



## SAGINAW TRANSIT AUTHORITY REGIONAL SERVICES BOARD OF DIRECTORS REGULAR MEETING MINUTES

Monday – February 20th, 2023  
STARS Board Room (615 Johnson St.)

12:00 PM

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### CALL TO ORDER

Ms. Gutierrez called the meeting to order at 12:00 PM.

### ROLL CALL

*Present: Ms. Diana Gutierrez – Chair, Mr. Carl Ruth, Ms. Kathy Miller, Ms. Vickie Dillon, Ms. Evelyn McGovern, Dr. Michael Gavin*

*Absent: Mr. Floyd Kloc, Mr. Dennis Browning*

### EXCUSE ABSENT MEMBERS

*Moved by Mr. Ruth, supported by Dr. Gavin, to excuse the absent member. Motion carried unanimously.*

### PUBLIC COMMENTS

*None*

### APPROVAL OF AGENDA

*Mr. Ruth, seconded by Ms. Miller, motioned to approve the agenda as presented. Motion carried unanimously.*

### APPROVAL OF MINUTES

*Mr. Ruth, supported by Ms. Miller, moved to approve the minutes for the January 23rd, 2023, Board of Directors meeting as presented. Motion carried unanimously.*

### PERSONNEL COMMITTEE MEETING UPDATE, ITEMS FOR APPROVAL (02/13/2023)

*Recommendation to approve Omnitech’s proposal, up to \$10,500.00 -*

*Ms. Miller mentioned that after the Personnel Committee met with Ms. Lee Anne Keller, that we now feel confident that we can pick and choose the services we want through Omnitech and are looking to approve the proposal up to \$10,500.00. She said the staff can be part of this process, so we can have more ownership of this Strategic Plan. According to Ms. Miller, this is a unanimous recommendation from the Personnel Committee, supported by Mr. Steffens, as well as Ms. Gutierrez who attended this committee meeting. Mr. Ruth moved to accept the recommendation but asked if dates have been chosen for these sessions. Ms. Miller said the committee is looking to get this approved first before moving forward and making plans. She stated the Potter Station feasibility study can also be used in tandem with collecting data for this Strategic Plan. Mr. Steffens explained if we can overlap the Feasibility Study and this Strategic Planning, we can kill two birds with one stone. Ms. Miller said Ms. Keller also suggested these be done at the same time. Ms. Miller motioned to approve the recommendation for Omnitech’s proposal, up to \$10,500.00; Mr. Ruth seconded this motion. Motion carried unanimously.*

### FINANCE DEPARTMENT, ITEMS FOR APPROVAL

*Resolution of Intent for Fiscal Year 2024, for approval -*

*CFO, Ms. Lauren Pavlowski, stated the Resolution of Intent is for fiscal year 2024, and is an annual application we apply for each year with the State of Michigan. She said that this looks at formula funding for our operating systems for the local bus transits. Ms. Pavlowski estimated the Federal, State, and Local funding versus STARS expenses as shown in the form handouts presented to the Board. As of now, per Ms. Pavlowski, based on the application we have*

through MDOT, we are looking at 11.5 Million of total eligible expenses which will be leveraged against Federal funds, State funds, and Local funds that are noted in the handout. This is to be approved by the Board so we can submit the application. Ms. Miller motioned to approve this for Fiscal Year 2024, and Mr. Ruth supported the motion. Motion carried unanimously.

#### EXECUTIVE DIRECTOR REPORT

Executive Director, Mr. Glenn Steffens, welcomed Dr. Michael Gavin to the Board of Directors. Mr. Steffens stated that we are still on track with Hemlock Semiconductors to start on March 13<sup>th</sup>. Mr. Steffens and the Director of Planning, Mr. Dennis McDonagh, had some issues at first identifying an additional stop, but this seems to have been resolved. This will be a two-day run from 6am-6pm, with a price quote of 165k a year to run this service. Mr. Steffens updated the board on the lack of communication with Michigan Sugar, but we will entertain them the next we hear from them. For now, we are focusing on Hemlock Semiconductors. Mr. Ruth asked what buses are being run for Hemlock. Mr. Steffens said the Blue Bird Buses, as they are cost effective, and this run likely won't need wheelchair accessibility. Ms. Gutierrez asked if we know how many riders there will be for this. Mr. Steffens doesn't know at this time, but they will be charged monthly at around \$15-20 a month. He compares this to Pigeon charging daily at \$6-7 dollars a day. Mr. Steffens states that this will be handled by them, as we will just provide them their cards and give them an itemized list of ridership monthly. Ms. Gutierrez asked if we spoke to them regarding holidays. Mr. Steffens we will likely be unavailable the few days of the year we are closed, like Christmas, but we are willing to work with them if needed. Ms. Miller explains that Hemlock Semiconductors goes through Partner Shift, and they will be great about letting the employees know when we run, what holidays we may be closed, etc. Mr. Steffens brings up replacing paper bus tickets, and the previous idea of using tickets with QR codes, with new plastic bus tokens with STARS logo embossed on them. He said 25,000 tokens have been ordered, and that these should work well with fare boxes and possibly stop us from getting as many shredded or ripped dollar bills. Electronic payment and \$40 monthly passes should also cut down on those issues. Mr. Steffens reports Saginaw's CCMH has gotten some reports from the State regarding mileage rates and want to go from us charging a \$15 flat fee to charging them by mile. Mr. Steffens is against this as this doesn't cover all costs regarding each bus run, and for lengthy trips they would be paying a hefty fee. We are working with them to find middle ground. Ms. Dillon says private companies are charging this way as well. She states that the rider then must get multiple signatures from the driver, healthcare provider, and present it or no one gets paid. Mr. Steffens hopes Senator Rivet is involved in DHHS, and hopes he pushes back on this – as this costs more for transit, is cumbersome, and typically doesn't work out. He goes on saying this is difficult to administer as well as comply with. Mr. Steffens states that we are already cheaper than other transits, so charging this way does not make sense. Mr. Steffens thanked the Board members for coming out to the new bus unveiling with Congressman Kildee. He mentioned how having the new buses shown in a old, historical part of town was a good move, and that Congressman Kildee would like to support us going forward with the Potter Station depending on the results of the feasibility study. Congressman Kildee also said "No more used buses, only new buses for Saginaw going forward," at the bus unveiling. Mr. Steffens agrees that is our intent going forward if possible. He also mentioned there was a MLive article about this, and it commented on how bold we are about pursuing the Potter Station. Mr. Steffens then moved on to talking about our employee health and savings plan that was first worked on with Mr. Ruth in 2017, and possible moving over to a self-funded plan which could save us up to 50k a year. Mr. Steffens found our biggest costs here are for diabetes related prescriptions, as they are our #1 and #9 most costly employee prescription. To tackle this issue, Mr. Steffens would like to create a wellness task force made up of employees to meet in March and talk about what struggles employees could be facing such as exercise, food, access to food, and what not. He hopes the task force can figure out what employees needs are, and look into what programs we could enact here at STARS to improve our employees lifestyles. He also hopes the union membership can do something similar. Mr. Steffens would like to create some sort of budget for this, and that this will cost us more in the long run if we don't do anything about this. Ms. Miller said MSU has an effective curriculum similar to weight watchers that we could look into. Mr. Steffens already has HR looking into similar programs to present to the task force. Mr. Steffens mentioned that 3 employees use 20% of our prescription coverage, 5 use around half, and 10 use 80% of our coverage. He hopes to help remedy these health issues, and create a healthy, happy workforce. Mr. Steffens brings up looking for a new board member, and asks Ms. Miller to reach out to Mr. Tom Miller about this – which she agreed to. Mr. Steffens then mentioned that next month we will need to bring the FY2024 Budget to the board, and

we will not be able to rely on RPA and Cares funding anymore after this year. Mr. Steffens does not want to cut services or have layoffs and is committed to looking at 3<sup>rd</sup> party services we can slim down, work on internal efficiencies, allocation of resources, and adjust our RTW fares from \$15 to \$20 – which the government mostly covers rather than the riders. Mr. Steffens then mentions operational dollars, and that MPTA is asking for 15 million in additional IBO funding in this year’s budget, which he believes is a low ask and setting the bar for this way too low. Mr. Steffens stepped down as Legislative vice chairman of the MPTA, as he believes he will be more useful fighting outside of their board. He is displeased they are not asking for what transit really needs, which he believes is another 15 million this fiscal year, and potentially another 20 million for the next fiscal year. Ms. Gutierrez asked why they are not asking for what we need, to which Mr. Steffens replied personal egos, and politics. Ms. Miller says it seems rational to ask for what we need this year, and them low balling the ask does not make any sense. Mr. Steffens said they’ve pushed forward with this as an agenda item for the Whitmer administration, and this provides us opportunity to ask for more. Ms. Miller asks if there is a way for the board members to help. Mr. Steffens replies that this will likely be brought up during Planning Committee meetings. Mr. Steffens is also strategizing with Senator Rivet, as well as other representatives and local officials, and hopes to show these people they can push for change. He doesn’t like the attitude that we should be thankful for the crumbs we get, and hopes he can get everyone organized and on the same page when we bring this to Lansing. Ms. Gutierrez mentioned Mr. Ruth had previously asked about our rainy-day fund, Mr. Steffens says this was our rainy-day fund. He says we do have some of that left, but anticipates it being gone by next year. Mr. Steffens says a preliminary draft budget will be presented next month, and we will try to make plans for this that don’t include cutting services – and try to hold on to what funding is left. Ms. Miller asks if this will be discussed at the finance meeting and if all members can attend. Mr. Steffens said yes, and all Board members are welcome to attend any and all committee meetings if they’d like. Mr. Ruth asks if we are advertising the extended bus hours. Mr. Steffens states that we are doing so, and now running from 5am to 9pm. This has caused departments to be stretched thin, but we are hiring on 5 more lift drivers so we can move others to fixed route. This is necessary, especially as we hope to move to fill the need of a weekend service in the city. Mr. Steffens says the staff is actively trying to problem solve, and the departments are standing on their own.

#### BOARD MEMBER COMMENTS

Ms. Miller commended STARS on the bus unveiling, saying it was a great idea. She liked how Congressman Kildee said “It’s not about the die on the bus, it’s about where the ride takes you.” Ms. Miller said that is the boards mission, and then thanked everyone for all their work on this. Mr. Steffens directed the thanks to Ms. Jamie Forbes who planned and executed this.

Mr. Ruth said great job at the bus unveiling, and that people are recognizing our vision and what we are trying to do, including local officials and members of the Chamber. He welcomed Dr. Gavin to the Board.

Ms. Gutierrez welcomed Dr. Gavin. She said the bus unveiling was great, it was great seeing Ms. Forbes in all her glory, and she appreciate the staff being there. Ms. Gutierrez looks forward to the new wellness program, and says the new buses are nice.

Dr. Gavin thanked everyone for having him be a part of the team, and thanked Glenn for all the things he is doing. HE congratulated us on the new buses, and offered help from Delta when it comes to the wellness program.

Ms. McGovern is excited about the Strategic planning session with Omnitech. She was happy to attend the bus unveiling and get a photo with Congressman Kildee. She thinks the wellness program will benefit employees.

#### ADJOURNMENT

Mr. Ruth, supported by Ms. Miller, motioned to adjourn. Motion unanimously carried at 12:52 PM.

\_\_\_\_\_ Date: \_\_\_\_\_  
Vickie Dillon, Secretary