goal of 40% for 2025 which will get us back to 2 Million.

Mr. Cramer stated that we have several events planned during the "Pause" that can be found on the website or through the QR code. He also stated that we are scheduled to reopen the system on Friday, November 22nd.

900 MHz Update:

Mr. Ernest Latham stated that we were approached by Anterix concerning the acquisition or exchange of the FCC radio frequency 939.1500 which is currently owned by DTC. He stated that the signals will be vacated by anyone who is non-utility. He stated that in return for the frequency, DTC has proposed compensation that includes \$118,900 for new equipment which will come with 50% spare parts and five years of hosting for the new radios.

Mr. Latham stated that the arrangement would eliminate the existing hosting fee of \$900 per month and the repeater maintenance fee of \$500 per month.

Pension Committee:

Mr. Robert Cramer stated that we received a report from Gabriel Roeder with a recommendation for adjustments. He stated that the plan is funded by 95% and that updates will be brought to the Board.

Mr. John Naglick stated that he is pleased that the plan is well funded but that the challenge is based on a formula, passed on years of service. He stated that this poses the question of how much we need to contribute for each person who retires and how to use assumptions.

Mr. G. Michael Staley asked if the number is straightforward. Mr. Robert Cramer answered in the negative.

Rail Replacement:

Ms. Jessica English presented an update on the rail replacement to the Board.

Ms. English mentioned that two contractors were injured during the moving of a crane. Mr. Samuel Krassenstein asked if there is liability for the injured workers. Ms. English answered in the negative. Mr. Luke Polcyn asked if they were hospitalized or needed medical attention. Ms. English answered in the negative and stated that the workers were back to work the next day.

Mr. John Naglick asked if the curves were done during the grinding. Mr. Ernest Latham answered in the negative but noted that the grinders will be brought back in January. He explained that grinding the curves accelerates the need for replacement. He also stated that we will wait and see how the curves react before grinding. Mr. Robert Cramer stated that the goal is to grind the whole system.

Mr. G. Michael Staley asked if grinding affects the useful life. Mr. Latham answered in the affirmative.

Mr. Samuel Krassenstein suggested that the next Raid be held on the train.

Commissioner Abdul Haidous asked what the life expectancy of the rail is. Mr. Robert Cramer stated that the expectancy is 10 – 15 years. Mr. Latham stated that the longer the curve the longer the expectancy is.

Mr. Samuel Krassenstein stated that the messaging for the closure does not bring a lot of awareness to the public. He stated that the messaging is too soft by using the word “pause” instead of temporarily closed. He noted that there are no messages on the doors or screens that convey the system is closed for track replacement, especially at the Bricktown Station, and that the message needs to be clear. Mr. Cramer stated that the screens at the Bricktown Station are not working.

Mr. Samuel Krassenstein also commented on the lights on Larned. Mr. Robert Cramer explained that there was a connectivity issue. Mr. Krassenstein asked if Greektown has reached out to expand the lighting in the area. Mr. Cramer stated that we have heard from the Downtown Detroit Partnership.

Mr. Krassenstein requested an update on the TTC project. Mr. Cramer stated that Mr. Latham spent a week in Toronto checking out the cars and that TTC is pushing to get them moving. He also stated that there are truckloads of parts coming.

Mr. Cramer stated that an RFP will be going out tomorrow regarding accepting, storing, inspecting and repairing the vehicles.

Mr. Krassenstein asked if there was an executed contract. Mr. Cramer stated we have an acceptance of offer and are working with TTC to have a bill of sale needed for transport off property.

Mr. Krassenstein inquired about the procurement for a contractor. Mr. Cramer stated that we are hoping to have within the next week or be the October meeting.

Mr. Krassenstein asked about the sponsor for 2025, if Priority is interested. Mr. Cramer stated that Priority is interested and that we are working on a funding level as well as adding a second sponsor.

Mr. John Naglick asked how the QLine is approaching sponsorship. Mr. Robert Cramer stated that he would be touching bases with the QLine soon.

Commissioner Abdul Haidous stated that Mr. John Rea has been elected as the Chairperson for SMART and will be the sponsor for our Board Meetings.

7. Public Participation

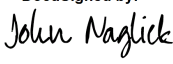
Mr. Lucas Lasecki agreed with Mr. Samuel Krassenstein that the signage is not direct and suggested we reword it.

8. Adjournment

MOTION TO ADJOURN:

MOTION: Moved by Commissioner Mr. John Naglick, and supported by Commissioner Abdul Haidous, to adjourn the meeting at approximately 5:15 p.m.

VOTE: All in attendance voted in the affirmative.

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John Naglick, Corporation Secretary