

**Board of Director’s Meeting Notes**  
**Meeting Date/Time: November 18, 2021, 6:30-9:00pm**

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**Location:** REMOTE – Via Zoom

**Board Member Attendees:** Eric Mahler (Chair), Raymond Hess, Jesse Miller, Kyra Sims, Kathleen Mozak, Mike Allemang, Ryan Hunter, Susan Pollay, Rich Chang

**AAATA Staff Attendees:** Bryan Smith, Matt Carpenter (CEO), Forest Yang, Dina Reed, Rosa-Maria Njuki, Kelly Reynolds, Deborah Holt, LaTasha Thompson, Mike Blackston

**Guests:** James Mogenson, Robert Pawlowski, Michelle Barney, Melvin Muskovitz, Meghan Carey, Ryan Loughlin

**Chair:** Eric Mahler called the meeting to order at 6:32 pm.

<b>Discussion Items</b>
<b>1. OPENING ITEMS</b>
<p>1.1 Approve Agenda</p> <p>Mr. Mike Allemang moved to approve the agenda, seconded by Ms. Susan Pollay.</p> <p>In support of the motion:</p> <p>Mr. Mike Allemang (reporting in from Ann Arbor, MI): Yes            Mr. Rich Chang (reporting in from Pittsfield Township, MI): Yes            Mr. Raymond Hess (reporting in from Ann Arbor, MI): Yes            Mr. Ryan Hunter (reporting in from Ypsilanti Township, MI): Yes            Mr. Jesse Miller (reporting in from Ypsilanti, MI): Yes            Ms. Mozak (reporting in from Ann Arbor, MI): Yes            Ms. Pollay (reporting in from Ann Arbor, MI): Yes            Ms. Kyra Sims (reporting in from Ann Arbor, MI): Yes            Chairman Mahler (reporting in from Troy, MI): Yes</p> <p>The motion passed unanimously.</p> <p>1.2 Public Comment</p> <p>Jim Mogensen - Shared that he has insight on AAATA as an Ann Arbor area resident. Had intended to share thoughts on long range plan at the December meeting as he wasn’t fully prepared to do so today.</p> <p>Robert Pawlowski – Shared that he is a transit advocate for metro-Detroit region and Myrtle Beach, SC, a regular rider on AAATA buses, and noted positive changes over the years. Commented on long range plans – attended virtual public meetings and felt there was a good amount of participating and public input. Looking forward to more public input and appreciates what has already taken place.</p>

### 1.3 General Announcements

Mr. Carpenter welcomed back employee Rosa Maria from military duties and new employee Deborah Holt who is the new Executive Administrative Assistant to the CEO.

Mr. Smith shared that route 68 has been restarted and back in full service.

## 2. CONSENT AGENDA

### 2.1 Board Meeting Minutes October 21, 2021

Mr. Hewitt moved to approve the Board Meeting Minutes for October 21, 2021, seconded by Ms. Mozak.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Pollay: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

### 2.2 Committee Meeting Summaries

Ms. Mozak – Noted a few corrections needed to be made from October minutes – Mr. Chang and Mozak were not listed as attendees and needed to be corrected on minutes. Also noted on Service Committee Meeting Summary under Policy 2.0 – LAC did not come up with policy. The Ends, 2.9 External Relations and 3.9 Board Policy with the LAC were also omitted from the summary.

## 3. POLICY MONITORING & DEVELOPMENT

### 3.1 Monitoring Report Policy 2.3 Compensation & Benefits

Mr. Carpenter – Monitoring report was reviewed by the finance committee and suggested board move forward to accept report. A change since the last review was the completion of a review staff compensation structures by 3<sup>rd</sup> party consultant, Korn Ferry. This was the first time since 1994 that staff compensation was reviewed in detail. It was found that pay structures were in line, thus ensuring the policy is in a greater degree compliance and transparency. Carpenter drew attention to the CEO notes on page 22 which had general housekeeping and suggestions for the board to consider.

Mr. Mahler – Opened discussion for questions regarding the report. Asked for clarification on 2.3.1 which had been noted was an addition in 2017. Wondered what the history of this addition was in the policy

Mr. Carpenter – Stated he needs to search in 2017 notes but they are unable to be accessed at this time due to network issues from the cyber-attack. He surmised the policy addition was a way for the board to help the organization attract workers through reasonable employee wages. Yet Carpenter noted that this policy addition overlaps with other policies that also state pay must be reasonable and in line with the geographic labor market.

Mr. Allemang – Reiterated that Finance Committee had reviewed and voted to recommend the policy was in compliance. Noted only two responses were made on this policy review by Board and shared concerns about low review responses. A significant amount of board and staff time is necessary to work on reviewing policies. Suggested placing reviews on another agenda to free up board meeting time yet is concerned that doing so removes the incentives for the board to carefully review. Policy review schedules might be changed to alternate years, as needed basis, or reduce/broaden some policies. Volunteered to work with consultant Rose Mercier to review current policies in relation to monitoring reports.

Mr. Chang: Agreed that monitoring report is important to governance. Responses may be down due to Executive Administrative Assistant transition. Responses may increase now that regular reminders will be sent back out to the board. Agrees wording and cadence could be reviewed.

Ms. Mozak: Agrees with Mr. Allemang that some policies reviews could be further apart. She shared that she had issues with online policy survey which might account for low responses for the most recent survey.

Mr. Miller: Also had issues completing online survey. In favor with the others to analyze creating a new policy monitoring schedule to optimize review time. Sees monitoring reports as a primary means of Board oversight but review could be improved.

Mr. Hewitt: In agreement with rest of the board that policies should be provable and not aspirational.

Mr. Mahler: Concurred with input made by members. Asked for volunteers to work with policy consultant Rose Mercier on a Policy Taskforce. Interested Board members can reach out to him.

Mr. Allemang motioned to approve Monitoring Report Policy 2.3 Compensation & Benefits is in compliance. Mr. Miller seconded that motion.

In support of the motion:

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hunter: Yes

Ms. Mozak: Yes

Ms. Pollay: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

#### **4. STRATEGY & OPERATIONAL UPDATES: CEO**

##### 4.1 Long-Range Plan Update (verbal)

Mr. Yang shared that in the past few weeks there have been meetings with stakeholder groups and the public for gathering feedback and input on the long-range plan. They are extending public commentary to November 24th for any additional feedback. Over 20 presentations have been made with over 300 people participating virtually and over 400 people have attending in-person. Yang thanked board and public stakeholders for support, participation, and feedback. Thanked staff for assisting in presentations. Yang asked Mr. Hunter to share his perception of recent Ypsilanti Township meeting presentation.

Mr. Hunter commented that the meeting was helpful in guiding future steps. The meeting was

meaningful and encouraged an engaging dialogue. Thanked staff for their participation.

Mr. Yang added that once public commentary is finished, the next steps will be discussed.

Mr. Miller asked Mr. Yang if he had reached out to present to Ypsilanti DDA.

Mr. Yang confirmed that he will follow up on a prior request for a meeting.

Mr. Miller had further questions on long-range plan and was encouraged by Mr. Carpenter to contact Mr. Yang directly.

Mr. Yang concurred.

#### 4.2 FY2021 Q4 Financial Report

Ms. Reed presented board with Q4 Financial Report which was included in board packet. Reminded board that the final report will be presented in a few months after audit is complete. Currently there is a \$14.4 million surplus which is in line with budget projections and the fiscal year is ending as expected. CARES funding is being used as expected and will be used until completed. Other federal funds will be used when allocated. Noted that operating fund balance is above expected required amount but will lower slightly going into new fiscal year as operating expenses are projected to be higher. Investments have remained the same.

Mr. Miller asked if ridership was lower than had initially been anticipated.

Ms. Thompson confirmed ridership had been lower.

Mr. Allemang commented that it was important to understand that the good financial report results were due to federal funding which could be misleading and will go away at some point in the future. Excess funding can continue to go to capital reserve.

Ms. Reed agreed yet noted that organization is performing within budget.

Mr. Mahler asked Ms. Reed if the strategy for investments during this current period of inflation will be changed.

Ms. Reed responded that investments are in safe, ensured accounts. Investment strategy is always being evaluated.

Mr. Allemang shared that higher inflation typically means higher interest rates yet it's hard to predict. Allemang expressed confidence in Ms. Reed managing investments at this time.

#### 4.3 CEO Report & Federal Updates

Mr. Carpenter shared updates on cyber-attack in October. This is still impacting real-time information availability to customers and is the next priority to get back going. Complimented Ms. Reed, Mr. Blackston, IT and communications departments for their work. Updated board on federal vaccine mandates – currently regulations are out but are paused pending the outcome of court decisions. HR currently has plan in place for tracking vaccinations and testing which will be rolled out once federal decisions are made.

Mr. Mahler asked if AAATA is a federal contractor under OSHA since the agency receives federal monies.

Mr. Carpenter clarified AAATA is not a federal contractor and will be following larger employer (100

employees or more) regulations.

Mr. Smith – AAATA is not following contractor regulations and confirmed the organization is following regulations for 100+ employees and is waiting to hear from MIOSHA for final guidance.

Mr. Carpenter shared information on federal funding with the federal infrastructure bill that was passed. He is waiting for analysis on legislation for potential impact to AAATA in the form of increases to current funding and/or grants. Will share updates to the board and public as they become available.

Mr. Allemang requested clarification from Mr. Carpenter regarding information in the report about feedback from the RTA.

Mr. Carpenter shared that he would forward to the board.

Mr. Miller asked what percentage of busses will receive fresh air kit systems.

Mr. Smith responded that the fresh air kit systems will not fit on 18 of the 103 busses that are older in the fleet. They are exploring methods of internally creating a ventilation system and currently keeping an open window for fresh air ventilation.

Mr. Miller asked if there is a way to identify busses that don't have ventilation systems as members of the public have asked this question.

Mr. Smith responded that at this time, there is not.

Ms. Mosak asked about additional ventilation in paratransit vehicles (aside from open windows) as a vulnerable population uses this service.

Mr. Smith shared that at this time open just windows are being maintained as fresh air kits are not available but will explore if other options are available.

## **5. EMERGENT ITEMS**

No emergent items.

## **6. CLOSING ITEMS**

6.1 Topics for next Meetings:  
Monitoring – 1.0 Board Ends and Treatment of the Traveling Public

6.2 Public Comment

Robert Pawloski: Welcomed back Rosa-Maria and new employee Deborah Holt. He proposed 23-Plymouth as an additional expansion for college students.

Jim Mogensen: While at a WATS Tech Committee meeting – MDOT has plans for road expansions at Washtenaw and 23 and wants to ensure AAATA is involved in those conversations. Shared previous personal experiences with schedule changings and how that impacts riders.

6.3 Closed Session (pursuant to Section 8(h) of the OMA)

Vote to go into Closed Session

Mr. Allemang - Yes  
Mr. Chang - Yes  
Mr. Hess - Yes  
Mr. Hunter - Yes  
Mr. Miller - Yes  
Ms. Mozak - Yes  
Ms. Pollay - Yes  
Ms. Sims - Yes  
Chairman Mahler – Yes

### 6.3 Adjournment

Move to Adjourn motion made by Mr. Miller and seconded by Ms. Sims.

Mr. Allemang – Yes  
Mr. Chang – Yes  
Mr. Hess – Yes  
Mr. Hunter – Yes  
Mr. Miller – Yes  
Ms. Mozak – Yes  
Ms. Pollay – Yes  
Ms. Sims – Yes  
Chairman Mahler – Yes

Meeting ended at 9:09 pm

Respectfully Submitted: Deborah Holt