

Board of Director's Meeting Minutes

Meeting Date/Time: February 16, 2023, 6:30 – 9:00pm

Members: Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Monica Ross-Williams, Kyra Sims

Location: Ann Arbor District Library (Lower Level)
Virtual attendance available via Zoom

Chairperson Mozak called the meeting to order at 6:30pm

| Agenda Item |
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| 1. OPENING ITEMS |
| 1.1 Approve Agenda |
| No new items or changes were noted for the agenda. |
| Mr. Chang motioned to accept the agenda, seconded by Ms. Sims. |
| All in favor of the accepted agenda: |
| Mr. Mike Allemang: Yes (Attending Virtually) |
| Mr. Chris Allen: Yes |
| Mr. Simi Barr: Yes |
| Mr. Rich Chang: Yes |
| Mr. Jesse Miller: Yes |
| Ms. Monica Ross-Williams: Yes |
| Ms. Kyra Sims: Yes |
| Chairperson Kathleen Mozak: Yes |
| The vote passed unanimously. |
| 1.2 Public Comment |
| Robert Pawlowski welcomed the new board member and new Deputy CEO, Operations. He noted the organization has a lot of upcoming initiatives for 2023 and looks forward to the work ahead. |
| 1.3 General Announcements |
| 1.3.1 Welcome Monica Ross-Williams, Board Member representing Ypsilanti Township; and George Brooks, Deputy CEO, Operations |
| Chairperson Mozak introduced Ms. Monica Ross-Williams who will be representing Ypsilanti Township. Ms. Ross-Williams thanked the board for her welcome and that she is looking forward to serving the public. |

Mr. Carpenter introduced George Brooks, Deputy CEO, Operations – he is joining the organization after having worked with the Maryland MTA. Mr. Brooks thanked the board for their welcome and that he is looking forward to serving the board and community.

2. CONSENT AGENDA

2.1 Board Meeting Minutes January 19, 2022

2.2 Committee Meeting Summaries

2.3 FY2024 State Application Resolution (Required Approvals)

Mr. Miller motioned to approve the Consent Agenda, seconded by Mr. Chang.

All in favor of accepting the Consent Agenda items:

Mr. Mike Allemang: Yes (Attending Virtually)

Mr. Chris Allen: Yes

Mr. Simi Barr: Yes

Mr. Rich Chang: Yes

Mr. Jesse Miller: Yes

Ms. Monica Ross-Williams: Yes

Ms. Kyra Sims: Yes

Chairperson Kathleen Mozak: Yes

The Consent Agenda was accepted as presented.

3. POLICY MONITORING & DEVELOPMENT

3.1 Task Force Updates

3.1.1 Ownership Linkage (Verbal)

Mr. Chang provided the board with an update on the status of the work of the Ownership Linkage Task Force. They are currently working on a draft email to be sent to various township/city supervisors and administrators. This draft will be shared/reviewed by the Board prior to sending out.

3.1.2 Monitoring

Mr. Allemang updated the board on the status of the Monitoring Task Force work. During their February meeting they reviewed Appendix A which includes reviewing frequency of reports, due dates and who reviews the reports. They plan to provide preliminary suggestions for changes at the March board meeting.

3.1.3 Procurement Contracts

Ms. Reed briefed the board on their involvement in two upcoming procurement contracts that directly relate to the work of the board - legal services and board governance consultant. She outlined a timeline for the implementation of two task forces that would be involved in the procurement process. Chairperson Mozak stated that she would be sending out a reminder email communication to the board.

3.2 Recommended Changes to External Relations Policies

Mr. Miller introduced the proposed policy changes - on behalf of the Service Committee and Policy Governance consultant Rose Mercier – the recommendation to remove Policy 2.9 and add revisions to policy 2.7 as outlined in the board packet. Board members briefly discussed the changes to be made.

Ms. Sims motioned to delete Policy 2.9 from the Policy Governance Manual, seconded by Mr. Chang.

All in favor of deleting Policy 2.9 from the Policy Governance Manual:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Monica Ross-Williams: Yes
Ms. Kyra Sims: Yes
Chairperson Kathleen Mozak: Yes

The motion to delete Policy 2.9 from the Policy Governance Manual was accepted unanimously.

Mr. Barr motioned to accept Policy 2.7 as written (Attachment 3, [pg. 23](#)), seconded by Mr. Allen.

All in favor of accepting Policy 2.7 as written:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Monica Ross-Williams: Yes
Ms. Kyra Sims: Yes
Chairperson Kathleen Mozak: Yes

The motion to accept Policy 2.7 as written was accepted unanimously.

Adopted changes will be added to the Policy Governance Manual.

3.3 Construction Policy Updates

Mr. Allemang gave an update regarding the work of the Finance Committee in reviewing/revising language within the Construction Policy pertaining to moving ahead with emergent grant funding opportunities that may have little time for board approval. Mr. Carpenter provided an example of the recent YTC grant opportunity that had occurred in between board meetings and allowed for no board input prior to submission – rather than wait and lose the opportunity, the organization moved forward with the application which was later approved. The Finance Committee will be discussing the policy further at their March meeting and hope to bring forth policy wording changes at the March board meeting for consideration.

3.4 Board Meeting Agenda Changes (Verbal)

Mr. Chang introduced the board to a proposed board agenda for their consideration. He had previously shared to the Governance Committee and noted that the revisions more accurately reflected the structure and adherence to Policy Governance.

Mr. Allemang motioned to adopt the agenda changes, seconded by Mr. Miller.

All in favor of accepting the agenda changes:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Monica Ross-Williams: Yes
Ms. Kyra Sims: Yes
Chairperson Kathleen Mozak: Yes

The motion to accept the agenda changes was accepted unanimously. Revisions will be reflected on the March board agenda.

3.5 Ends Monitoring Report

Mr. Carpenter presented to the Board an overview of the Ends Monitoring report which is focused on board's most important policies and strategic goals. He noted an overall partial compliance and discussed areas of compliance and specific data measurement tools used as evidence for the report. Much of the partial compliance noted within the report was due to work in progress not yet completed.

Areas of discussion the board focused on were the interpretations of compliance, and specifically, a robust discussion pertaining to Medicaid as an eligibility metric used in policy 1.1.1. There was discussion on potential changes within the policy which several members noted might be best reviewed at a committee or task force level.

Mr. Miller motioned to accept the monitoring report as "C" with all policies that the CEO has noted as in compliance with reasonable interpretation and those the CEO has noted as non-compliant with proposed dates for compliance with the exception of 1.1.1 where the interpretation was found to be not reasonable, seconded by Ms. Ross-Williams.

All in favor of accepting the monitoring report as "C" with exceptions noted:

Mr. Mike Allemang: No (Attending Virtually)
Mr. Chris Allen: Abstain
Mr. Simi Barr: No
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Monica Ross-Williams: Yes
Ms. Kyra Sims: No
Chairperson Kathleen Mozak: No

The motion did not pass.

Mr. Barr motioned to accept the monitoring report as “B” a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with items noted in the report, seconded by Ms. Sims.

All in favor of accepting the monitoring report as “B”:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: No
Mr. Jesse Miller: No
Ms. Monica Ross-Williams: No
Ms. Kyra Sims: Yes
Chairperson Kathleen Mozak: Yes

The motion passed by a vote of 5 to 3 accepting the monitoring report as “B.”

Additional discussion by board members led to the consensus that Policy Governance consultant Rose Mercier would be contacted to review the meeting discussion and offer coaching feedback on the Ends monitoring report discussion.

4. STRATEGY & OPERATIONAL UPDATES

4.1 Q1 Financial Report

Ms. Reed provided to the board the Q1 Financial report – this report had been presented to the Finance Committee for discussion on February 7th. She made several notable highlights – the organization operated within budget the first quarter with a surplus of 3.9 million which was above expectation and a result of a reduction of expenses. Federal pandemic relief funds are continuing to be used, operating reserve balance is being met and the reserve target is being exceeded. Assets are stable and investments are at 10.3 million. Due to staffing shortages, Q1 has not yet been closed so she stated there may be minor adjustments to the quarter that will be reflected in the Q2 report.

4.2 Q1 Service Report

Mr. Lundquist, Manager of Fleet Services, provided the board with the Q1 Service report which had been presented to the Service Committee for discussion on January 31st. Highlights included continued, sustained increases in ridership from the start of the pandemic to date. Q1 Ridership is at over 1.1 million riders and with increases in ridership, cost per boarding is decreasing. Fixed route satisfaction shows a decrease in overall complaints with a notation that new internal training processes attribute to those decreases. On-time performance data is still unavailable and being worked on with an outside vendor, but IT has worked to reinstate reliability data availability which shows favorable reporting results.

4.3 ZEB Propulsion Recommendation

Mr. Carpenter presented to the board his preliminary ZEB recommendations ([pg. 82](#)) and emphasized that no decisions would be made during the meeting, but rather his presentation would be a catalyst for continued discussions. According to the Ends policy, a strategic outcome goal is the reduction of pollutions by identifying technologies that would help the organization reach those goals. Battery and hydrogen technologies are being considered for fleet replacement and Mr. Carpenter outlined pros/cons of

each option as it relates to short- and long-term outcomes related to lowered emissions. He noted that at this time there are too many variables to make a definitive decision for the spring 2023 grant deadline. Planning for the spring 2024 grant application deadline will give staff and the board more time to explore and weigh options before a final decision is made. Board members thanked him for his presentation and agreed that the presentation information would provide continued discussion material for future committee and board meetings.

4.4 CEO Report

Mr. Carpenter made a brief reference to the report with an emphasis on sharing that the FTA Triennial review had finally been completed satisfactorily. He thanked staff for their work in completing the monumental task. He also shared that new signage with “text my bus” QR codes had been installed at bus stops/poles as a customer service initiative. He thanked community relations and facilities for their hard work in implementing and installing.

5. EMERGENT ITEMS

No emergent items were noted.

6. CLOSING ITEMS

6.1 Action Item Recap

Chairperson Mozak noted there will be a follow up discussion with Rose Mercier on the Ends report and continued discussion on propulsion.

6.2 Topics for Next Meetings

- 2.10 Communication and Support to the Board
- 2.5 Financial Conditions
- 4.0-4.4 Board Management Delegation Policies

6.3 Public Comment

No public commenters.

6.4 Adjournment

Chairperson Mozak adjourned the meeting at 10:06pm.

Respectfully Submitted by Deborah Holt