

Notes

Harbor Transit Planning Study
Harbor Transit Technical Advisory Committee

November 4, 2009
Spring Lake Village Hall
1:00 p.m.

Attendees

Craig Bessinger
Carolyn Boersma
Bill Cargo
Ryan Cotton
Carl French
Lukas Hill
Tom Manderscheid
Joanne Marcetti
Patrick McGinnis
Phil Kazmierski (Consultant)
Larry Strange (Consultant)

Larry Strange opened the meeting stating that the purpose of the meeting was to review the results of the initial presentations to the township boards and to continue the discussion of the organizational options.

Joanne and Bill Cargo discussed the session they had with their board and stated that it was generally positive. Bill had provided a memo that provided an overview of the planning process and he and Joanne answered questions about the meeting.

From there, the discussion turned to the organizational issues with the primary focus being on concern about government accountability and an equitable assessment situation (i.e., a single rate across the board). Basically, it was stated that PA 7 better supported government accountability and PA 196 better supported equitable financial commitment. The discussion included the following comments:

- Fear that the authority could lead to an independent organization that was not responsive to the needs of the community and did not function efficiently and effectively (paraphrased).
- Under PA 196 there is the capacity to have the articles written to ensure accountability.
- Under PA 196 you can define the boundaries of the authority as you wish (although this will require redrawing voting precincts) whereas in PA 7 the entire unit must be brought in.
- Under PA 7 you could create a scenario where SAD's were created in each unit and a uniform assessment rate could be used.
- Under PA 7 each entity could agree to levy the same millage, but it was noted over time these would change because of the Headlee amendment.

- Under PA 196 the “entity” does not have to be called an authority. The consultant researched this issue and Section 6 of Public Act 196 of 1986 says: “The articles of incorporation shall state the name of the public authority;”.

There are 22 Transit System organized under Public Act 196. Nineteen (19) of the 22 transit systems use the word “authority” in their name, i.e. Caro Transit Authority, Ludington Mass Transportation Authority, Saginaw Transit Authority Regional Service (STARS).

Three (3) Transit systems organized under Public Act 196 do not use the word “authority” in their name. Those three Transit systems are:

- Clinton Area Transit System
- Gogebic County Transit
- Interurban Transit Partnership – The Rapid

Based upon the statutory language and the fact that three systems organized under Public Act 196 do not use the word “authority” in their name, the consultant believe that the member governmental organizations have flexibility in the naming of the new organization through the article of incorporation. Further, we recommend that this question be verified through a lawyer familiar with the Act 196 legislation.

- Under PA 196, if the boards decide to form an authority, place it on the ballot for the voters, and the voters in a particular unit don’t support it, the unit will not be part of an authority. It is important to note that this initial vote is not a vote for a millage. Under this scenario the units would first agree (or not) to support an authority and then the authority would go out for a millage. Under a separate option, the boards of the local units could vote to form an authority and that entity would pursue a millage across the service area, in which case even a unit that did not approve the millage would be subject to an assessment for the life of the millage until the next renewal vote.

There were many more comments but at a point the consultant was asked their recommendation. Larry Strange said that PA 196 was created specifically for the creation of multi-jurisdictional transit authorities, and that based on the discussion, concerns raised, and other comments made during the series of meetings leading to this point that PA 196 was the best option for the region to pursue.

Representatives of Spring Lake Township raised concern that their board was not aware that these discussions had gone so far, and that they had only been presented the results of the survey. The SLT representatives agreed that they would brief the SLT board at the upcoming board meeting on Monday and that the consultants and representatives of the transit committee would get with the board in December.

It was also stated that an important next step was having a “summit” to bring other parties to the discussion. As the group has generally agreed in principle to pursue a PA 196 Authority there was the thought that the articles of incorporation, or at least the principles behind them, should be available for review at that summit. Ryan Cotton is going to prepare an initial list of governance principles that would be incorporated into the articles. Bill Cargo, Pat McGinnis, Craig Bessinger, Joanne Marcetti and Tom Manderscheid are going to together to go over the list. Tom will contact MDOT and see if the additional balance of the grant could be used to draw up the Articles of Incorporation. There was discussion of having either Corradino or a local attorney draft an initial set of articles but that was not resolved.

The next meeting was scheduled for December 15 at the Spring Lake Village Hall at 1:30 p.m.

Please forward any comments or corrections to these Notes to Larry Strange.

Please Note:

The Corradino Group of Michigan, Inc. is an engineering and planning consulting firm. Any information related to organizational issues provided in this set of notes is based on an engineering and planning level analysis of Michigan statutes and organization issues as relevant to this study. However, as The Corradino Group of Michigan, Inc. is not a law firm and cannot provide legal advice, this information should not be construed as legal advice. Legal issues should be reviewed and confirmed by appropriate legal counsel.