

**DTC BOARD OF DIRECTORS MEETING MINUTES HELD  
ON JULY 24, 2025, AT 4:00 P.M.**

**BOARD PRESENT:**

Chairperson  
Secretary/Treasurer

Mr. Robert Cramer  
Mr. John Naglick  
Mr. Samuel Krassenstein  
Mr. John Paul Rea

**BOARD MEMBER(S) ABSENT:**

Hon. Mary Sheffield

**DETROIT TRANSPORTATION CORPORATION:**

Mr. Ernest Latham, Deputy Gen. Mgr.  
Ms. Ericka Alexander  
Mr. Ray Calloway  
Ms. Ophelia Crawford  
Ms. Pamela Day  
Ms. Karen Foster  
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. Lucas Lasecki  
Mr. Brandon Lockhart

**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 4:07 p.m.

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

**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 July 24, 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 July 24, 2025.

**VOTE:** All in attendance voted in the affirmative.

### Action Items

## 3. Resolution: Approval of Purchase Order Change Action for Substation Preventive Maintenance-Related Repair Services

**MOTION:** It was motioned by Mr. John Naglick and supported by Mr. John Paul Rea that the Chief Executive Officer is hereby authorized, empowered, and directed by the DTC Board of Directors to approve a change order to the RESA Power contract to inspect, maintain, and certify the power distribution system. The change order will add any repair services needed for the power distribution system and funds of **Twenty-Five Thousand and 00/100 Dollars (\$25,000.00)**, bringing the total contract amount to **Three Hundred and Fifty-Five Thousand and One Hundred and Thirty-Three and 00/100 Dollars (\$355,133.00)**.

**Discussion:** Mr. Robert Cramer explained that the resolution is a Purchase Order Change Action (POCA) to add \$25,000 to our contract with RESA Power, which performs inspections and certifications of the power distribution system. He said that the \$25,000 is to increase the authorization for this contract, which term is through June 2026, and includes the opportunity for them to perform repairs that have not specifically been contemplated. However, the pricing follows the same hourly rate in addition to parts and markups. He stated that the focus is to allow repairs at the rates in the contract and increase the authorization amount by \$25,000 for the remainder of the contract.

Mr. Samuel Krassenstein asked how much of the contract has already been used. Mr. Robert Cramer answered that we are one-third of the way through the third year.

Mr. Krassenstein asked if the \$25,000 is to anticipate what future spending might be for the repairable contracts on it. Mr. Cramer answered in the affirmative, stating that this is for repairs that otherwise would not have been covered. He also stated that we have a couple of repairs planned that have been identified; therefore, we think the \$25,000 will cover not only what we know of, but also all.

Mr. John Naglick asked what causes a need for repair and inquired about what is found during inspection. Mr. Curt Knudsen stated that repairs are needed for things such as a bad breaker. He said that during inspection and preventive maintenance in the central and eastside substations, repairs may be needed.

**VOTE:** All in attendance voted in the affirmative.

## 4. Resolution: Authorization to Award a Contract for Printing Services

**MOTION:** Moved by Mr. John Naglick and supported by Mr. John Paul Rea 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 Klever LLC for Printing Services for a three (3) year contract with two (2) 1-year renewal options for an amount not-to-exceed **Seventy-Three Thousand Nine Hundred and Eighty-Nine Dollars 00/100 (\$73,989.00) for the base term. The total contract shall not exceed One-Hundred Twenty-Nine Thousand and One-Hundred Eighty-Eight Dollars 00/100 (\$129,188) for five years.**

**Discussion:** Mr. Robert Cramer stated that Klever LLC, which is the vendor that produces DTC's non-vinyl printing materials for us (signage, posters, brochures, etc.), received the highest score and had the best price; therefore, the contract was awarded to them. He stated that we have estimated the number of items we need to print, but within the authorization, we can be flexible.

**VOTE:** All in attendance voted in the affirmative.

## **5. Discussion: Hitachi TTC Rail Vehicle Conversion Proposal and Rail Vehicle Replacement Project**

Mr. Robert Cramer stated that when this project first started, there was extreme urgency from Toronto that DTC needed to take action and be able to take advantage of the cars and the parts. He stated that with the assistance of WSP, we set up a budget, which we estimated a potential cost of approximately \$7.2- \$8 million. He stated that what the thought was DTC would be purchasing, shipping, and storing the cars. Mr. Cramer said that the two main components of making those cars work in the system are physical modifications; some of the pieces have to be swapped out or upfitted, which would be done at the rail yard. And the second component involves modifications to the ATC system. He stated that even though they're both Thales/Hitachi products, every system's a little different, and for us to operate it, we would need them (Hitachi) to make appropriate changes and certify.

Mr. Cramer stated that we went through the process of purchasing all the items because the previously stated issues of both need and the time factor, or else we would have lost them. He stated that the trains have been moved to their appropriate locations and set up so we're able to do the modifications. Mr. Cramer said that we entered a contract with Hitachi to give us the full analysis of what's necessary to certify the cars. Our budget ballpark number was about \$2 million at the time – compiled with help from WSP; however, Hitachi came back at about \$6 million.

Mr. Cramer indicated that Mr. Ernest Latham has spoken with Hitachi several times regarding ways to reduce the price, including reducing the quantity of activities, but he received an unfavorable response because the majority of the work to be done is software-related, and there are also some hardware components and certifications, which are almost the same price.

Mr. Cramer stated that the two options would be: Option A: to continue with the process and find a way to cover this difference, which is about \$4 million. Option B: to part out all of the trains, by deconstructing them, harvesting the materials that we could use, in some cases, send them for overhauling and recertification, and generate a significant stockpile of very expensive and essential parts. He stated that the pros of Option B are that it allows us to stay within budget and still delivers an incredible return on investment. We're still getting tens of millions of dollars' worth of parts, but it does not address the issue that the cars that we'd put these parts on have not had any end-of-life extension work on them, and they are almost 40 years old at this point. He said that the TTC replacement option gives us a good five to 10 years longer of having the current system in place without having to figure out brand new cars to get, and that is a higher value than just salvaging the parts.

Mr. Ernest Latham said that the number that Hitachi came back with was a lot more than we anticipated. He stated that they piled a lot of the costs into the risk of the software. He indicated that the core value-added figure for the whole project is another \$3 million - \$4 million, which will take us to \$9 million for 12 trains. He stated that the price for a new rail car is approximately \$10 million per car.

Mr. Latham stated that he has been looking into creative ways, including sponsorship, to help ease the costs and the burden on the City. He stated that the outside support would not only help with the cars but could

lead to other infrastructure item needs. If we go to Plan B, all of the spare parts that we have acquired could be sidelined, removing those that don't fit the cars we have now. He stated that we do not use some of the control panels and other systems that Toronto changed along the way, i.e. the door system would have very little value to us because they have been modified. Whereas if we use the stock door system, it is approximately an \$8 to \$10 million gain. He stated that we would be looking at approximately \$3 million for a door system to retrofit the current DTC cars, and testing with new doors.

Mr. John Paul Rea asked if there are ten total vehicles currently in our possession. Mr. Robert Cramer answered that we have twenty-two (22) cars from Toronto. Mr. Samuel Krassenstein added that the original goal was to retrofit twelve (12) and have ten (10) for spare parts. Mr. Cramer responded affirmatively.

Mr. Samuel Krassenstein asked if the five to 10 years under Option A will take us 5 to 10 years from when they enter service or from a point in the future. Mr. Robert Cramer answered that the useful life will be from when the cars enter service. Mr. Cramer explained that Toronto spent over \$1 million per vehicle on end-of-life extension work. Mr. Ernest Latham added that Toronto performed a full undercarriage rehab, truck overhaul, coupler overhaul, door system overhaul, and started communications equipment overhaul. He also stated that in the structural overhaul underneath, Toronto had tightened everything up making sure the cars were good to continue operating.

Mr. Samuel Krassenstein asked if the parts, such as the doors and couplers, can be used for end-of-life extension. Mr. Ernest Latham stated that the doors are not compatible with our current fleet. Mr. Robert Cramer added that the couplers are not the same.

Mr. Krassenstein noted that doors are listed as parts. Mr. Khalil Davis of WSP referred to the spreadsheet that was given to the Members. He stated that anything listed out in red are items that need to be either considered or reconsidered based on the retrofitting from TTC to DTC. He stated that some of the items could be retrofitted but the extent would not be known until work began. He explained that they have been sitting outdoors and may have rusted or could be salvaged. Mr. Robert Cramer stated that 16 of the cars are being stored indoors and the others are stored outdoors.

Mr. Samuel Krassenstein asked if we should go with a different ATC approach altogether? Mr. Robert Cramer stated that we reached out to at least one other vendor, and their estimate was \$40 million, which included them creating and absorbing all of the risk. However, Hitachi had already covered most of the risks, so this confined the risk to what they are putting in place. He stated that a new system would absorb the risk of designing an entirely new ATC.

Mr. Samuel Krassenstein inquired about adding drivers to the driverless fleet until we can fund the ATC upgrade. Mr. Robert Cramer stated that the cars have cabs, but the system is a driverless system. Mr. Krassenstein asked if there was a way to override the system. Mr. Cramer answered that there is an override on the Toronto system and ours.

Mr. Ernest Latham stated that the FTA would require a new certification and that there would be different risks involved. He stated that we would have to hire and train staff to drive the vehicles. Mr. Cramer stated that we would have to change the structure of control versus operators.

Mr. Krassenstein asked where the cars are stored once they are completed. Mr. Ernest Latham stated that the cars will be stored at the Maintenance and Control Facility. Mr. Cramer stated that they would be swapped out. Mr. Krassenstein asked where the cars are stored before being swapped. Mr. Cramer answered that we are paying to have them stored.

Mr. Ernest Latham stated that we would have to give the cars from TTC testing and commissioning for a variant other than Option B. He stated that we must get federal certification for testing and commissioning on two cars to start.

Mr. John Naglick recommended to start talks with Ms. Tanya Stoudemire and Mr. Donnie Johnson in the City's finance department. He stated that the City's capital is tight and that every available bond dollar has been purposed for things that were key priorities.

## **6. Public Participation**

There was no Public Participation.

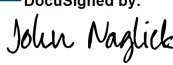
## **Chief Executive Officer/ Staff Reports**

Mr. Robert Cramer stated that the rail replacement project has one component that's remaining, which is to replace the switch near Times Square Station. He stated that we are planning to shut the system down from November 10th to November 21st or 22nd. He said that the Lions have a home game on the 23rd; therefore, our goal is to make sure that we're back open and tested on Sunday, the 23rd. Hopefully it'll be done. He stated that this is the final part of the Delta rail project.

## **Adjournment**

**MOTION:** Moved by Mr. John Paul Rea, and supported by Mr. John Naglick, to adjourn the meeting at approximately 4:38 p.m.

**VOTE:** All in attendance voted in the affirmative.

DocuSigned by:  
  
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**John Naglick, Corporation Secretary**