

## Board of Director’s Meeting Agenda

**Meeting Date/Time:** April 18, 2024 - 6:30 – 9:00pm

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

**Location:** Ann Arbor District Library (4<sup>th</sup> Floor)  
 Virtual attendance available via [Zoom](#)  
 Passcode: 983308

Agenda Item	Info Type	Details	Page #
<b>1. OPENING ITEMS</b>			
1.1 Approve Agenda	D	Mozak	
1.2 Public Comment	O		
1.3 General Announcements	O		
<b>2. CONSENT AGENDA</b>			
2.1 Board Meeting Minutes March 21, 2024	D		3
2.2 Committee Meeting Summaries	D		9
<b>3. OWNERSHIP LINKAGE</b>			
3.1 Open Dialogue Task Force Updates PPT - pg 105	O	Chang	Verbal
3.2 Telephone Survey Results	O	Chang / Clark	14
<b>4. MONITORING</b>			
4.1 Communication & Support to the Board (2.9)	M	Carpenter	34
<b>5. POLICY</b>			
<b>6. BOARD EDUCATION / DISCUSSION</b>			
<b>7. OPERATIONAL UPDATES</b>			
7.1 ZEB Updates & Transition Plan Approval PPT pg 114	D	Carpenter / Reed	65
7.2 Whistleblower Procedure (Feedback)	O	Carpenter / Boote / Muskovitz	95
7.3 CEO Report / DC Visit Debrief	O	Carpenter	101
<b>8. EMERGENT ITEMS</b>			
8.1 May Board Meeting in Ypsilanti	O	Mozak	Verbal
<b>9. CLOSING ITEMS</b>			
9.1 Action Item Recap	O	Carpenter / Holt	
9.2 Topics for Next Meetings ZEB Updates Environmental Sustainability (2.11) Governance Process Policies (3.5-3.8) Budget Process Timeline Q2 Financial Report June: Advocacy Agenda, Business Plan		Thursday, May 16, 2024 <i>Riverside Arts          Center, Ypsilanti</i>	
9.3 Public Comment	O		
9.4 Adjournment			

\* M = Monitoring, D = Decision Preparation, O = Other

***If additional policy development is desired:***

Discuss in Board Agenda Item 3.0 Policy Monitoring and Development. It may be appropriate to assign a committee or task force to develop policy language options for board to consider at a later date.

**Emergent Topics**

Policy 3.1.3 places an emphasis on distinguishing Board and Staff roles, with the Board focusing on “long term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.” Policy 3.1.3.1 specifies that that Board use a structured conversation before addressing a topic, to ensure that the discussion is appropriately framed:

1. What is the nature of the issue? Is the issue within the scope of the agency?
2. What is the value [principle] that drives the concern?
3. Whose issue is this? Is it the Board’s [Policy, 3.0 and 4.0] or the CEO’s [running the organization, 1.0 and 2.0]?
4. Is there already a Board policy that adequately covers the issue? If so, what has the Board already said on this subject and how is this issue related? Does the Board wish to change what it has already said?

## Board of Director’s Meeting Minutes

**Meeting Date/Time:** March 21, 2024 - 6:30 – 9:00pm

**Members:** Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Julie Grand, Susan Pollay, Kyra Sims (virtual attendee)

**Location:** Ann Arbor District Library (4<sup>th</sup> Floor)  
Virtual attendance available via Zoom

Chairwoman Mozak called the meeting to order at 6:30 pm.

Agenda Item
<p><b>1. OPENING ITEMS</b></p> <p><b>1.1 Approve Agenda</b></p> <p>Mr. Chang motioned to accept the agenda, seconded by Ms. Pollay.</p> <p>All in favor of approving the agenda:</p> <p style="padding-left: 40px;">Mr. Mike Allemang: Yes Mr. Simi Barr: Yes Mr. Rich Chang: Yes Mr. Jesse Miller: Yes Ms. Susan Pollay: Yes Chairwoman Kathleen Mozak: Yes</p> <p>The approval of agenda passed unanimously.</p> <p><i>*Ms. Sims attended virtually and did not participate in voting.</i></p> <p><b>1.2 Public Comment</b></p> <p>Leon Linderman shared his concerns and recommendations for safer boarding and passage for senior riders based on his experiences and years of ridership with the AAATA.</p> <p>Jim Mogensen thanked the Board for holding the February meeting in Ypsilanti and shared a recent positive experience with staff at the Dawn Gabay Operations Center. He also shared that the University of Michigan Airbus airport service may have impacts to D2A2 services and partnerships might be explored.</p> <p><i>*Mr. Allen joined the meeting at 6:33pm</i></p> <p><i>*Ms. Grand joined the meeting at 6:36pm</i></p> <p><b>1.3 General Announcements</b></p> <p>Chairwoman Mozak read a proclamation for Transit Workers Appreciation Week – along with the entire Board of Directors, she expressed her appreciation for the workers who provide essential services each day to the community.</p>

## **2. CONSENT AGENDA**

### **2.1 Board Meeting Minutes February 22, 2024**

### **2.2 Committee Meeting Summaries**

### **2.3 Vehicle Accessibility Plan Approval**

Mr. Allemang motioned to accept the Consent Agenda, seconded by Mr. Miller.

All in favor of approving the Consent Agenda:

All in favor of approving the agenda:

Mr. Mike Allemang: Yes  
Mr. Chris Allen: Yes  
Mr. Simi Barr: Yes  
Mr. Rich Chang: Yes  
Ms. Julie Grand: Yes  
Mr. Jesse Miller: Yes  
Ms. Susan Pollay: Yes  
Chairwoman Kathleen Mozak: Yes

The approval of the Consent agenda passed unanimously.

## **3. OWNERSHIP LINKAGE**

### **3.1 Open Dialogue Task Force Updates**

Mr. Chang shared that the ODTF met and are working to address 3 primary challenges: understand priorities/values/needs of ownership, if Ends or policies cover those priorities/values adequately, and why do people not utilize public transportation services. He shared that Dr. Hugh Clark will be presenting at the April Board meeting and share information related to community needs based on a 2021 phone survey.

## **4. MONITORING**

### **4.1 Financial Conditions & Support to the Board (2.5)**

Ms. Reed presented the Financial Conditions & Support (policy 2.5) monitoring report. The Finance Committee had discussed survey comments related to policy 2.5.4.1 and the reasonableness of using \$250,000 as the policy dollar amount threshold for when the board would need to be notified of fraudulent activity. She also noted that in the monitoring report CEO notes, the 2<sup>nd</sup> comment could be disregarded as it had already been addressed.

Board members discussed the comments raised for policy 2.5.4.1 and it was noted the dollar amount threshold percentage is small in relation to the overall operating annual operating budget. The comments had been raised out of concerns whether the threshold amount had to be met before the board was notified as many slightly smaller incidents of fraud could accumulate to a much larger amount. After a thorough discussion the Board was in agreement that the \$250,000 threshold was appropriate and moved forward with the recommendation from the Finance Committee to accept the monitoring report as (A) Compliant.

Ms. Grand motioned to accept Financial Conditions & Support to the Board (2.5) as (A) Compliant, seconded by Mr. Miller.

All in favor of accepting Financial Conditions & Support to the Board (2.5) as (A) Compliant:

Mr. Mike Allemang: Yes  
Mr. Chris Allen: Yes  
Mr. Simi Barr: Yes  
Mr. Rich Chang: Yes  
Ms. Julie Grand: Yes  
Mr. Jesse Miller: Yes  
Ms. Susan Pollay: Yes  
Chairwoman Kathleen Mozak: Yes

The motion to accept Financial Conditions & Support to the Board (2.5) as (A) Compliant, passed unanimously.

#### **4.2 Cash & Investments (2.6)**

Ms. Reed presented the Cash & Investments (policy 2.6) monitoring report and noted that due to recent monitoring schedule updates, the report covered 9 months instead of a fully year to align with the revised monitoring period.

Mr. Chang motioned to accept Cash & Investments (2.6) as (A) Compliant, seconded by Mr. Allen.

All in favor of accepting Cash & Investments (2.6) as (A) Compliant:

Mr. Mike Allemang: Yes  
Mr. Chris Allen: Yes  
Mr. Simi Barr: Yes  
Mr. Rich Chang: Yes  
Ms. Julie Grand: Yes  
Mr. Jesse Miller: Yes  
Ms. Susan Pollay: Yes  
Chairwoman Kathleen Mozak: Yes

The motion to accept Cash & Investments (2.6) as (A) Compliant, passed unanimously.

### **5. POLICY**

### **6. BOARD EDUCATION / DISCUSSION**

#### **6.1 Innovation Presentation**

Mr. Carpenter presented his yearly innovation presentation ([Board packet, page 73](#)) related to trends and applicable technologies / innovations organizationally introduced or implemented within the last year. He included an overview of trends (demographics, land development, social/economic, pandemic and politics) and the impact to ridership growth. He shared innovation implementations / successes from the past few years along with new ideas recently introduced, soon-to-be introduced or in observation. He also outlined areas of Board innovation related to how they give direction and conduct their own work.

Mr. Carpenter fielded a variety of questions from board members with several expressing interest in exploring expanding partnerships with local schools and continuing to learn more about innovations other agencies are utilizing.

## **7. OPERATIONAL UPDATES**

### **7.1 FY24 Q1 Service Report**

Mr. Brooks presented the FY24 Q1 Service report and highlighted that fixed route ridership continues to increase, paratransit on-time performance is 98%, trip denials have been reduced by 50% and D2A2 ridership has leveled off after a slight reduction. He also shared that on-time performance has continued to improve and is currently above 80%.

### **7.2 CEO Report & ZEB Update**

Mr. Carpenter shared highlights within his CEO Report and noted that staff had recently presented to the Ypsilanti City Council on the YTC terminal project.

Mr. Pfeifer shared that an earmark request to help fund a hydrogen fueling station had been submitted to Senator Peters office. Another request aligned with hydrogen project will be submitted to Congresswoman Dingell when her office releases earmark request guidelines.

Ms. Reed provided an update to the Board regarding an initial funding projection from MDOT. Due to current economic challenges and increased funding needs, transit funding amounts may be reduced but no determination has been made at this time. She stated the organization is working with partners in Lansing, carefully considering other revenues, and will inform the Board as updates are received.

## **8. EMERGENT ITEMS**

## **9. CLOSING ITEMS**

### **9.1 Action Item Recap**

ODTF will be asking for feedback on a survey being sent out, Mr. Carpenter will be incorporating peer best practices for the next innovation presentation and board members will be sent information on conference opportunities.

### **9.2 Topics for Next Meetings**

ZEB Updates  
Communication & Support to the Board (2.9)  
Environmental Sustainability (2.11)  
April: Telephone Survey Results, Transition Plan  
May: Whistleblower Procedure  
June: Advocacy Agenda

### **9.3 Public Comment**

No public commenters.

### **9.4 Adjournment**

Mr. Barr motioned to adjourn the meeting, seconded by Mr. Allen.

All in favor of adjourning the meeting:

Mr. Mike Allemang: Yes  
Mr. Chris Allen: Yes  
Mr. Simi Barr: Yes  
Mr. Rich Chang: Yes  
Ms. Julie Grand: Yes  
Mr. Jesse Miller: Yes  
Ms. Susan Pollay: Yes  
Chairwoman Kathleen Mozak: Yes

Chairwoman Mozak adjourned the meeting at 8:15pm.

Respectfully Submitted by Deborah Holt

DRAFT

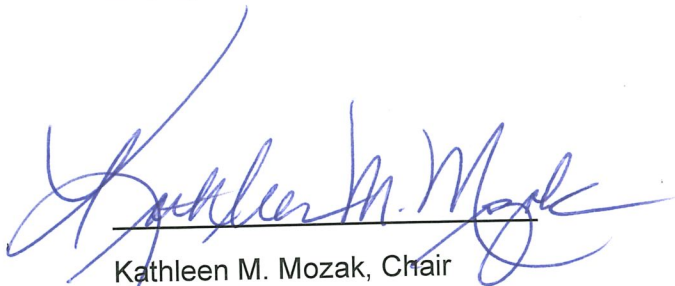
## Transit Worker Appreciation Week Proclamation

**WHEREAS**, National Transit Employee Appreciation Day was established to recognize the efforts of Transit Workers across the United States; and

**WHEREAS**, the Ann Arbor Area Transportation Authority Board of Directors recognizes the important role that all Transit Workers play in providing exceptional services to our communities; and

**WHEREAS**, Transit employees work hard and are dedicated to provide essential services each day to help transit users access jobs, healthcare, school, community services, and many other personal social and civic opportunities;

**IT IS PROCLAIMED**, that the AAATA Board of Directors recognizes March 18<sup>th</sup>-22<sup>nd</sup> as Transit Worker Appreciation Week and encourages the community to join us in thanking our transit employees.



Kathleen M. Mozak, Chair  
March 21, 2024



Jesse Miller  
March 21, 2024



## Governance Committee Meeting Notes

**Meeting Date/Time:** Thursday, March 28, 2024 – 9:00 – 11:00 am

**Members:** Kathleen Mozak (Chair), Mike Allemang, Jesse Miller, Rich Chang

**Staff:** Matt Carpenter, Dina Reed, Forest Yang, Jeff Pfeifer, Deb Holt

**Location:** REMOTE – Via Zoom

Chairwoman Mozak called the meeting to order at 9:02am

Agenda Item
<b>1. OPENING ITEMS</b>
<p><b>1.1 Agenda (Additions, Approval)</b></p> <p>Chairwoman Mozak noted the addition of Rich Chang to the meeting and will be providing the ODTF updates. She also shared that agenda item 2.1 will be moving to 5.2 with the remaining agenda items being renumbered.</p> <p><b>1.2 Communications</b></p> <p>Chairwoman Mozak shared that Cheryl Weber, recently retired LAC Chairwoman and community activist, recently passed away. She served on the LAC for over 17 years.</p> <p>Mr. Miller shared that Mr. Chang will be leading the Service Committee meeting on April 2<sup>nd</sup>.</p>
<b>2. BOARD DEVELOPMENT</b>
<p><b><del>2.1</del> Recruitment / Training / Attendance moved to 5.2</b></p> <p><b><del>2.2</del> 2.1 Task Force Coordination (ODTF)</b></p> <p>Mr. Chang has communicated to the board and shared a phone survey from 2021 – he will be gathering feedback and sending it to Dr. Hugh Clark who will be presenting at the April Board meeting.</p> <p><b>2.3 2.2 Board Meeting Location</b></p> <p>Chairwoman Mozak is working with staff to preview alternative meeting spaces in Ypsilanti. She shared feedback from Board members regarding the frequency of meetings that might be held in the Ypsilanti area. Staff are continuing to look for meeting spaces and noted that upcoming service increases may allow for the availability to</p>

Utilize additional venue spaces. The committee will recommend at the April Board meeting that the May Board meeting be held in Ypsilanti as it will coincide with upcoming Ypsilanti Transit Center community input meetings.

## **2.4 Annual Plan of Work**

Chairwoman Mozak reviewed topics in the Annual Plan of Work they are currently being addressed related to propulsion, sustainability, advocacy, and equity. Related to the topic of propulsions, Ms. Reed provided an update that she and her team are working on a draft review of the Transition Plan to present to the Board. An upcoming sustainability monitoring report will be presented to the Board and Mr. Carpenter and Mr. Pfeifer are working on an advocacy agenda.

Mr. Carpenter and the committee discussed areas of focus for the broad topic of equity.

## **3. POLICY MONITORING & DEVELOPMENT**

### **3.1 Public Safety Policy Update**

Mr. Miller provided an update on the discussions that have taken place regarding a public safety policy. The Service Committee has had robust discussion related to creating a policy as an Executive Limitation or Ends. The Service Committee will be focusing on developing an Ends policy and continuing discussions at future meetings.

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

### **4.1 ZEB Updates**

Mr. Carpenter shared that two grant applications are in progress, along with several earmark requests.

### **4.2 CEO Expenses**

Mr. Carpenter shared an update on his current expenses noting data shows from FY2022 to current.

## **5. CLOSING ITEMS**

### **5.1 Committee Agendas**

Mr. Miller requested the removal of agenda item 2.1. Mr. Carpenter shared that item the Sustainability monitoring report (agenda item 2.2) is not yet finished. The Finance Committee meeting has been cancelled due to a light agenda. The committee discussed the Board Meeting agenda and renaming 3.2 to 2021 Telephone Survey Results.

### **5.2 Recruitment / Training / Attendance (moved from 2.1)**

The committee discussed upcoming board reappointments.

### **5.2 5.3 Action Item Recap**

Update Service Committee with the removal of agenda item 2.1 and a notation that the Sustainability monitoring report is not yet complete. The April Finance Committee meeting has been cancelled due to a light agenda and a wording update Board Meeting agenda for item 3.2. Mr. Carpenter will provide an equity presentation to April Governance Committee

### **5.3 5.4 Topics for Next Meeting**

ZEB Updates  
Annual Plan of Work  
Governance Process Policies (3.5-3.8)  
Equity presentation  
May: Whistleblower  
Future: Parliamentary Procedure, Park & Ride  
Updates

### **5.4 5.5 Adjournment**

Chairwoman Mozak thanked the committee and staff and adjourned the meeting at 11:12 am.

Respectfully Submitted by Deborah Holt

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## April 2, 2024 Service Committee Meeting CANCELLED

**Due to a light agenda, the meeting was cancelled. The next meeting will be Tuesday, April 29, 2024.**

DRAFT

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## April 9, 2024 Finance Committee Meeting CANCELLED

**Due to a light agenda, the meeting was cancelled. The next meeting will be Tuesday, May 7, 2024.**

DRAFT

## SURVEY ON RESIDENT VALUES (Moral Ownership Linkage)

**Meeting: Board of Directors**

**Meeting Date: April 18, 2024**

<b>INFORMATION TYPE</b>
Other
<b>RECOMMENDED ACTION(S)</b>
Receive for information and discuss.
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
<p>In adopting Policy Governance in 2017, the Board began using a model of governance that relies on understanding the values and priorities of the “Owners”.</p> <p>Recently, the Open Dialogue Task Force began reviewing a 2021 telephone survey as a potential tool for gaining a deeper understating of the values of residents (i.e. Moral Owners).</p>
<b>ISSUE SUMMARY</b>
<p>In late 2021 TheRide commissioned a telephone survey of area residents. The survey included questions related to values and relative priorities of likely voters. Hugh Clark of CJI Research, will present relevant information from the survey and lead a discussion with the Board regarding how the 2021 survey can help us to better understand the values and priorities of area residents.</p> <p>While the survey can provide insight into some priorities for a subset of the total population, the Board may wish to consult with Susan Radwan to discuss <i>how</i> such information can best be used to shape future policy.</p>
<b>BACKGROUND</b>
<p>Policy Governance outlines how the Board is accountable to the “owners” of an agency. A board should seek to understand the values and priorities of their owners in order to develop expectations and goals for the agency (i.e. policies) that reflect the aspirations of those we serve.</p> <p>Previously our Board has defined our “Moral Owners” as the residents of Ann Arbor, Ypsilanti, and Ypsilanti Township; and our “Legal Owners” as the municipal governments that signed our Articles of Incorporation. Our Board has sought to “link” with these groups of owners to better understand and incorporate their values into Board decisions. This is the first attempt to use telephone survey in this process, although such surveys are recognized as valid linkage tools.</p> <p>When considering public feedback, it is important to distinguish between the sources of input including:</p> <ul style="list-style-type: none"> <li>• Owners to whom the Board is accountable,</li> </ul>

- Beneficiaries such as passengers and suppliers, who are consumers of TheRide's services or resources, and
- Stakeholders with some other interest in our decisions (e.g. UM, advocates, etc)

While all input is useful, Board policy should be driven by Owners' values those of passengers or stakeholders, who's concerns are often best addressed by staff.

**IMPACTS OF RECOMMENDED ACTION(S)**

- Budgetary/Fiscal: N/A or other
- Social: N/A or other
- Environmental: N/A or other
- Governance: Linking with Moral Owners is a Board function.

**ATTACHMENTS**

1. Summary of 2021 Telephone Survey Results

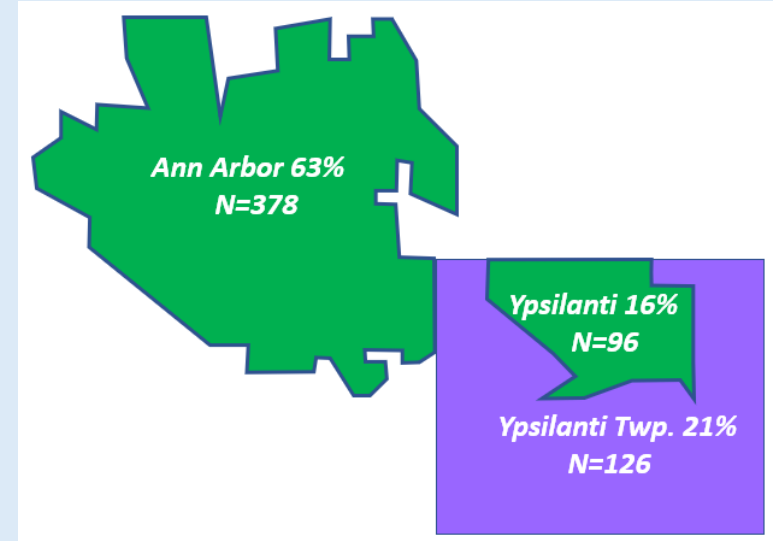
# The AAATA Community Survey

December 2021



# Purposes: Answer the following

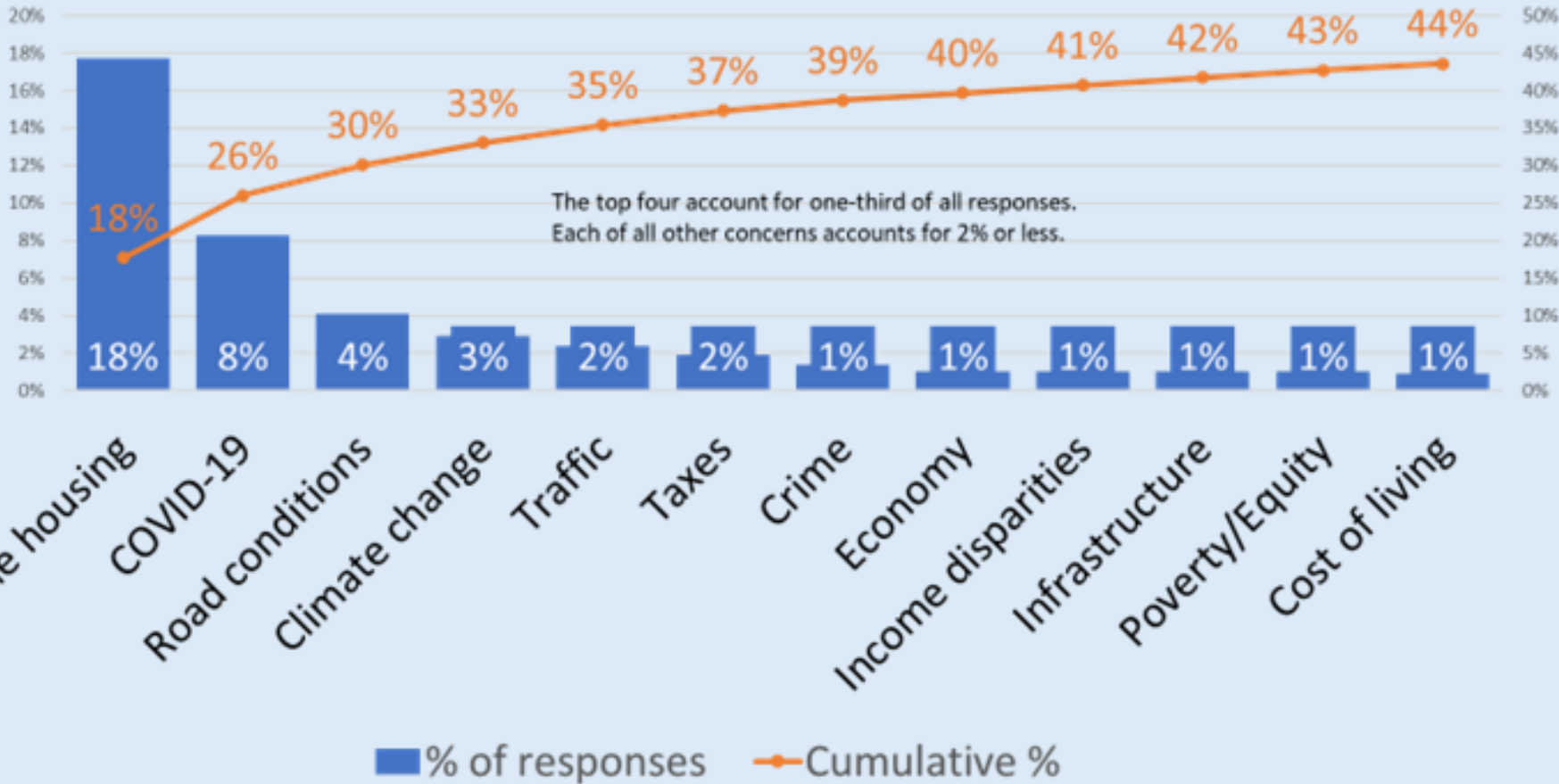
- What issues are on the public mind?
- What are the strengths and weaknesses of the AAATA in the public mind?
- What are public's general priorities for TheRide's service?
- Why do people oppose or support an issue to expand TheRide's services?



*A random sample of 600 has a sample error of +/-4%. The map shows both numbers of voters interviewed from each area and their percentage of the total sample.*

# What Were the Top Ten Local Concerns

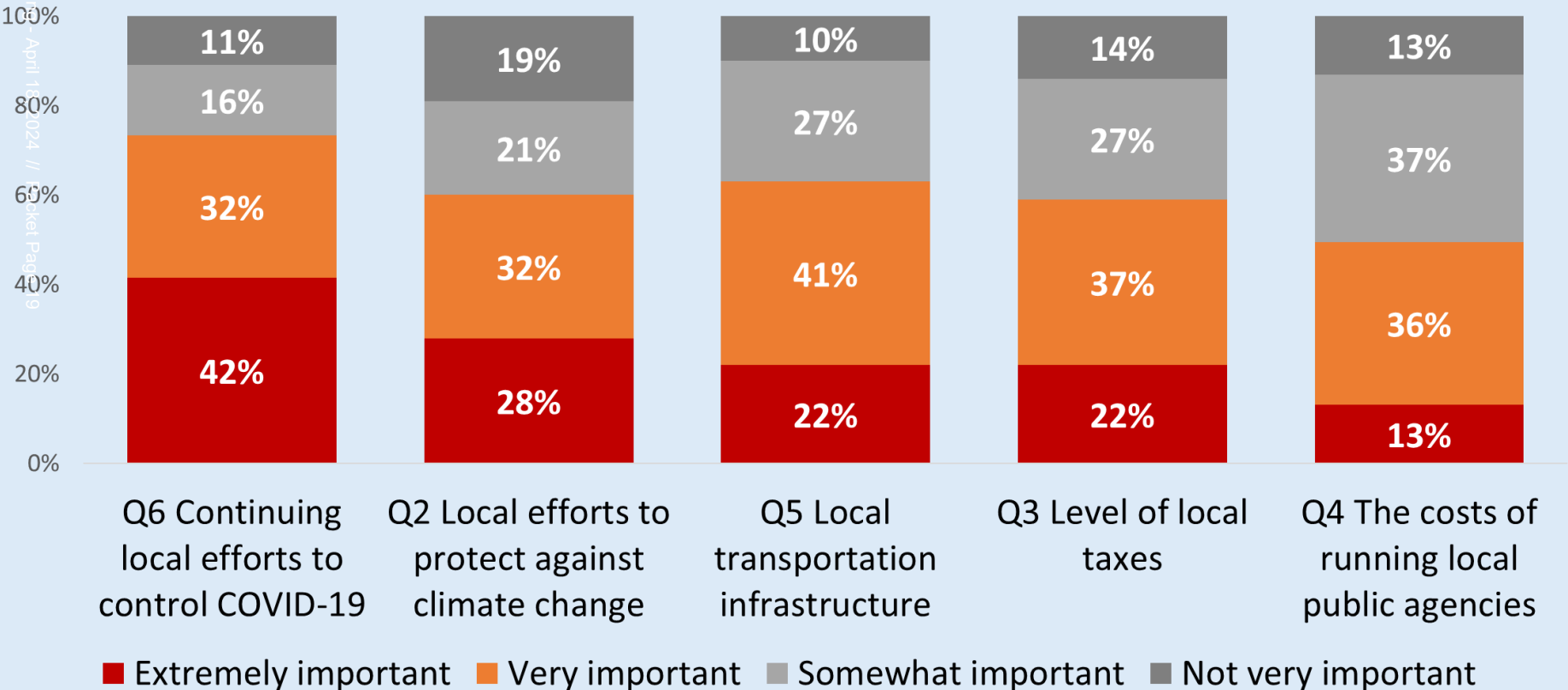
Top ten responses to open end question: "What do you consider the most important challenge facing the greater Ann Arbor community including Ann Arbor, Ypsilanti City, and Ypsilanti Township?"



# Importance of Selected Issues in Local Voting

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How important is each of the following issues to you in deciding how to vote in your local community?



# Priorities for TheRide

## Agreement/Disagreement with Issue Statements

**Q21. It is important to maintain public transit service for senior citizens and people with disabilities.**



**Q17. Worth tax increase for transportation for those with no vehicle to have more opportunities for employment**



**Q20. Maintaining and improving the public transportation system is important to attracting new businesses and jobs to the Ann Arbor, Ypsilanti area.**



**Q25. TheRide needs to do more to control its operating costs**



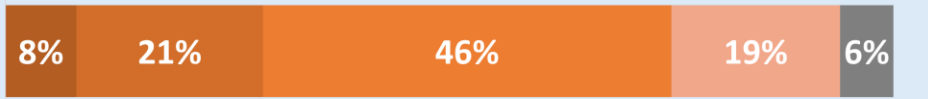
**Q18. The time has come to vote against all tax increases**



**Q19. Other public needs that should be met before any more money is spent on TheRide**



**Q24. For any individual, using TheRide has so little effect to limit climate change, it would not be worthwhile**

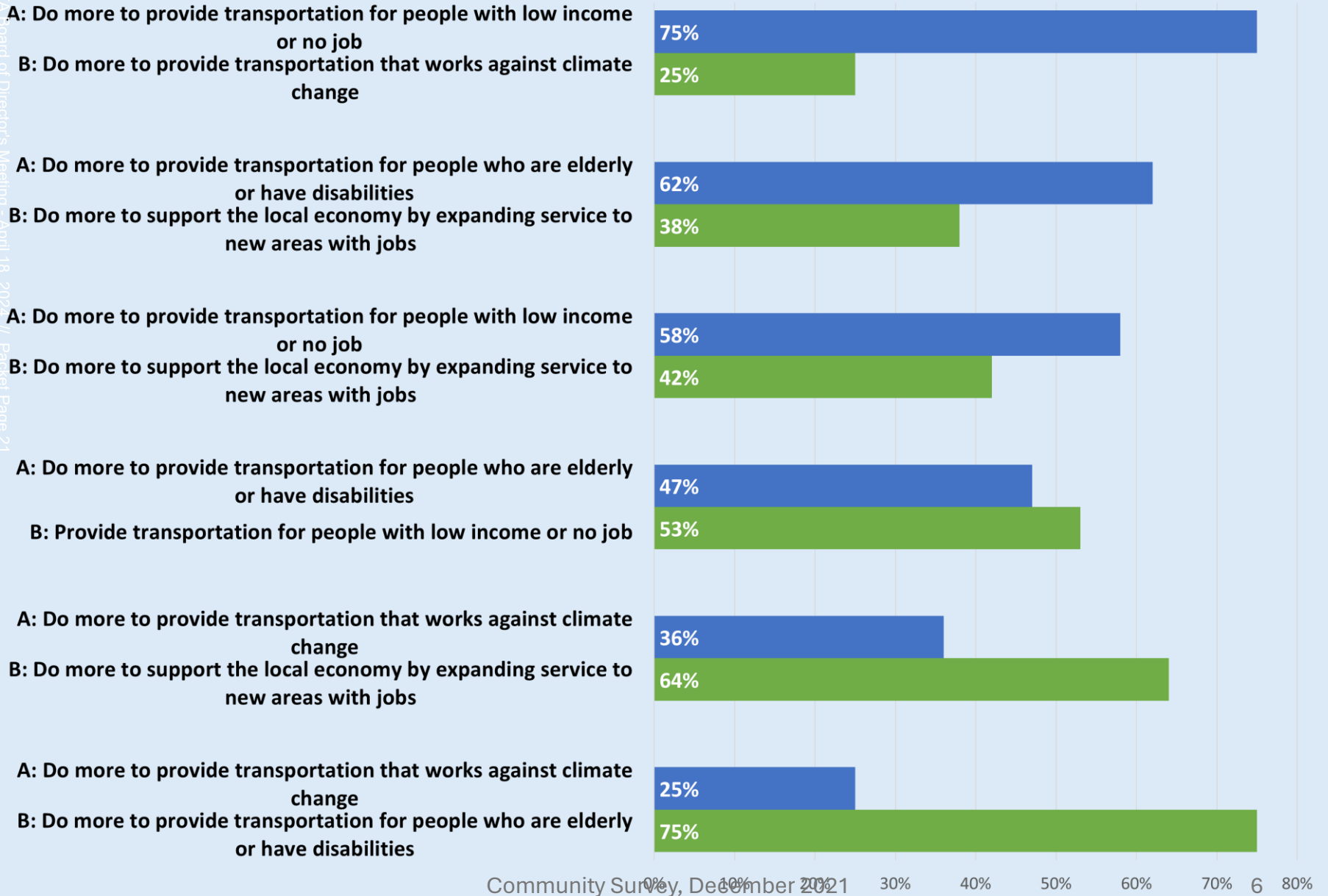


0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Agree strongly 
 ■ Agree 
 ■ Disagree 
 ■ Disagree strongly 
 ■ Not sure

# Six Tough Choices

## Forced Binary Choice Policy Questions



# Hierarchy of Priorities

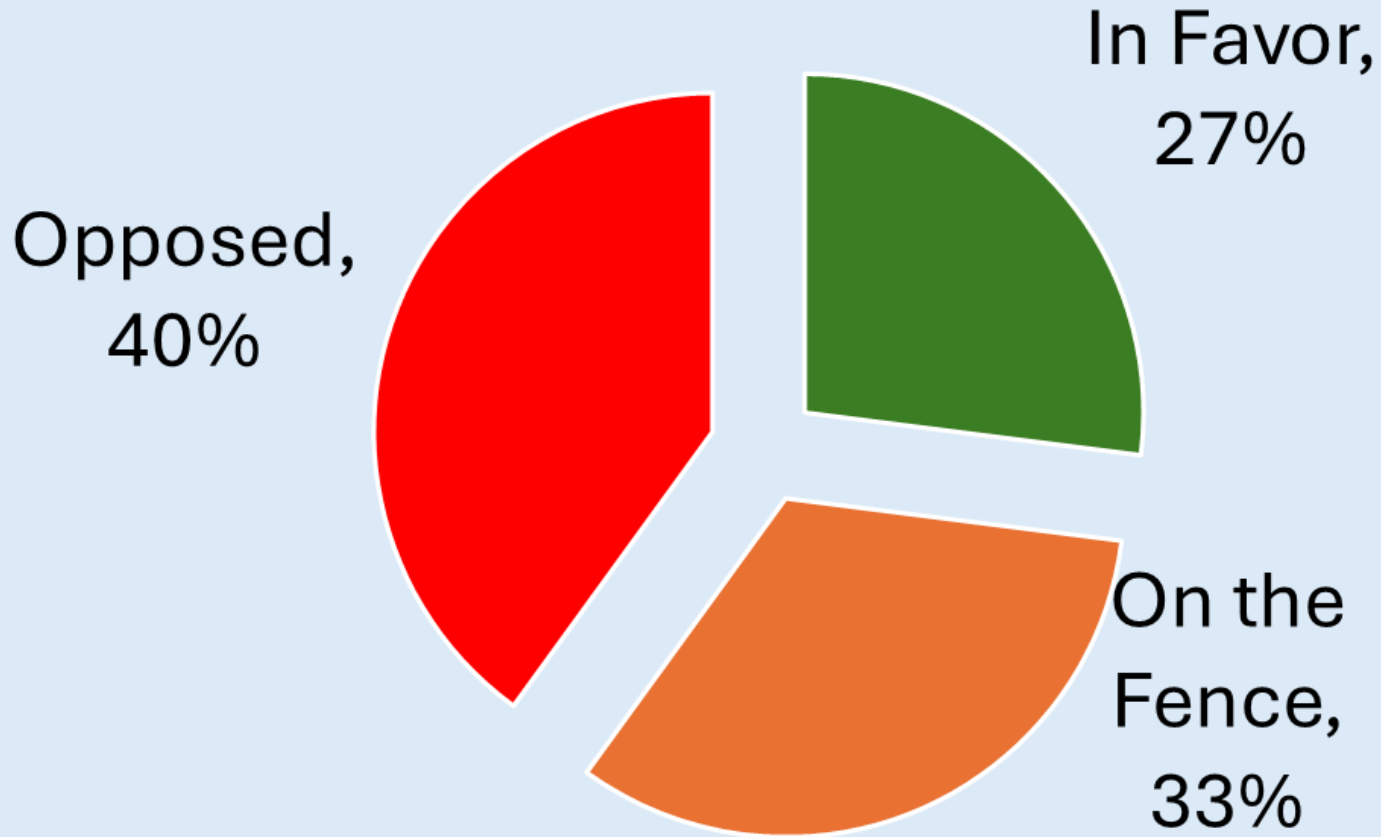
## Analysis of the six combinations of the four issues yields these priorities:

1. Do more to provide transportation for those with low income or no job	34%
2. Do more to provide transportation for people who are elderly or have disabilities	33%
3. Do more to support the local economy by expanding service to new areas with jobs	22%
4. Do more to provide transportation that works against climate change	12%

# The Millage

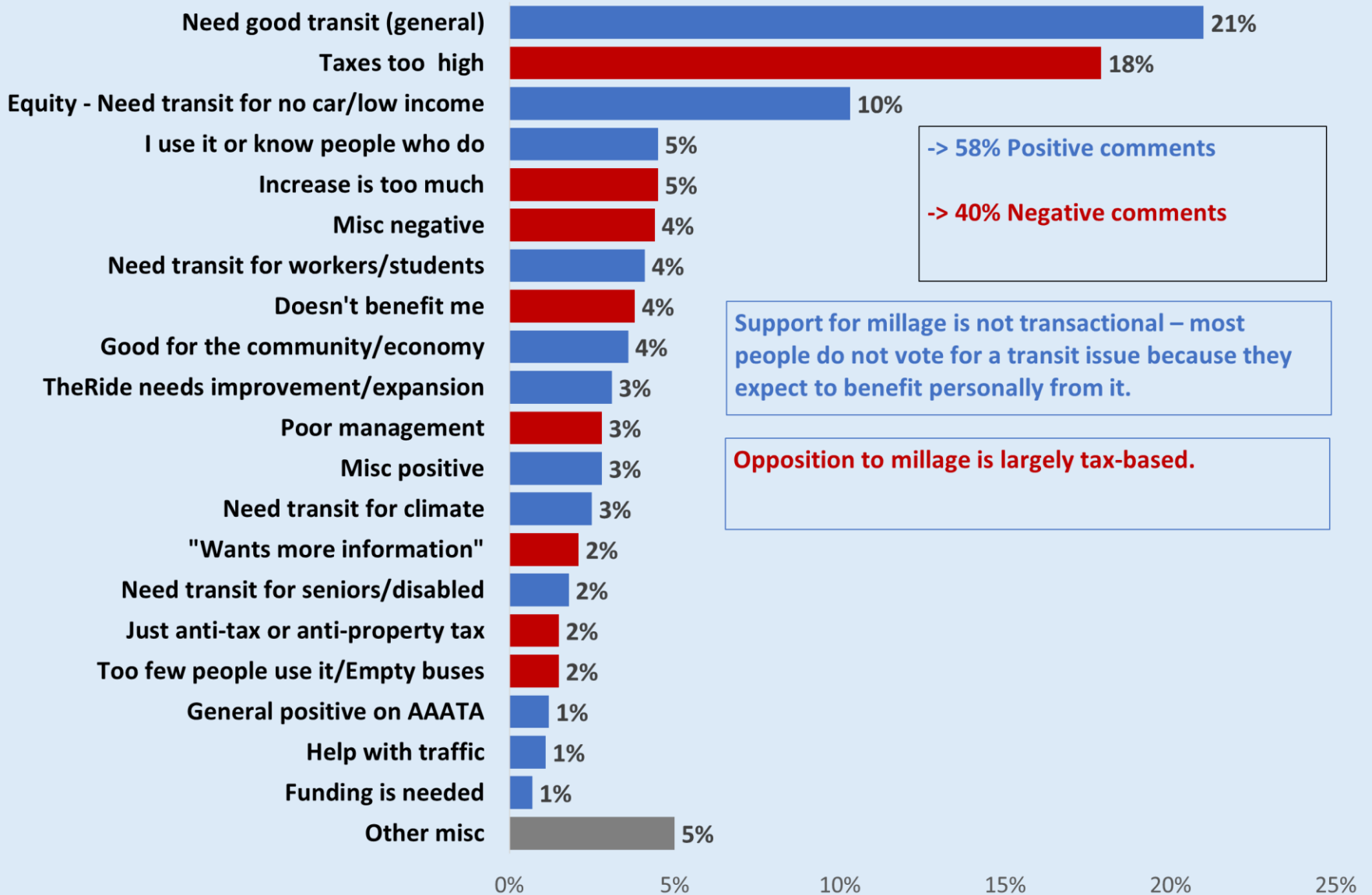
# In December 2021 Support / Opposition to a Millage Issue for TheRide

Vote Spectrum





# Reasons for Support or Opposition



# In Their Words - Why Support Millage Issue?

- Good to expand services.
- **Services can be improved.**
- **We just need it.**
- We need transportation help badly.
- We need to have **stops on Holmes Road** to give access to **transportation to an aging population** in the surrounding neighborhoods.
- I think it will be beneficial for the people
- I would vote yes in public transportation for **public equity.**
- Because auto ownership is increasingly difficult, and my husband is **a non driver.**
- Beneficial to the community.
- The **city wants to de-emphasize car travel.** Without a better public transportation system, this is ludicrous.
- A lot of **handicapped students use TheRide**
- It's important.
- People rely on transportation to **get to work,** appointments
- I think public transportation is very important.
- It's a small price to pay for public amenities.
- Because public transportation is important for **getting to work** and it is expensive.

- Giving people good safe transportation is always needed
- Because TheRide is important and one reason they moved to area
- Transportation is **important regardless economic status.**
- Because it is important to a lot of people
- If people took buses fewer people would have to drive and **poor people would rely on the bus**
- I'm not sure what changes are in the future.
- Would be concerned about **equal funds in Ann Arbor and Ypsilanti.**
- I have never voted no on a millage, so I don't think that I would start now. I think that access to public transportation is **important for people who don't have transportation** or who cannot drive.
- Community needs reliable transportation
- Does not **cover all locations, and long distances to catch bus** in locations.
- Because TheRide is important for people to get around and get to work.
- I think this is a really **important issue for people not wealthy enough to own cars** and **addressing climate change.**

# In Their Words - Why Oppose Millage Issue?

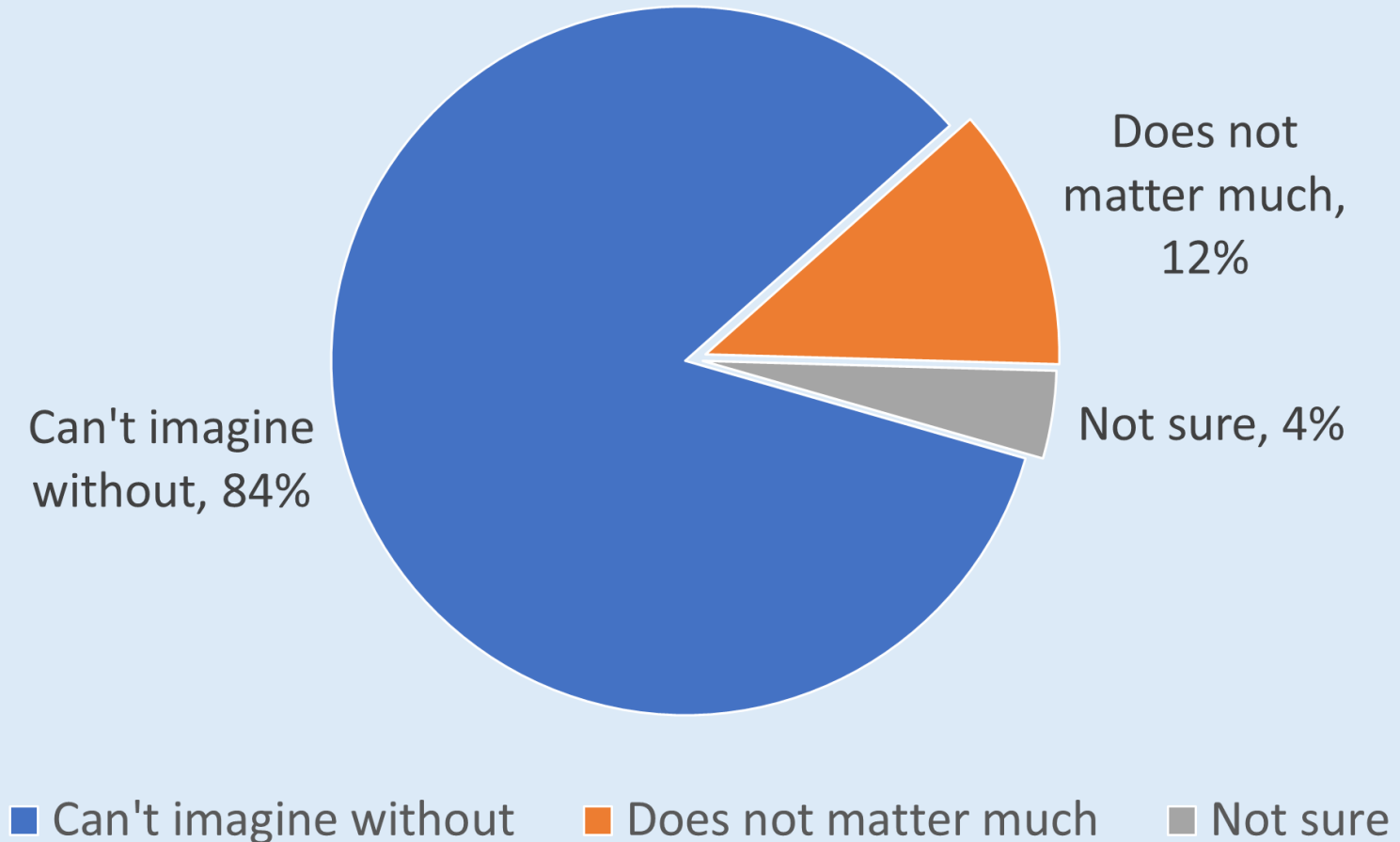
Opposition is largely tax-based.

- **Affordability**, I love the AAATA. Every time we turn around there's another millage. My wife I cannot afford to retire, its out of control.
- All **taxes are too high** here.
- All the people who use it don't get charged for it, its the taxpayers that get charged for it.
- Already has high taxes
- Already has raised taxes outrageously.
- Already pay enough taxes
- Anytime I have a chance to vote no on tax increases I always vote no on tax increases
- Because I can't keep up with my own taxes
- Because I think property taxes are high enough already, if our local governments want to spend more money on public transport and look at their budget and **figure out where they need to cut**
- **Public transport is already underutilized so why should we spend money on it**, only to provide a service for two or three people. If they expand the service, it will be pushed out to people who will use it even less.
- Because it is a losing cause. We keep throwing money at it. They say they want to expand services, but it does not really expand services.
- Because taxes are being raised every year for multiple things. The money should not be taken from people who don't have it.
- Because they just raised my taxes
- Been taxed enough
- I'd like to vote no. Taxes too high
- **It should not be just a burden on property owners.**
- My property taxes are high enough
- Not a fan of raising taxes
- Our taxes in Ypsilanti township are one of the highest.
- Overtaxed and not looking to get new taxes.
- Property tax is already too high.
- Property taxes are so high already.
- Property taxes are too high
- Stop taking my money
- Taxation is theft.
- Taxes are already 6 times higher than in any area in Michigan. Does not feel like its a good use of tax dollars
- Taxes are already exorbitant
- Taxes are already so high that many can't afford it, with progressive agenda that is about spend & spend with no effort to cut costs and lower taxes. Schools that are not open, yet costs continue to rise.
- Taxes are already too high.
- Taxes are already very high
- Taxes are high enough
- Taxes are high enough in Ann Arbor.
- Taxes are high, live on bus route and see few on bus anymore

# Views of the AAATA and TheRide

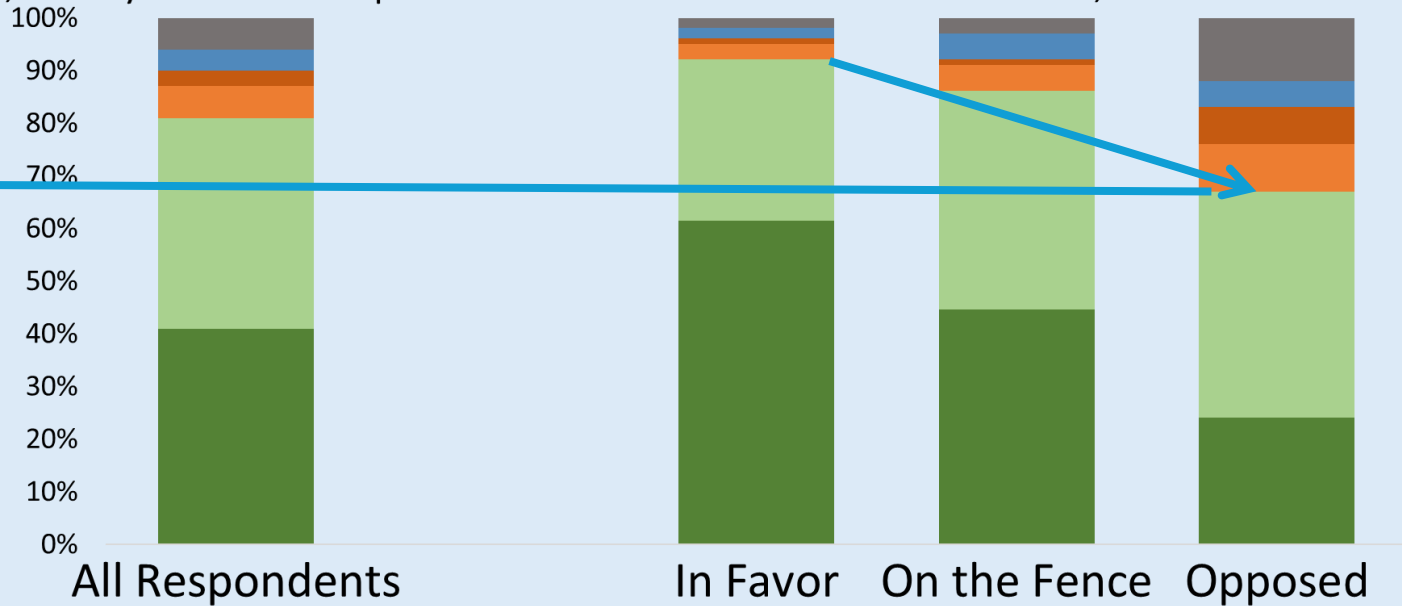
# TheRide Is Embedded in the Community Culture

Q14 Some people say it is hard to imagine the Ann Arbor/Ypsilanti area without TheRide bus service, while others say TheRide does not matter much to the area. Which do you agree with?



# A Great Strength of TheRide

Q10 Overall, would you say you have a very favorable, somewhat favorable, somewhat unfavorable, or very unfavorable opinion of the AAATA and its local bus service, TheRide?



67% favorable even among Anti-Millage voters

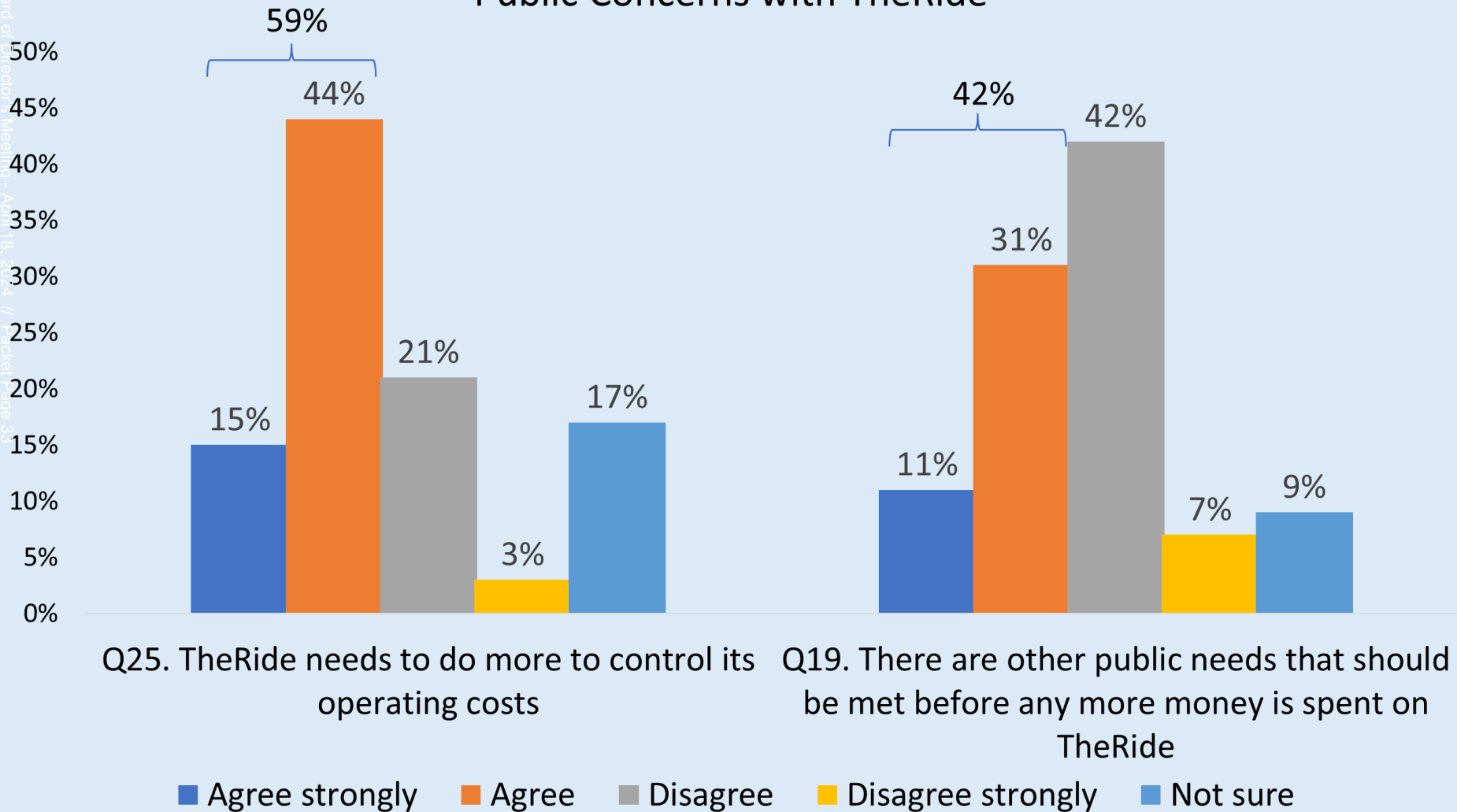
Not sure	6%	2%	3%	12%
Mixed (Vol response)	4%	2%	5%	5%
Very Unfavorable	3%	1%	1%	7%
Somewhat Unfavorable	6%	3%	5%	9%
Somewhat Favorable	40%	31%	42%	43%
Very Favorable	41%	62%	45%	24%



# Concerns AAATA Needs to Attend to

AAATA Board of Director Meeting - April 18, 2024 // Ticket Page 33

## Public Concerns with TheRide



**Monitoring Report:  
Communication and Support to the Board (Policy 2.9)  
Monitoring Period: Jan - Dec 2023**

**Board of Directors Meeting Review Date: March 21, 2024**

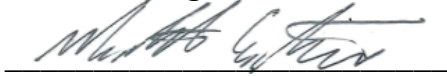
<b>INFORMATION TYPE</b>
Monitoring
<b>RECOMMENDED ACTION(S)</b>
<p>That the Board review this monitoring report and consider accepting it as:</p> <p>(A) a reasonable interpretation for <b>all</b> policy items and that the evidence demonstrates compliance with the interpretations.</p> <p>(B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance.</p> <p>(C) 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation  2. For policy items x.x.x – the interpretation is not reasonable  3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance  4. For policy items x.x.x – the Board acknowledges and accepts the CEO’s stated non-compliance and the proposed dates for compliance</p>
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
<p>Monitoring Reports are a key Policy Governance tool to assess organizational/CEO performance in achieving Ends (1.0) within Executive Limitations (2.0). A Policy-Governance-consistent Monitoring Process is:</p> <ol style="list-style-type: none"> <li>1. CEO sends Monitoring Report to all board members</li> <li>2. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)</li> </ol>
<b>ISSUE SUMMARY</b>
<p>TheRide’s Board of Directors establish policies that define what methods are unacceptable to use to achieve expected results, called Executive Limitations. This monitoring report provides the CEO’s interpretations of those policies, evidence of achievement, and an assertion on compliance with the Board’s written goals. As with</p>

other monitoring reports, the Board decides whether the interpretations are reasonable, and the evidence is convincing.

Per Appendix A of the Board Policy Manual, this report was scheduled for monitoring in March and was submitted in April.

I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.

**CEO's Signature**










**Date**









April 3, 2024



**ATTACHMENTS**




1. Monitoring report for Communication and Support to the Board (Policy 2.9)

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2.9 The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:	6	
2.9.1 Withhold, impede, or confound information relevant to the Board's informed accomplishment of its job.	7	
2.9.1.1 Neglect to submit monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy "Delegation to the CEO," as well as relevant data.	7	
2.9.1.2 Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board's monitoring schedule.	8	
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<p>F. advance notification of intended changes to staff rules (unionized or non-unionized), procurement manual, benefits, or compensation structure.</p> <p>G. CEO’s personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group expenses where the CEO’s participation was incidental.</p> <p>H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.</p> <p>I. Strategic context.</p>		
<p>2.9.1.6 Allow the Board to be unprepared to be responsive to community concerns or public questions.</p>	13	
<p>2.9.1.7 Let the Board be unaware if, in the CEO's professional opinion, the Board or individual Board members may not be in compliance with the Board’s own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency’s reputation or the working relationship between the Board and the CEO.</p>	14	
<p>2.9.2 Withhold from the Board and its processes logistical and clerical assistance.</p>	15	
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<p>2.9.2.4 Neglect to transfer policy updates to the official record of the Board’s Policy Manual in a timely manner.</p>	19	
<p>2.9.3 Impede the Board’s holism, misrepresent its processes and role, or impede its lawful obligations.</p>	20	

<p>2.9.3.1 Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.</p>	<p>21</p>	
<p>2.9.3.2 Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.</p>	<p>22</p>	

 Fully Compliant    
  Partially Compliant    
  Non-Compliant

## Preliminary CEO Interpretations and Evidence

### **POLICY 2.9**

The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

### **Degree of Compliance: Partially Compliant**

#### Measure/Standard & Level of Achievement

Compliance with policies 2.9.1 – 2.9.3 will demonstrate compliance with this policy.

#### Rationale

This is reasonable because the Board has fully articulated its expectations in the policies below.

#### **Evidence**

**Source of Data:** Lower-level policies

**Date of Data Review:** 01/31/24 as verified by Corporate Strategy and Performance Officer

**Data:** Policies 2.9.1, 2.9.1.1, 2.9.1.5, 2.9.2 and 2.9.3 are not compliant and hence this policy is partially compliant. Compliance timelines are provided in respective policies.

<b>POLICY 2.9.1</b>
Withhold, impede, or confound information relevant to the Board’s informed accomplishment of its job.
<b>Degree of Compliance: Not Compliant</b>
<b>Interpretation</b>
<u>Measure/Standards &amp; Achievement</u> Compliance with policies 2.9.1.1 – 2.9.1.7 will demonstrate compliance with this policy.
<u>Rationale</u> This is reasonable because the Board has fully articulated its expectations in the policies below.
<b>Evidence</b>
<b>Source of Data:</b> Low-level policy compliance <b>Date of Data Review:</b> 01/31/24 as verified by Corporate Strategy and Performance Officer <b>Data:</b> Policy 2.9.1.1 and 2.9.1.5 are not compliant and hence this policy is not compliant. Compliance timelines are provided in respective policies.

<b>POLICY 2.9.1.1</b>
Neglect to submit monitoring data required by the Board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data.
<b>Degree of Compliance: Not Compliant</b>
<b>Interpretation</b>
<u>Measure/Standard &amp; Level of Achievement</u> Compliance will be demonstrated when: <ul style="list-style-type: none"> <li>A) 90% of monitoring reports are submitted for the Board’s consideration on the schedule determined by the Board in Appendix A of the Policy Manual.</li> <li>B) 100% of monitoring reports include a signed attestation from the CEO attesting the accuracy of the information, and</li> <li>C) Board minutes show no records of the Board not accepting a monitoring report because information was not factually correct, or did not provide evidence of reasonable interpretations for each policy item.</li> </ul>



**Rationales**

This is reasonable because:

- A) Timeliness can be objectively determined by comparing the scheduled date of submission with the actual date of submission. 90% is a reasonable degree of compliance as operational needs and staffing limitations sometimes impact development and submission of reports.
- B) Although staff work to ensure total accuracy, inaccurate information can sometimes appear in reports. The attestation by the CEO provides clear accountability and encourages diligence and quick corrections.
- C) The comprehensibility and comprehensiveness of reports is determined by the full Board and not individual Board members. The board records its decision in the minutes which is the official record of the board’s assessment of the monitoring report.

**Evidence**

**Source of Data:** Monitoring report data and Board minutes.

**Date of Data Review:** 01/31/24 as verified by Corporate Strategy and Performance Officer

**Data:**

- A. 45% of the reports were on time. Although this is an improvement from 33% the previous period, the CEO deems this non-compliant.
- B. 100% of reports included a signed CEO attestation.
- C. 100% of the monitoring reports were accepted and there were no records of the Board concluding that reports were unclear or included inaccurate information.

**Compliance Timeline:**

The CEO expects to achieve 90 on-time compliance over the next year and by the next monitoring period.

**POLICY 2.9.1.2**

Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board’s monitoring schedule.

**Degree of Compliance: Compliant**

**Interpretation**

**Measure/Standards & Achievement**

Compliance with this policy will be demonstrated when there are no documented Board concerns that the CEO has failed to notify the Board in an appropriate manner and within a reasonable time after the CEO becomes aware that noncompliance has occurred or is likely to occur.

**Rationale**

This is reasonable as noncompliance may not be apparent until the report is being prepared and the collective Board’s degree of concern is paramount.

**Evidence**

**Source of Data:** Board meeting minutes  
**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant  
**Data:**  
 A review of meeting minutes found no records that the Board had raised concerns with the reporting of noncompliance.

**POLICY 2.9.1.3**  
 Allow the Board to be without decision information required periodically by the Board, including the agency and situational context and implications for a decision.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement  
 Compliance with this policy will be demonstrated when a review of Board meeting minutes and board packet confirms that:  
 A) Board decisions have been supported by relevant and/or requested support material;  
 and  
 B) There is no record in the minutes that the Board determined that any of its decisions were impaired or unreasonably delayed by the lack of adequate information for which staff were responsible.

I further interpret that this policy applies only to decisions the Board has reserved for itself (i.e., changes to policies, tax rates, or fares; accepting monitoring reports; approving collective bargaining agreements, annual budgets, CEO compensation, real estate transactions, and Costs of Governance (3.8.3).

Rationale  
 This is reasonable because the Board has identified each decision that it has reserved for itself and for which it may require information, and staff can reasonable anticipate information requirements. Challenges or delays with such decisions should appear in the minutes and no Board decision should be undermined by lack of information, although reasonable delays may be acceptable to the Board. It is reasonable to use the full Board to judge adequacy of the information as the policy refers to “the Board” rather than board members, and staff cannot write for 10 separate preferences. The CEO as also already been authorized by the Board to disregard individual preferences under certain circumstances (4.1.2).

All other decisions are delegated to the CEO (4.3.3) and not covered by this policy as the CEO determines what information they need for their decisions.

Evidence
<p><b>Source of Data:</b> Board meeting minutes  <b>Date of Data Review:</b> 3/26/24 as verified by Executive Administrative Assistant  <b>Data:</b></p> <ul style="list-style-type: none"> <li>(A) Relevant material was provided to support the Board in making decisions</li> <li>(B) There were no records of unreasonable delays or concerns with the quality or timing of information from staff in support of Board decisions.</li> </ul>

<p><b>POLICY 2.9.1.4</b></p> <p>Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.</p>
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<p><b>Degree of Compliance: Compliant</b></p>
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Interpretation
<p><u>Measure/Standards &amp; Achievement</u></p> <p>Compliance with this policy will be demonstrated when:</p> <ul style="list-style-type: none"> <li>(A) Concise summary briefs (max 5 pages) accompany 95% of agenda items in all board and committee meeting packets,</li> <li>(B) A review of meeting minutes finds no records of the Board determining that summary information was complex or lengthy, and</li> <li>(C) 100% of agenda items are labeled as M (Monitoring), D (Decision preparation) or O (Other).</li> </ul> <p><u>Rationale</u></p> <p>This is reasonable because:</p> <ul style="list-style-type: none"> <li>(A) Short briefing force summarization, and 95% is reasonable because most items should have such summaries unless the accompanying information is so self-explanatory that a summary is not needed,</li> <li>(B) It is the Board as a whole rather than individual members that judge clarity as staff cannot be expected to write for 10 different individual preferences.</li> <li>(C) This requirement is unambiguous.</li> </ul>

Evidence
<p><b>Source of Data:</b> Board meeting packets  <b>Date of Data Review:</b> 3/26/24 as verified by Executive Administrative Assistant  <b>Data:</b></p> <ul style="list-style-type: none"> <li>(A) 100% of agenda items included an Issue Brief summary – 86 agenda items were reviewed that would require an issue brief and 86 of those included one. None of the issue briefs were longer than 5 pages. Most were less than 3 pages.</li> </ul>

- (B) A review of meeting minutes found no records that the Board found deficiencies with the clarity or length of information presented by staff.
- (C) 100% of agenda items were labeled M, D, or O.

**POLICY 2.9.1.5**

Let the Board be unaware of material internal changes, including changes in policy interpretation, significant reputational, legal, political, or financial risks, developments that have significant negative implications for the budget, threatened or pending lawsuits, relevant trends and any other incidental information requested by the Board. Incidental information includes:

- A. operational and financial performance metrics
- B. customer satisfaction metrics,
- C. quarterly budget to actual financial reports,
- D. timely notification of execution of budgeted items over \$250,000.
- E. unbiased information on industry norms for CEO compensation at least every two years.
- F. advance notification of intended changes to staff rules (unionized or non-unionized), procurement manual, benefits, or compensation structure.
- G. CEO’s personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group expenses where the CEO’s participation was incidental.
- H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.
- I. Strategic context.

**Degree of Compliance: Not Compliant**

**Interpretation**

In this context I define material changes to mean emergent risks significant enough to affect the agency’s ability to pursue its goals or policy compliance. This includes: legal jeopardy or lawsuits, political risks, financial/budgetary risks, and any other information the CEO deems pertinent. It does not include all issues that may be of interest, or the multitude of small challenges experienced in regular business operations. The CEO can use their professional judgement in judging the risks, and when and how to transmit the information.

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- (A-C) Operational, financial performance and customer satisfaction metrics, budget to-actuals are reported in quarterly reports published in regular board packets.

- (D) The Board is notified in writing within two months of contract awards over \$250,000 (anticipated or not).
- (E) The Chair or Governance Committee is provided with information on CEO compensation, including relevant comparable, every even year.
- (F) The Board is notified of changes to union contracts, staff handbooks, procurement manual, or compensations and benefit programs within two months.
- (G) The Governance Committee is provided with CEO expenses quarterly.
- (H) An innovation presentation is provided to the board annually.
- (I) Discussions and decisions are placed within a multi-year context addressing opportunities, trade-offs, priorities, longer-term goals, and risks.

Additionally,

- (J) Overall, there are no records in board or committee meetings that indicate that the Board, or its officers, felt uninformed of key risk information in a timely manner if the CEO was aware of that information.

#### Rationales

This is reasonable because:

- (A-I) This is what the Board has requested, and the timelines are realistic within organization resources and Board's expectations.
- (D) In concert with policy 2.5.6, this policy is an internal control regarding spending and transparency. Together they allow the Board to approve funding for anticipated large contracts as a bundle via the annual budget, leaving the subsequent award of the contract to professional staff and the regulated procurement process. Contracts over \$250,000 are always identified at the back of the budget document (FY2024, p49). This policy interpretation closes the loop by requiring the CEO to let the Board know the contract has been awarded.
- (J) This additional review ensures that beyond the information requested by the Board, there are no other instances where the Board has felt uninformed or unaware of key information.

#### **Evidence**

**Source of Data:** Board and Committee packets and minutes, internal emails

**Date of Data Review:** 3/26/24 as verified by CEO, Executive Administrative Assistant and the DCEO of Finance and Administration

**Data:**

- (A-C) All quarterly reports were provided to the Board.
- (D) A review of Board records demonstrates that staff failed to inform the Board of such contract awards. **Compliance Timeline:** The CEO and CFO have already instituted corrective action – the Board will be notified of awards in the monthly CEO Report. Compliance is anticipated immediately and will be documented in the next monitoring report.
- (E) A review of CEO emails demonstrates that the CEO did provide compensation information to the Chair during the period.

- (F) There were no changes in staff rules (union contract or non-union handbook), procurement manual, compensation and benefits structures during the monitoring period.
- (G) All quarterly CEO expense reports were provided to the Governance Committee.
- (H) Although there were three discussions with the Board regarding zero-emissions bus technology during the period, the CEO did not make the presentation called for in this policy. Therefore, this is non-compliant. **Compliance Timeline:** Compliance was achieved on 3/21/24 when the presentation was made.
- (I) There are no documented concerns from the Board that the CEO has failed to place discussions and decisions within a multi-year context addressing opportunities, trade-offs, priorities, longer-term goals, and risks.
- (J) There were no records indicating that the Board or its officers felt uninformed of key risk information.

**POLICY 2.9.1.6**

Allow the Board to be unprepared to be responsive to community concerns or public questions.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when a review of Board minutes finds no records that the Board was left without staff assistance in responding to community comments.

Rationale

This is reasonable as the Board may want assistance in providing information. The limitation to the full Board is reasonable to avoid conflict with 4.1.2 which allows the CEO to defer requests for information from individuals.

**Evidence**

**Source of Data:** Board minutes

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:**

A review of Board meeting minutes indicate that staff provided timely assistance in responding to community concerns during the August 2023 board meeting. No other community concerns or public questions were found.

**POLICY 2.9.1.7**

Let the Board be unaware if, in the CEO’s professional opinion, the Board or individual Board members may not be in compliance with the Board’s own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency’s reputation or the working relationship between the Board and the CEO.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance will be demonstrated when the CEO provides notice to the Board as a whole, or to the Board Chair, of instances of (individual or collective) noncompliance with the Board’s own policies (3.0-4.4) in instances of serious or repeated lapses of non-compliance or where earlier interventions have proven ineffective.

Rationales

This is reasonable because the policy already explicitly defers to the CEO’s personal judgment as the key judgment factor. Compliance and degree of risk can be subjective, and over-reporting can lead to interpersonal conflict which can be counterproductive. The CEO witnesses minor lapses regularly and chooses to treat them as learning opportunities, especially if intentions are in good faith and public reporting could undermine constructive development of Board capacity or relationships.

**Evidence**

**Source of Data:** Board meeting minutes

**Date of Data Review:** 3/24/2024 as verified by the CEO.

**Data:**

The CEO attests that they are satisfied that, in their professional opinion, they have reported all concerns regarding behavior in a constructive manner. There were no instances of the CEO feeling it necessary to report any behaviors as serious.



**POLICY 2.9.2**

Withhold from the Board and its processes logistical and clerical assistance.

**Degree of Compliance: Not Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- (A) Policies 2.9.2.1-2.9.2.4 are compliant.
- (B) The Board and its delegates raise no concerns about obtaining access to clerical support from the Executive Administrative Assistant to the CEO or other staff.

Rationale

This interpretation is reasonable because the Board has fully articulated its expectations in 2.9.2.1-2.9.2.4, except for cleric.

**Evidence**

**Source of Data:** Lower-level policies and Board meeting minutes

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant and the CEO.

**Data:**

- (A) Policy 2.9.2.3 is not compliant, so this policy is noted as not compliant. See Policy 2.9.2.3 for the compliance timeline.
- (B) A review of Board minutes by the Executive Administrative Assistant finds no concerns expressed by the Board or its delegates pertaining to clerical support. The CEO attests that they are not aware of any concerns about the level of clerical support. (3/26/24)



**POLICY 2.9.2.1**

Allow the Board to be deprived of a workable, user-friendly mechanism for official Board, officer, or committee communications.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when staff circulate, to the Board, contact lists of each board member with their phone numbers and email addresses. The sheet will be updated whenever needed, and circulated when board members change or upon request.

Rationale:

This is reasonable as it allows Board members direct access to its officers or fellow committee members and/or board members without relying on staff to make those connections each time a need arises. Staff and logistical support are addressed elsewhere in the policy.

**Evidence**

**Source of Data:** Emails to Board members

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:**

A review of emails found that the board member contact sheet was circulated in 2/22/23, 4/5/23 and 5/10/23.

**POLICY 2.9.2.2**

Allow the Board to be deprived of pleasant, productive and efficient settings and arrangements for Board and committee meetings.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when

- A. A review of Board minutes finds no records of Board dissatisfaction with meetings. This includes:
  - a. Staff and professional support for scheduling, reservations, paperwork, audiovisual technology etc.,
  - b. Applicable reading material and agendas are provided in advance,
  - c. Locations (physical or virtual) that are easily accessible to transit riders and professionally appointed.
- B. All Board meetings comply with the Open Meetings Act (OMA) provisions regarding notice of meetings and posting of agendas.

Rationale

This is reasonable because the Board can note in Board meetings of any collective dissatisfaction with meeting arrangements. Further, compliance with the OMA may be necessary for decisions to be legal and staff can handle the compliance steps necessary.

**Evidence**

**Source of Data:** Board meeting minutes

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:**

- A) No records of the Board expressing dissatisfaction with meetings arrangements were found.
- B) A review of records found no violations of the Open Meeting Act.

**POLICY 2.9.2.3**

Hinder access to the Board for any person who alleges unethical or unlawful action or circumstance in the organization or by its representatives.

**Degree of Compliance: Not Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when:

- (A) The CEO does not limit any person from speaking during the Board public comment period, and
- (B) A mechanism for staff whistleblowing exists, is well known to staff and is easily accessible.

Rationale

This is reasonable because:

- (A) *Any person* can speak directly to the Board during public comment periods.
- (B) *Any person* with information of malfeasance could reasonably include staff, so a mechanism for staff whistleblowing should exist.

**Evidence**

**Source of Data:** Board meeting minutes and whistleblowing

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant, Human Resources Manager

**Data:**

- (A) A review of Board meeting minutes finds no attempts by the CEO to prevent anyone from speaking during the public comment period.
- (B) A review of staff whistleblower practices found that while whistleblower procedures do exist, there is a lack of clarity about how concerns about the CEO himself should be handled. Due to this ambiguity, the CEO is reporting non-compliance with this policy.

**Compliance Timeline:** The CEO expects to present a whistleblower procedure to the Board for feedback by May 2024 and confirm it by July 2024.

**POLICY 2.9.2.4**

Neglect to transfer policy updates to the official record of the Board’s Policy Manual in a timely manner.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when, within two months, any approved changes to the Policy Manual are made to the document, posted on TheRide’s website, circulated electronically to Board members and amendments recorded in Policy Manual Appendix E.

Rationale

This interpretation is reasonable as two months is adequate for staff to update the manual under normal circumstances.

**Evidence**

**Source of Data:** Board meeting records and policy manual updates and distribution.

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:**

A review of meeting minutes, actions and records, and policy manual distributions confirm that the following changes took place during the monitoring period.

1. 1/19/23: Board approved new monitoring motions.
2. 2/16/2023: External Relations Policy was deleted, and the important aspects of the policy moved to the Asset Protection Policy.
3. 3/16/23: The Board amended the monitoring schedule as recommended by the monitoring taskforce.
4. 3/16/2023: Language in the Construction Policy was updated (replaced the words “grant” with “funding.”)
5. 3/16/23 Updated the role of the Executive Committee in policy 3.7.2a
6. 7/20/23 Updated Treatment of the Traveling Public Policy as recommended by the Service Committee.
7. 8/17/23 A new policy on environmental sustainability was adopted.
8. 10/19/23 Policy 2.7.2 and 2.5.3 were duplicates. The Board deleted policy 2.7.2.

All these changes are noted in the Board Policy Manual on Appendix E. With each change the Board was issued an updated copy electronically and the online version of the Board Policy Manual updated within a month. Hardcopies were made available upon request.

### POLICY 2.9.3

Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations.

**Degree of Compliance: Compliant**

#### Interpretation

##### Measure/Standards & Achievement

Compliance with this policy will be demonstrated when:

- A) Policy 2.9.3.1 and 2.9.3.2 are compliant,
- B) There are no records indicating that a majority of the Board felt that the CEO had impeded Board holism by requesting Committee and Taskforces, or their chairs to make decisions that rightfully belong to the whole Board,
- C) There are no records indicating that the Board felt that the CEO had published or presented any information that contradicts the Board's roles and processes as stated in the Governance Policies or the Board-Management Delegation Policies.
- D) There are no records of the Board raising concerns that CEO or staff actions are inhibiting the Board in a general manner.
- E) Agents of the Board (auditors, legal counsel, etc.,) certify that they have seen no examples of staff impeding board-sponsored work. Staff can request reasonable delays to accommodate the workload.

##### Rationale

This is reasonable because none of the Board's needs should ever be prevented by staff, the Board and its agents are best positioned to determine whether staff actions are in any way impeding the Board's role, and staff may need time to accommodate requests without affecting business operations. Further, while individual Board members may not always be satisfied, these interpretations rest on whether the Board as a whole deems a transgression to have occurred.

#### Evidence

**Source of Data:** Lower-level policies, review of board actions, audit reports and corporate counsel review.

**Date of Data Review:** See below:

##### **Data:**

- (A) Policies 2.9.3.1 and 2.9.3.2 are compliant.
- (B) A review of Board, Taskforce and Committee minutes and/or decisions on 3/26/24 by the Executive Administrative Assistant) found no instances where concerns of the CEO impeding on Board holism were raised.
- (C) A review of Board, Taskforce and Committee minutes on 3/26/24 by the Executive Administrative Assistant) found no instance where the Board raised concerns that the CEO had presented any information that contradicted the Board's role and processes as set in Governance Process Policies and the Board-Management Policies. In July 2023 the CEO presented clarifying information about the agency's hybrid budget.

(D) A review of Board minutes on 3/26/24 by the Executive Administrative Assistant) shows no instances where the Board expressed concerns about staff involvement, or failure to achieve Board work in general.

(E) A review of the FY 2022 audit documents on 3/25/24 by the Deputy CEO, Finance and Administration confirm that the auditors reported no challenges working with staff to conduct the work. Corporate counsel (Dykema) has certified 4/2/24 that they have seen no concerns with staff impeding any board-sponsored work or legal requirements.

**POLICY 2.9.3.1**

Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when a review of Board minutes finds no instances when the full Board has found that CEO or staff actions were biased for or against any individual board members (outside of allowances outlined above) that impacted the member’s or board’s ability to conduct their work.

Rationale

This interpretation is reasonable because the full Board is best situated to judge concerns from individual members as to whether the policy has been violated. No degree of personal favoritism is allowable.

**Evidence**

**Source of Data:** Board meeting minutes

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:**

A review of meeting minutes found no discussion about violations of this policy and no suggestions of favoritism.

**POLICY 2.9.3.2**

Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.

**Degree of Compliance: Compliant**

**Interpretation**

Measure/Standards & Achievement

Compliance with this policy will be demonstrated when:

- A) The CEO provides and recommends decisions on all outside Required Approvals for the Board’s consideration. Those required approvals are listed below.
  - a. State operational funding (annual)
  - b. Agency safety plan (annual)
  - c. Title VI policies and plans (every three years)
- B) Places approval requests in the consent agenda in a manner that meets outside deadlines,
- C) Provides accompanying context or monitoring data as needed.

Rationale

Outside approvals are generally routine. It is reasonable for the CEO to make a recommendation that includes sufficient data (including but not limited to impact on Ends and Executive Limitations) as this supports the Board in reaching a final decision on the approvals. Providing approvals in a timely manner ensures that outside body deadlines are met.

**Evidence**

**Source of Data:** Board meeting agendas and minutes

**Date of Data Review:** 3/26/24 as verified by Executive Administrative Assistant

**Data:** A review of board agendas and minutes confirm the following

	State Operating Grant	Public Transit Agency Safety Plan	Title VI
A) Did the CEO make a recommendation?	Yes 2/16/23	Yes 12/21/23	Yes – 10/19/23
B) Was the deadline met?	Yes	Yes	Yes
C) Was context accompanying required approval provided?	Yes	Yes	Yes

## Policy Trendlines

Policy Trendlines				
LEGEND				
Policy	FY21	FY22	FY23	FY24
2.9				
2.9.1				
2.9.1.1				
2.9.1.2				
2.9.1.3				
2.9.1.4				
2.9.1.5				
2.9.1.6				
2.9.1.7				
2.9.2				
2.9.2.1				
2.9.2.2				
2.9.2.3				
2.9.2.4				
2.9.3				
2.9.3.1				
2.9.3.2				

### Guidance on Determining “Reasonableness” of CEO Interpretations

**Are the interpretations reasonable?**  
 An interpretation is reasonable if the following are provided,

1. a measure or standard,
2. a defensible rationale for the measure or standard,
3. a level of achievement necessary to achieve compliance and
4. a rationale for the level of achievement.

**Is evidence verifiable?**  
 Evidence is verifiable if there is

1. actual measurement/data,
2. the source of data and
3. the date when data was collected is provided.



**CEO Notes: (If Applicable)**

After discussion with the CFO and Manager of Procurement, I have adjusted the interpretation of 2.9.1.5 (D) to specify the reporting of contract awards rather than any expenditures. This was done because we regularly make routine payments for ongoing projects (e.g. ARide services, etc) and this policy may have been originally intended to refer to contract awards and policy 2.5.6.

**Board's Conclusion on Monitoring Report**

**Board's conclusion after monitoring the report.**

Following the Board's review and discussion with the CEO, the Board finds that the CEO:

- (A) a reasonable interpretation for **all** policy items and that the evidence demonstrates compliance with the interpretations.
- (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 item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance.
- (C) 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation  
2. For policy items x.x.x – the interpretation is not reasonable  
3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance  
4. For policy items x.x.x – the Board acknowledges and accepts the CEO's stated non-compliance and the proposed dates for compliance

**Board Notes: (If Applicable)**

## WORKSHEET RESULTS:

### Communication and Support to the Board (Policy 2.9)

**Participants: 5 Board Members**

Performance on reasonable interpretation and verifiable evidence			
	% of Board members that find the interpretation reasonable	% of Board members that find the evidence verifiable	Additional comments if NO stated
<b>Policy 2.9</b> The CEO will not permit the Board to be uninformed or unsupported in its work. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:	100%	100%	
<b>Policy 2.9.1</b> Withhold, impede, or confound information relevant to the Board's informed accomplishment of its job.	100%	100%	
<b>Policy 2.9.1.1</b> Neglect to submit monitoring data required by the Board in Board-Management Delegation policy "Monitoring CEO Performance" in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored, and	100%	100%	<ul style="list-style-type: none"> <li>See comments at end regarding this policy.</li> </ul>

including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data.			
<b>Policy 2.9.1.2</b> Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy, regardless of the Board’s monitoring schedule.	100%	100%	
<b>Policy 2.9.1.3</b> Allow the Board to be without decision information required periodically by the Board, including the agency and situational context and implications for a decision.	100%	100%	
<b>Policy 2.9.1.4</b> Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.	100%	100%	
<b>Policy 2.9.1.5</b> Let the Board be unaware of material internal changes, including changes in policy interpretation, significant reputational, legal, political, or financial	100%	100%	<ul style="list-style-type: none"> <li>See comments below regarding this policy and item D.</li> </ul>

<p>risks, developments that have significant negative implications for the budget, threatened or pending lawsuits, relevant trends and any other incidental information requested by the Board. Incidental information includes:</p> <ul style="list-style-type: none"> <li>A. operational and financial performance metrics</li> <li>B. customer satisfaction metrics,</li> <li>C. quarterly budget to actual financial reports,</li> <li>D. timely notification of execution of budgeted items over \$250,000.</li> <li>E. unbiased information on industry norms for CEO compensation at least every two years.</li> <li>F. advance notification of intended changes to staff rules (unionized or nonunionized), procurement manual, benefits, or compensation structure.</li> <li>G. CEO's personal expense report to the Governance Committee of the Board at least quarterly, with explicit notation of the expenses of any other employee which benefited the CEO, aside from group</li> </ul>			
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<p>expenses where the CEO's participation was incidental.</p> <p>H. Annually, a presentation to the Board about relevant emerging trends and technologies with applicability to the transit authority and its services, and innovations trialed or introduced to Authority operations over the past year.</p> <p>I. Strategic context.</p>			
<p><b>Policy 2.9.1.6</b> Allow the Board to be unprepared to be responsive to community concerns or public questions.</p>	100%	100%	
<p><b>Policy 2.9.1.7</b> Let the Board be unaware if, in the CEO's professional opinion, the Board or individual Board members may not be in compliance with the Board's own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that could be detrimental to the agency's reputation or the working relationship between the Board and the CEO.</p>	100%	100%	<ul style="list-style-type: none"> <li>Although the four criteria seem to be met, I believe the interpretation is illogical. It states compliance is demonstrated [only] when the CEO provides notice. It should also reference situations when the CEO believes there have been no instances of no serious board non-compliance.</li> </ul>
<p><b>Policy 2.9.2</b> Withhold from the Board and its processes logistical</p>	100%	100%	

and clerical assistance.			
<b>Policy 2.9.2.1</b> Allow the Board to be deprived of a workable, user-friendly mechanism for official Board, officer, or committee communications.	100%	100%	
<b>Policy 2.9.2.2</b> Allow the Board to be deprived of pleasant, productive and efficient settings and arrangements for Board and committee meetings.	100%	100%	
<b>Policy 2.9.2.3</b> Hinder access to the Board for any person who alleges unethical or unlawful action or circumstance in the organization or by its representatives.	100%	100%	
<b>Policy 2.9.2.4</b> Neglect to transfer policy updates to the official record of the Board's Policy Manual in a timely manner.	100%	100%	
<b>Policy 2.9.3</b> Impede the Board's holism, misrepresent its processes and role, or impede its lawful obligations.	100%	100%	
<b>Policy 2.9.3.1</b> Interact with the Board in a way that favors or privileges certain Board members over others, except when (a) fulfilling individual requests for information or (b)	100%	100%	

responding to officers or committees duly charged by the Board.			
<b>Policy 2.9.3.2</b> Neglect to supply for the Required Approvals agenda all items delegated to the CEO, yet required by law, regulation, or contract to be Board-approved, along with the applicable monitoring information.	100%	100%	

**Additional context questions**

- 1. Is there any reason to doubt the integrity of the information presented?**

**Responses – NO - 5**
- 2. If the CEO has indicated NON-COMPLIANCE with any aspect of this policy, is there a commitment as to when the Board can expect to see compliance and is the proposed time-frame acceptable?**

**Responses – NO - 1**  
**YES - 4**
- 3. Having reviewed the monitoring report, does anything you have learned make you consider whether the POLICY ITSELF should be amended? (Policy amendment is not monitoring, but should be addressed as a board decision.)**

**Responses – NO – 4**  
**YES – 1**

1) Do we want to adjust the wording of 2.9.1.1 to use "By Due Date" instead of "Timely"? "Timely" does not = "On Time/By Due Date". However, the CEO is interpreting the wording using a, "By Due Date" metric. In my opinion, if they get a report to us after the due-date but within "x" days, I'd still consider it timely and the 'timely' bar has been met.

2) This is more a comment to the board in regards to policy 2.9.1.1. We set a bar for the CEO to achieve regarding monitoring report submission timeliness and

completeness. I think the board needs to also set a bar for itself regarding the % of the board that completes these policy monitoring worksheets (100%? 90%? 80%)? If we expect the CEO to uphold the monitoring report process we have implemented, we should also hold ourselves accountable for respecting he and his team's efforts.

3) What is the board's definition of "timely" regarding 2.9.1.5-D? Is that 1 month? Anytime w/in the fiscal year? The CEO has set their own definition of 2 months and also dinged themselves as not being compliant as a result.

**APPROXIMATELY HOW MANY MINUTES DID IT TAKE YOU TO FILL OUT THIS FORM?**

**Responses** – 15, 30, 27, 25, 25



## AAATA FLEET TRANSITION PLAN

**Meeting: Board of Directors**

**Meeting Date: April 18, 2024**

<b>INFORMATION TYPE</b>
Decision
<b>RECOMMENDED ACTION(S)</b>
By motion approve the AAATA Fleet Transition Plan.
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Policy 2.11.2, Environmental Sustainability. Board authorization for Construction Grant Applications (2.10), approval, January 25, 2024.
<b>ISSUE SUMMARY</b>
<p>To apply for Federal competitive grants, the Federal Transit Administration (FTA) requires agencies to have a Board-approved Fleet Transition Plan (the transition plan). This plan reiterates decisions the Board approved in January, repackaging them in a format dictated by the FTA. The number of hybrid buses has been adjusted to 34 and the timeline for elimination of all tailpipe emissions has accelerated to 2041. However, success is contingent on future outside funding.</p> <p>AAATA has prepared the attached Transition Plan, which, if approved, will be provided as part of two FTA competitive grant applications, the Low/No Emission grant and the Buses and Bus Facilities grant program. Both applications are due by April 25, 2024. Staff cannot submit the grant applications without this Board-approved Transition Plan.</p>
<b>BACKGROUND</b>
<p>The Board has directed the CEO to operate in ways consistent with achieving carbon neutrality (policy 2.11.2 Environmental Sustainability). At the January 25, 2024 Board Meeting, the Board authorized the CEO to submit grant applications and other funding requests to help purchase hydrogen fuel cell buses and associated equipment, one outdoor fueling station, workforce training for staff and up to 8 hybrid buses per year to replace conventional diesel buses.</p> <p>A Board-approved fleet transition plan is required by the FTA as part of the grant application requirements. Some specifics regarding the grant applications, such as the budget for the grant application, are also included in the transition plan. The FTA's <a href="#">guidelines</a> for the Plans are:</p> <p><i>“As defined in statute, a Zero-Emission Transition Plan must:</i></p> <ul style="list-style-type: none"> <li>• <i>Demonstrate a long-term fleet management plan with a strategy for how the applicant intends to use the current request for resources and future acquisitions.</i></li> <li>• <i>Address the availability of current and future resources to meet costs for the transition and implementation.</i></li> </ul>

- *Consider policy and legislation impacting relevant technologies.*
- *Include an evaluation of existing and future facilities and their relationship to the technology transition.*
- *Describe the partnership of the applicant with the utility or alternative fuel provider.*
- *Examine the impact of the transition on the applicant's current workforce by identifying skill gaps, training needs, and retraining needs of the existing workers of the applicant to operate and maintain zero-emission vehicles and related infrastructure and avoid displacement of the existing workforce.*

While the strategy regarding fleet replacements is consistent with staff presentations to the Board, some of the details of the vehicle transition plan have been adjusted to more directly address FTA requirements. The transition plan document is prepared for the specific purpose of providing key information required by the FTA concisely, and that this document is intended as one element of a much longer and comprehensive application package. Consequently, this plan does not include any extraneous information the FTA has not requested. The transition plan has a narrow focus of shifting our current diesel and hybrid buses to zero emissions. The plan is also subject to change in the future, based on funding and other factors.

#### **IMPACTS OF RECOMMENDED ACTION(S)**

- **Budgetary/Fiscal:** If successful, the grant will pay for about 80% of capital costs. TheRide will need to pay for 10%-20% of capital and 100% of operation. Access to new outside funding can free up other funds for other capital projects.
- **Social:** Low and zero emissions buses create less pollution and are quieter, benefiting local communities.
- **Environmental:** Eliminating all emissions from bus operations will cut about 7,000 tons of carbon emissions (0.5% of regional totals). The buses from this grant could start that process.
- **Governance:** While technically a Required Approval that should be in the Consent Agenda, the CEO is asking the Board to approve this plan individually.

#### **ATTACHMENTS**

1. AAATA Fleet Transition Plan



# Ann Arbor Area Transportation Authority Fleet Transition Plan

Developed in Partnership with CALSTART

March 2024



**CHANGING  
TRANSPORTATION  
FOR GOOD**

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## *Goal: 100% zero-emission by 2041*

### Executive Summary

Ann Arbor Area Transportation Authority (AAATA), known publicly as TheRide, is the public transportation provider for the Ann Arbor and Ypsilanti area of Michigan. The AAATA has a mission to provide access to opportunity through reliable, safe, affordable transportation services.

This Transition Plan outlines how the Authority proposes to partner with the Federal Transit Administration on a multi-year plan to reduce and then eliminate 7,000 tons of carbon emissions annually from its fleet of 103 fixed-route buses by 2041.

After spending 24 months investigating options, commissioning consultant studies, conferring with staff and our union, public discussions, and finally unanimous support from our Board of Directors, the Authority has selected hybrid diesel-electric buses as a short-term bridging technology, and hydrogen fuel cell buses as the best propulsion technology to ultimately eliminate all tailpipe emissions. This plan provides a roadmap for transitioning the entire fleet to zero-emission and documents the infrastructure, funding, and the amount of energy required based on operational needs and projected ridership.

This Transition Plan provides the overall context for our long-term zero-emission fleet strategy. As the first step in this plan, the Authority is submitting grant requests to the FTA in April 2024 for the Low-No Emissions and Bus & Bus Facility grant programs. We are prepared to bring local resources to bear on this opportunity and recognize that we will need financial support from the federal government to reach these important goals.

## Transition Strategy

The transition to a zero-emission fleet by 2041 will phase out fossil fuel buses and phase in hydrogen power. This approach will allow for incremental procurement and installation of fueling depots based on funding opportunities that help to offset the total cost of deployment.

### Technology Selection: Hydrogen & Hybrids

AAATA plans to use hydrogen fuel cell electric buses (FCEBs) to replace all legacy fossil fuel buses, as funding allows. The AAATA carefully considered FCEB and Battery Electric Buses (BEBs) and concluded that FCEB provided the best opportunity to ultimately eliminate emissions while preserving service to passengers.

FCEBs have many benefits for the transit agency, the public, and the environment. The most salient benefits include zero tailpipe emissions leading to better air quality locally and lessening the contribution to climate change while supporting the region's growing hydrogen economy. The AAATA estimates that a full fleet of zero-emission buses can eliminate 7,000 tons of carbon emissions per year.

Range and mileage are key elements in the AAATA's selection of FCEB. AAATA rotates its buses through all routes meaning all buses need to be able to achieve the range of the longest vehicle assignment. Since the AAATA serves many communities that are considered historically marginalized, the circulation of buses through all routes will benefit everyone equitably. To reduce emissions, maintain service to customers and avoid costs associated with fleet growth, FCEBs are the preferred choice. The AAATA's efforts encompassed technical research, public and staff involvement, and Board deliberations, and each step was documented on a project website that can be found here at <https://www.theride.org/about/projects/zero-emissions-bus-initiative>.

In addition to local research, based on CALSTART's 2017 hydrogen roadmap report, an estimated 65,000 new jobs could be created nationally in 15 years. Many other benefits exist, including less noise pollution due to the FCEB's near-silent operation and simplified maintenance due to fewer moving parts. FCEBs are a critical part of the zero-emission, electric bus market which continues to make positive strides with increased production volumes that, in turn, drive down costs. The technology continues to improve with each new model year.

According to CALSTART's Zeroing in on ZEBs Report, over the past years, transit agencies across the United States and Canada made steady, measurable strides in transitioning their fleets to ZEBs, providing cleaner air for communities across both countries. The number of full-size transit ZEBs in the United States has grown to 6,147 as of September 2023—an increase of 12 percent from the previous count in 2022—and includes more than 100 new public and private fleets. Full-size zero-emission buses (ZEBs) are defined as Class 7 or 8 transit buses that are 30 or more feet in length. Zero-emission buses added to public fleets increased by 27 percent and university fleets by 40 percent from 2022 to 2023. The total number of FCEBs awarded funding, ordered, or in service increased by over 75 percent, signifying a growing interest in fuel cell technology. Today, there are zero-emission FCEBs and hybrid buses available on the market that meet AAATA's needs as a fleet, and the choices are expected to significantly grow over time.

It is anticipated that interest in FCEBs will continue to grow, particularly as transit fleets move away from pilot projects and toward full-scale replacement of their internal combustion engine fleets. Based on the AAATA's specific needs, FCEBs serve as a better option than battery-electric buses (BEBs) thanks to

increased driving range, and a lower fueling time like that of their current conventional diesel buses in operation.

#### Synergy with Department of Energy Hydrogen Hub

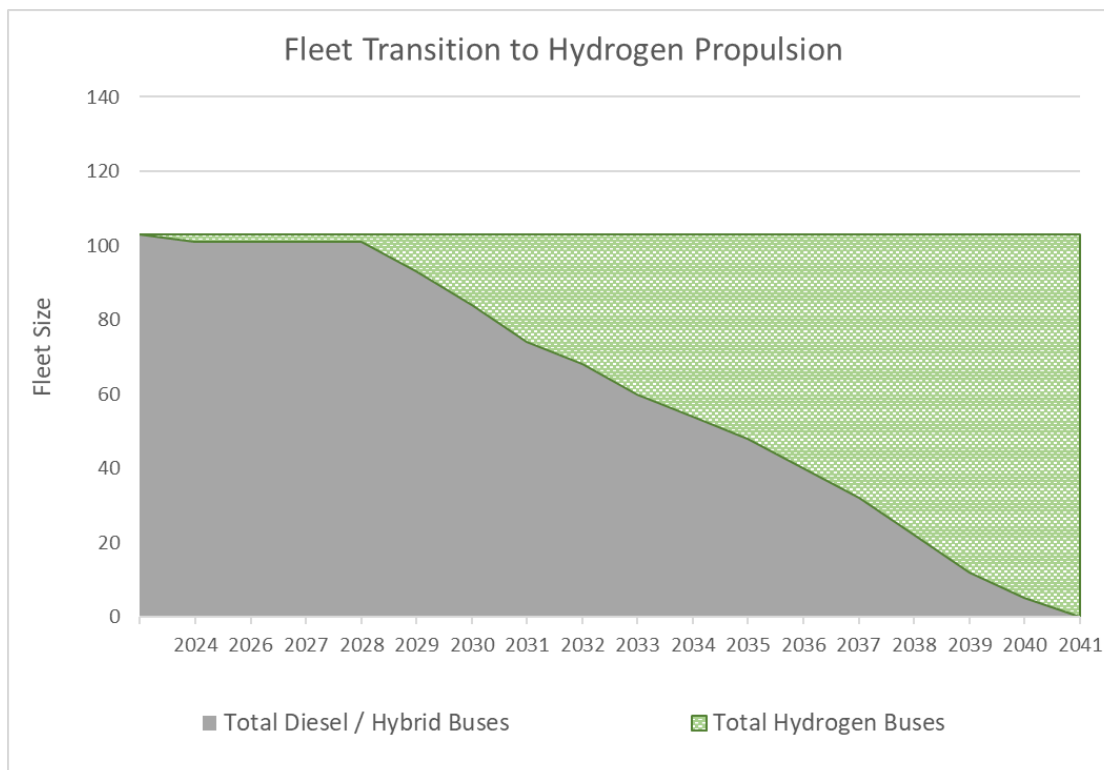
Additionally, with the announcement from the Biden administration that seven Regional Clean Hydrogen Hubs (H2Hubs) have been selected, one of the potential barriers to the adoption of FCEBs—where to source hydrogen fuel needed for fleets—will soon be addressed. The H2Hubs are expected to produce 3 million metric tons of hydrogen annually (U.S. Department of Energy, 2023). One of these hubs, the Midwest Alliance for Clean Hydrogen, known as MachH2, is developing a hydrogen production facility at the American Center for Mobility – only 12 miles from the AAATA garage. The American Center for Mobility is a partner identified for this project.

#### Hybrid Diesel-Electric for Quick Results

Recognizing the need to make measurable reductions in emissions soon, the AAATA is also proposing to purchase hybrid diesel-electric buses in the short term until all elements of the FCEB proposal, especially facility renovations, are ready. These 34 buses, purchased over the next four years, will allow immediate reduction in emissions while not requiring any facility upgrades. If grant proposals are successful, no conventional diesels would be purchased, only hybrids. Once the FCEB solution is ready, hybrids would be phased out and replaced with hydrogen FCEBs.

#### Deployment Timeline

The following vehicle replacement plan has been developed to bring AAATA to a 100% zero-emission fleet by 2041. The figure below illustrates this plan graphically. It shows how diesel and hybrid diesel-electric buses are gradually phased out while hydrogen fuel cell electric buses are phased in. A successful Low-No or Bus & Bus Facilities grant application would allow us to begin this transition.



The table below details the number of buses to be replaced each year and below it is a picture of one of the agency's current vehicles.

REPLACEMENT YEAR	CALENDAR YEAR	NUMBER OF VEHICLES
1	2024	2 Revenue
2	2029	8 Revenue
3	2030	9 Revenue
4	2031	10 Revenue
5	2032	6 Revenue
6	2033	8 Revenue
7	2034	6 Revenue
8	2035	6 Revenue
9	2036	8 Revenue
10	2037	8 Revenue
11	2038	10 Revenue
12	2039	10 Revenue
13	2040	7 Revenue
14	2041	5 Revenue
<b>TOTAL VEHICLES</b>		<b>103</b>



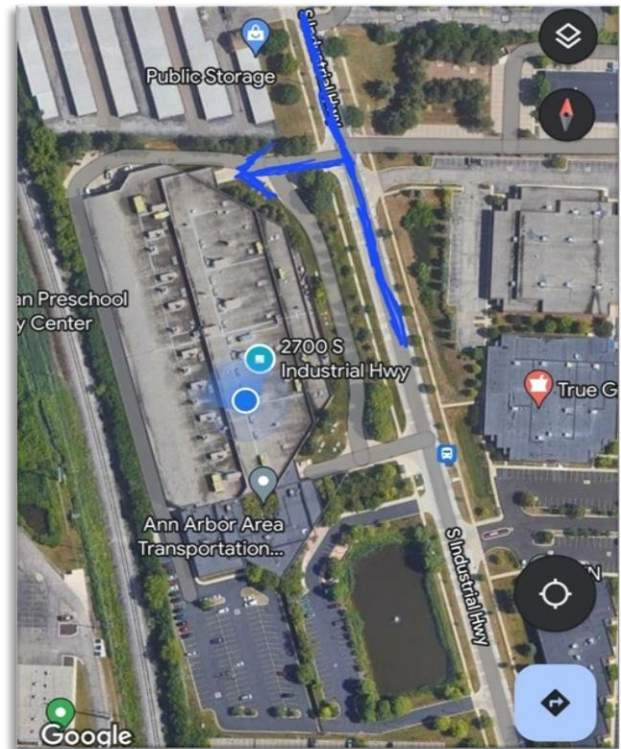
The more detailed table provided in Appendix A identifies each of the vehicles in the 103-bus fleet by vehicle number, make, model, vehicle classification, model year, current fuel type, replacement cycle, average daily mileage, and dwell times. This table, shaded by replacement year, also reflects the proposed phased approach in order of vehicle replacement.



### Garage Facility

The AAATA's only current maintenance and storage facility is located at 2700 S. Industrial Hwy, Ann Arbor, Michigan 48104. Built with federal funds in 1983/1984 the facility is named after Ms. Dawn Gabay, a now-retired African-American Deputy CEO. The facility can house 103 buses and includes maintenance and office spaces. The facility can support hybrid buses immediately and can be modified to support a growing fleet of fuel cell buses.

The large capital costs needed to retrofit the garage with a full-sized hydrogen fueling station and adequate ventilation have shaped our Transition Plan and grant proposals. Our 2024 grant proposals seek support for two FCEBs that we can store and fuel outside immediately. We hope to advance this initial deployment while we compete cost estimates and funding plans for the much larger costs for facility renovations. We will also use this time for workforce retraining. Hybrid diesel-electric buses do not require any facility modifications in the interim.



### Fueling Station

The AAATA proposes to use federal funding support to install a modular hydrogen fueling station immediately outside the 2700 facility, on the east edge of the building near a bypass lane. For the first phases of the transition, hydrogen will be delivered to the transit agency and then dispensed from a mobile fueling station outdoors. The initial two fuel cell buses will be stored outside but within the facility fences. Eventually, the AAATA sees the facility being renovated to support an entirely hydrogen-powered fleet. This will require extensive ventilation upgrades and an expansion of the fueling station.

The AAATA is preparing plans for a new satellite garage in another location. This could allow the agency to conduct on-site generation of hydrogen using a solar or wind-powered electrolyzer. AAATA is also considering a stationary steam methane reformer (SMR) powered by renewable natural gas sourced from a biodigester from a local landfill.

At this time, a modular, semi-portable hydrogen fueling station will best fit AAATA's current needs based on the initial deployment of two vehicles and the existing facility's constraints. The portable fueling station can be easily deployed with minimal construction or site infrastructure requirements except for a lone electrical power connection.

### Proposed Vehicle Fueling Plan

Hydrogen fueling is similar to fueling vehicles with gas and diesel, and therefore fueling practices will not require drastic changes. Vehicles will be fueled following procedures similar to those currently in place. The only elements to change are where the buses are refueled, outside and not inside, safety considerations, and the time required. Refueling an FCEB can take as little as 10 minutes.

## Fuel Sourcing

For the initial two-vehicle FCEB fleet, an estimated 50.4 kg of hydrogen per day will be needed to meet current operations. Based on the Route Energy Modeling completed and assuming 120 miles/day, to fuel the entire 103-vehicle fleet, an estimated 2,596 kg of hydrogen would be required per day. Based on the current vehicle replacement plan, 350 bar fueling is most likely required but could change based on the vehicle's original equipment manufacturer (OEM) requirements.

The market for hydrogen fuel is developing rapidly, in part thanks to federal seed funding for regional production hubs. One of these hubs, the Midwest Alliance for Clean Hydrogen, known as MachH2, is developing a hydrogen production facility at the American Center for Mobility – only 12 miles from the AAATA garage. The American Center for Mobility is a partner identified for this project. AAATA staff have met with ACM staff and discussed the potential for sourcing hydrogen from this facility in the future.

## Workforce Engagement & Upskilling

Increased adoption of zero-emission vehicles provides opportunities for workforce training and development, which will also further the entire state of Michigan for the transition to zero-emission vehicles. Closing workforce training and skills gaps is vital for AAATA to meet its 2041 goal.

AAATA has included and will continue to include workforce representatives in all aspects of its workforce development plan. Since 2022, unionized vehicle maintenance staff have been directly involved in assessment of zero-emissions technologies, participating in management discussions, reviewing consultant reports, visiting other agencies that operate FCEB and battery electric buses, and providing direct recommendations to agency leadership.

Further, AAATA has committed to including Union representation in the discussion of the zero-emission fleet shift. To this effect, AAATA has entered language into a Collective Bargaining Agreement that addresses their commitment to their Union. This language includes:

- A. The Employer and Union agree that when ZEBs are adopted by the Employer, the parties will meet and negotiate the impacts of these transitions on the current workforce at the time. The parties will identify job impacts, skill gaps, new jobs created, and training needs of existing employees to operate and maintain: ZEB and Related Infrastructure.
- B. The Employer will provide training to employees in the bargaining unit to ensure employees can perform jobs resulting from the transitions. If an employee cannot complete training, they can apply for any open position within the Employer. The Employer will make all reasonable efforts to train and/or retrain all existing employees.
- C. The employer will notify the Union as soon as practical of agreements to participate in pilot/test/experimental programs; or employer-issued requests for proposals (RFPs) pertaining to the technologies and proposals of the annual budget including the technologies.

## Workforce Engagement to Date

In the spirit of cooperation, AAATA has involved the Union in every phase of transitioning to ZEBs from research to the selection of FCEBs as the proposed zero-emission technology. This effort began over a year before this plan's development and has been supported by research trips conducted by AAATA to transit agencies where FCEBs and BEBs have already been deployed. Staff were clear that, while they appreciated reviewing written documentation, they wanted to get hands-on exposure to the technologies

and speak directly to their peers. These research trips have involved Mechanics, Service, Safety, Facilities, Management, and Operations personnel from AAATA. The one-on-one style of these trips allowed for organic development and research of each technology and facility required to support them and has informed the ultimate recommendation to Executive Management of the preferred technology: hydrogen fuel cell buses.

Building on the experiences from AAATA's research trips, efforts to bring in FCEB, BEB, and hybrid technologies directly to AAATA's facility have been completed, allowing more staff and Board members to see, with a hands-on approach, the innovative technology and to witness its operational potential. AAATA has also engaged with Flint MTA (Metropolitan Transportation Authority) and AC Transit to share learnings and coordinate efforts to participate in ZEB Universities once they are operational.

#### Workforce Development Plans

AAATA has begun preliminary conversations and will partner with ACM, Ballard, New Flyer, and CALSTART for workforce development training and activities. CALSTART will assist in conducting a need-gap analysis to identify the existing number of employees and position of employees that will require training for FCEB bus deployment (i.e., drivers, mechanics, building maintenance/electricians, trainers). The team is assessing current training practices and identifying skills and/or certifications necessary to eliminate the identified gaps. By comparing the current state of the workforce to an identified new state with FCEB adoption, the analysis will help identify not just retraining and professional development needs but also internal advancement tracks, new positions, and possibly restructuring opportunities. This analysis can then be used as a model for other transit agencies and fleets throughout the entire state of Michigan as each agency transitions to zero-emission vehicles.

With the results of this analysis, AAATA will continue collaborative efforts with their union (TWU 171) as well as labor and industry partners to develop a strategy for retraining the existing workforce and training and recruiting the next generation of operators and technicians. At this time the AAATA anticipates needing to retrain and retain all current employees, with no jobs eliminated due to changes in propulsion technologies. This strategy will help to ensure AAATA is adequately prepared to operate and maintain a new fleet at scale by developing a program that supports both career advancement for existing employees through skilled training opportunities as well as establishes apprenticeship and partnership pathways for the incoming workforce to access higher-paying, union careers.

If awarded funding, AAATA will supplement its workforce development activities by providing training at the **National Transit Institute (NTI)**.

Ultimately, these workforce development efforts will include a public outreach of the technology, first responder coordination and training as applicable and necessary, and finally, a continued commitment to the American Public Transportation Association (APTA) and ZEB working groups to stay updated on the latest trends and training techniques. While training for FCEBs is new for the transit, AAATA plans to develop the training that industry standards and regulations dictate.

## Policy and Legislation Considerations

### Federal Policy

The Biden Administration has made historic steps to curb emissions and increase technological capabilities within the U.S. Through the funding allocated via the Infrastructure Investment and Jobs Act (IIJA), there is a clear desire on behalf of the administration to support the transition to zero emissions across the nation's transit systems. In the spirit of this legislation, AAATA has committed to the planning of its transition fleet to be 100% zero-emission by 2041.

Looking across the zero-emission technology currently available, AAATA has developed this fleet transition plan around manufacturers that already meet current Buy America and FTA required testing requirements (e.g., Altoona). This will further ensure the transition plan will be current and amended as more products are available that meet all Federal guidelines and regulations.

### State Policy

#### U.S. Climate Alliance

Governor Whitmer has joined the **U.S. Climate Alliance** along with more than 16 other states that are committed to taking real, impactful, on-the-ground action that urgently addresses the climate challenge. As an Alliance member, the state is committing to achieving the Paris Agreement's goal of keeping temperature increases below 1.5 degrees Celsius by:

- Reducing collective net GHG (greenhouse gas) emissions by at least 26-28 percent by 2025 and 50-52 percent by 2030, both below 2005 levels, and collectively achieving overall net-zero GHG emissions as soon as practicable, and no later than 2050.
- Accelerating new and existing policies to reduce GHG pollution, building resilience to the impacts of climate change, and promoting clean energy deployment at the state and federal levels.
- Centering equity, environmental justice, and a just economic transition in their efforts to achieve their climate goal and create high-quality jobs.
- Tracking and reporting progress to the global community in appropriate settings, including when the world convenes to take stock of the Paris Agreement.

#### MI Healthy Climate Plan

In April 2022, the Michigan Department of Environment, Great Lakes, and Energy released its **MI Healthy Climate Plan**. This plan identifies the action for fulfilling Governor Whitmer's 2020 commitment for the state to achieve 100% economy-wide carbon neutrality by 2050. Zero-emission and transit are key to the state's success.

#### Local Level Policy

This fleet transition plan is also aligned with the nonbinding City of Ann Arbor A<sup>2</sup>ZERO Carbon Neutrality Plan plan, which calls for community-wide carbon neutrality by 2030. This plan outlines the key areas to achieve this transition to carbon neutrality. It is also aligned with Washtenaw County's Climate Action Plan that aims for carbon neutrality by 2035. To unlock the potential of these community plans, transitioning buses to low or no-emission vehicles is key.

#### Generation Zero

AAATA's goal is aligned with CALSTART's Generation Zero, a pledge-based program aimed at accelerating the growth of zero-emission transit vehicle deployments in the Midwest. Under this program, AAATA is

working collectively with regional stakeholders to accelerate the number of zero-emission transit vehicle deployments, including battery-electric buses (BEB) and fuel cell electric buses (FCEB) over the next 10 to 20 years. As a pledge participant, AAATA supports the plan to make zero-emission transit vehicles and infrastructure commercially viable and cost competitive in the Midwest by 2025, including at least 1,500 vehicle orders and deployments by 2025 (i.e., 360% increase over 2020); Ann Arbor Transportation Authority also supports the goal for zero-emission transit vehicles to achieve 100% new sales in the market across the Midwest by 2040 and ideally as early as 2035, if the right eco-systems are in place.

## Strategic Partnerships

### Michigan Department of Transportation

AAATA will work in partnership with MDOT to ensure all aspects of this plan meet the goals and requirements of the state. Crucially, MDOT incentivizes transit agencies to seek federal discretionary funds by helping to fund a proportion of the required local funding match.

### Industry Stakeholders

#### *American Center for Mobility*

The American Center for Mobility (ACM) is located within AAATA's service area and serves as a global development center for advanced mobility technologies. AMC is a partner in the Midwest Alliance for Clean Hydrogen, known as MachH2, and was selected by the Department of Energy as the site of a future hydrogen generating facility. AMC is only 12 miles from the AAATA garage. ACM has an innovation and technology campus as well as an Advanced Mobility Proving Ground which will aid AAATA's efforts to retrain the existing workforce and develop the workforce of the future, capable of operating and maintaining zero-emission technologies and equipment (<https://acmwillowrun.org/>).

#### *Ballard*

Ballard is a leading provider of fuel cells for FCEBs. Ballard's FCEBs have been operating on the road for over 15 years across varying operational environments and have achieved more than 35,000 hours of revenue service ([www.ballard.com/markets/transit-bus](http://www.ballard.com/markets/transit-bus)). AAATA intends to partner with Ballard for the fuel cell component of their FCEBs and training. Ballard has an established training program for the maintenance of their fuel cells.

#### *CALSTART*

AAATA will work in partnership with CALSTART ([www.calstart.org](http://www.calstart.org)), a national 501 c3 non-profit to assist with all planning, technology selection, deployment/implementation, and all other aspects required for a successful transition. CALSTART is a recognized stakeholder that has been supporting the clean transportation industry and fleet transition planning across the U.S. since 1992. They bring to the transition plan 30 years of best practices and lessons learned, which will greatly mitigate any risks as proven by the already successful deployments they have supported across the U.S. AAATA intends to partner with CALSTART on their zero-emission fleet transition.

#### *HNTB*

For more than a century, HNTB ([www.hntb.com](http://www.hntb.com)) has helped create infrastructure that best meets the unique demands of its clients. HNTB understands infrastructure lifecycles and has the experience and perspective to solve technical challenges with clarity and imagination. Throughout its history, HNTB's

transportation group has successfully supported states, fleets, and transits across the U.S. on their zero-emission infrastructure planning and deployments using their wealth of experience across both BEB and FCEB solutions. AAATA intends to work with HNTB on their site and infrastructure planning requirements, in partnership with CALSTART.

#### *Gillig*

GILLIG ([www.gillig.com](http://www.gillig.com)) has been building hybrid electric buses for nearly two decades. Results from the Altoona Bus Research and testing Center show that their hybrid solution is quiet, reliable, and fuel-efficient and customers like the smooth acceleration, quiet operation, and the ease of assimilating GILLIG Hybrid buses into their fleets. AAATA intends to partner with Gillig to supply their hybrid buses.

#### *New Flyer*

New Flyer has been manufacturing transit buses for over 90 years, making them a reliable partner for supplying buses. As a subsidiary of NFI Group Ins. (NFI), New Flyer supports over 35,000 heavy-duty transit buses, and NFI EVs (Electric Vehicles) have collectively traveled over 140 million zero-emission miles ([www.newflyer.com/](http://www.newflyer.com/)). AAATA intends to partner with New Flyer to supply their initial FCEBs.



## Costs & Resources

AAATA has worked to develop a cost-effective approach, comprehensive cost estimates, and identify funding opportunities. These opportunities have been incorporated into the AAATA's Transition Plan.

### Capital Costs

The AAATA's 2024 grant applications to the FTA involve purchasing two FCEBs and a fueling station, as well as 34 hybrid diesel-electric buses. The two FCEBs will allow our staff more time to learn how to operate and maintain this new technology while management finalizes cost estimates and funding plans for expensive ventilation and fueling upgrades. The hybrids will allow us to make real progress reducing emissions by replacing older conventional diesel buses in the meantime. Once the garage is ready, we can cease purchasing hybrids and buy only FCEBs. The costs for the initial 2024 grant proposals, as well as the total fleet transition and facility upgrades are illustrated below.

<i>\$ in millions</i>			
<b>2024 Grant Applications</b>	<b>2024 - 2028</b>		
	Federal	State	Total
Fueling Station and Infrastructure	\$ 3.5	\$ 0.9	\$ 4.4
Hydrogen Fuel Cell Buses (2)	3.8	0.9	4.7
Hybrid Diesel-Electric Buses (34)	31.4	7.8	39.2
<i>Total 2024 Grant Applications</i>	<u>\$ 38.7</u>	<u>\$ 9.6</u>	<u>\$ 48.3</u>
<b>Transition Remainder of Fleet to Zero Emissions</b>	<b>2029 - 2041</b>		
	Federal	State	Total
Bus Facility Renovations	\$ 20.0	\$ 5.0	\$ 25.0
Hydrogen Bus Replacement Cost	123.6	30.9	154.5
<i>Total Transition Remainder of Fleet</i>	<u>\$ 143.6</u>	<u>\$ 35.9</u>	<u>\$ 179.5</u>
<i>Note: All funding sources are anticipated; 2029-2041 program based on 2024 Grant Application assumptions</i>			

### Operating Costs

In addition to capital costs, AAATA has developed detailed costs for the operation of both FCEB and hybrid buses during this initial deployment. We understand that the discretionary grants do not support operating costs. We can confirm that we are prepared and able to absorb additional operating costs within our existing budgets to support the operations of the new vehicles described in our 2024 grant applications. Long term, the cost of hydrogen fuel in the future is an open question and we look forward to working with suppliers and federal resources as more producers enter the market. We also enjoy strong community support as evidence by a 2022 referendum to increase taxes for transit.

## Funding Opportunities

Funding for our 2024 grant applications is confirmed. The MDOT is providing a letter of commitment for 20% of the local match, while the AAATA can confirm that it has adequate resources in its Capital Reserve to cover the local share if needed. However, success for the 2024 grants and longer-term will depend on partnering with the FTA to allow access to additional federal grants.

AAATA will be seeking additional grant funding through Federal grants, such as the Diesel Emissions Reduction Act (DERA), FTA (Federal Transit Administration) Low and No Emission Grant, FTA Buses and Bus Facilities, USDOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE), and additional grant funding applications that may arise. Furthermore, AAATA will be pursuing funds through state and local opportunities, as well as working with their electric utility provider DTE to secure funding for infrastructure to support their zero-emission fueling needs.

The table below illustrates the likely sources of state and federal funding the AAATA will pursue.

PROGRAM	SPONSOR	TRANSIT VEHICLE ELIGIBLE	EVSE ELIGIBLE	AVAILABLE FUNDING (Most recent)	NOTES
<b>Buses &amp; Bus Facilities (5339b)</b>	USDOT/FTA	Yes	Yes	Varies (\$390M FY24)	<ul style="list-style-type: none"> <li>NOFO in Q1</li> <li><a href="#">FY 2024 Competitive Funding Opportunity: Low or No Emission Grant Program and the Grants for Buses and Bus Facilities Competitive Program   US DOT</a></li> </ul>
<b>Low-No (5339c)</b>	USDOT/FTA	Yes	Yes	Varies (\$1.10B FY24)	<ul style="list-style-type: none"> <li>NOFO in Q1</li> <li><a href="#">FY 2024 Competitive Funding Opportunity: Low or No Emission Grant Program and the Grants for Buses and Bus Facilities Competitive Program   US DOT</a></li> </ul>
<b>Other Grants/Funding Programs</b>	DOT/FHWA	Yes	Yes	Varies based on the program	<ul style="list-style-type: none"> <li>Various Federal DoT/FHWA grant and funding opportunities for transit agencies</li> </ul>
<b>Diesel Emissions Reduction Act (DERA)</b>	EPA	Yes	No	Varies	<ul style="list-style-type: none"> <li><a href="#">Michigan Clean Diesel Program</a></li> <li>FY24 Funding TBD</li> </ul>
<b>Volkswagen (VW) Environmental Mitigation Trust</b>	State of Michigan (EGLE)	Yes	No	\$64.8M	<ul style="list-style-type: none"> <li>Funding is being released across several rounds.</li> <li><a href="#">VW Environmental Mitigation Trust</a></li> </ul>



## Federal Grant Opportunities

### Buses and Bus Facilities (5339b)

Grants for the Buses and Bus Facilities Program are designed to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing, or leasing buses or related equipment, and rehabilitating, purchasing, constructing, or leasing bus-related facilities. Additionally, recipients are permitted to use up to 0.5 percent of their requested grant award for workforce development activities eligible under federal public transportation law (49 U.S.C. 5314(b)) and an additional 0.5 percent for costs associated with training at the National Transit Institute. \$390 million is available in FY24. For more information, please visit the [Buses and Bus Facilities notice of funding \(NOFO\)](#).

### FTA Low-No (5339c)

The Low or No Emission competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as the acquisition, construction, and leasing of required supporting facilities. The cost structure for Low or No is 80% FTA and 20% local match. In FY23, \$1.22 billion in funding was awarded to low- and no-emission buses and facilities that support them, and in FY24, \$1.10 billion is available. FTA Low No funding is expected to increase across the next 2 years through 2026 and could achieve levels as high as \$2.0 billion. For more information, please visit the [Low or No Emission Vehicle Program](#).

### Other Grant/Funding Programs

The U.S. Department of Transportation (USDOT) releases funding each year for electric vehicle infrastructure projects through several grant opportunities, some of which transit agencies are eligible to apply, including the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, Discretionary Grant Program for Charging and Fueling Infrastructure (CFI), and the newly released National Electric Vehicle Infrastructure (NEVI) Formula Program.

### State Incentives

#### *Volkswagen (VW) Environmental Mitigation Trust*

In 2017, Michigan was allocated \$64.8 million as part of a national settlement with VW. The settlement resolved allegations of excess oxides of nitrogen emissions from passenger vehicles. The settlement funds, managed by the Michigan EGLE are being used to support projects which:

- Reduce nitrogen oxide (NOx) emissions from qualifying mobile sources;
- Maximize the air quality benefits statewide, focusing on urban areas and those designated as being in non-attainment (NA) with the National Ambient Air Quality Standards (NAAQs);
- Reduce emissions from school buses; and
- Increase the adoption of zero-emission vehicles and AFVs and equipment.

Vehicles must be registered and operate only within state lines and replace an operational 2009 or older power train.

Michigan EGLE offers grants for eligible on- and off-road vehicles and equipment. Projects must reduce nitrogen oxide emissions, improve air quality, and increase the adoption of zero-emission vehicles and AFVs, and equipment. Eligible vehicles and equipment include local freight vehicles (medium- and heavy-duty trucks and port drayage trucks), shuttle and transit buses, port cargo handling equipment and

forklifts, airport ground support equipment, and more. The program is funded by Michigan's portion of the VW Environmental Mitigation Trust. For more information, including available requests for proposals, see the [EGLE Fuel Transformation Program website](#).

#### Diesel Emissions Reduction Act (DERA)

As a result of U.S. Environmental Protection Agency (EPA) regulations, diesel engines manufactured today are cleaner than ever before, but because diesel engines can operate for 30 years or more, millions of older, dirtier engines are still in use. Reducing exposure to diesel exhaust from these engines is especially important for human health and the environment. EPA offers funding for projects that reduce diesel emissions from existing engines. For more information visit the [Michigan Clean Diesel Program](#).

## Document Control

Release No:	Update Date	Description of Changes	Revised By:
1.0	3/24	Mail merged, Updates from the intake form for workforce development, grants, miles, state plans, and build-out of report	Christina Zordani
2.0	3/19/24	Reviewed and overall edits to report	Maureen Marshall
3.0	4/11/24	Client Review, edits, acceptance	Carpenter, Reed

## Appendix A: Detailed Fleet Listing and Replacement Plan

The table in Appendix A provides details on each of the vehicles in the 103-bus fleet by vehicle number, make, model, vehicle classification, model year, current fuel type, replacement cycle, average daily mileage, and dwell times. This table, shaded by replacement year, also reflects the proposed phased approach in order of vehicle replacement.

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
461	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2011	Diesel	2024	124	0030-0500
462	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2011	Diesel	2024	100	0030-0500
497	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2015	Diesel	2029	123	0030-0500
498	GILLIG LOW FLOOR	LOW FLOOR 35'	8	2015	Diesel	2029	129	0030-0500
499	GILLIG LOW FLOOR	LOW FLOOR 35'	8	2015	Diesel	2029	127	0030-0500
500	GILLIG LOW FLOOR	LOW FLOOR 35'	8	2015	Diesel	2029	112	0030-0500
501	GILLIG LOW FLOOR	LOW FLOOR 35'	8	2015	Diesel	2029	98	0030-0500
502	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2015	Diesel	2029	43	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
503	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2015	Diesel	2029	121	0030-0500
504	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2015	Diesel	2029	102	0030-0500
505	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	110	0030-0500
506	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	113	0030-0500
507	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	122	0030-0500
508	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	137	0030-0500
509	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	133	0030-0500
510	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	127	0030-0500
511	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	137	0030-0500
512	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	115	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
513	GILLIG HYBRID	LOW FLOOR 40'	8	2016	Diesel	2030	135	0030-0500
514	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	109	0030-0500
515	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	124	0030-0500
516	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	97	0030-0500
517	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	130	0030-0500
518	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	64	0030-0500
519	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	138	0030-0500
520	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2017	Diesel	2031	129	0030-0500
523	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2017	Diesel	2031	138	0030-0500
524	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2017	Diesel	2031	131	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
525	GILLIG HYBRID	HYBRID LOW FLOOR 40'	8	2017	Diesel	2031	121	0030-0500
521	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	124	0030-0500
522	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	109	0030-0500
526	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	110	0030-0500
527	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	151	0030-0500
528	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	83	0030-0500
529	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2018	Diesel	2032	107	0030-0500
1930	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	53	0030-0500
1931	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	138	0030-0500
1932	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	148	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
1933	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	144	0030-0500
1934	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	85	0030-0500
1935	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	142	0030-0500
1936	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	145	0030-0500
1937	GILLIG LOW FLOOR	LOW FLOOR 40'	8	2019	Diesel	2033	143	0030-0500
2000	NOVB LFS-40'	LOW FLOOR 40'	8	2020	Diesel	2034	118	0030-0500
2001	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2034	150	0030-0500
2002	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2034	135	0030-0500
2003	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2034	145	0030-0500
2004	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2034	160	0030-0500



VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
2005	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2034	151	0030-0500
2006	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2035	96	0030-0500
2007	NOVB LFS-40'	LOW FLOOR 40'	8	2021	Diesel	2035	142	0030-0500
538	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2035	121	0030-0500
539	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2035	56	0030-0500
540	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2035	50	0030-0500
541	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2035	38	0030-0500
542	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2036	68	0030-0500
543	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2036	59	0030-0500
463	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2036	120	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
464	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2036	120	0030-0500
465	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2036	120	0030-0500
544	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2036	66	0030-0500
545	NOVB LFS-40'	LOW FLOOR 40'	8	2022	Diesel	2036	41	0030-0500
452	Gillig	LFS 40'	8	2023	Diesel	2036	120	0030-0500
453	Gillig	LFS 40'	8	2023	Diesel	2037	120	0030-0500
454	Gillig	LFS 40'	8	2023	Diesel	2037	120	0030-0500
455	Gillig	LFS 40'	8	2023	Diesel	2037	120	0030-0500
466	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2037	120	0030-0500
467	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2037	120	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
468	GILLIG HYBRID	E-Gen Flex Max	8	2024	Diesel	2037	120	0030-0500
474	Gillig	E-Gen Flex Max	8	2025	Diesel	2037	120	0030-0500
475	Gillig	E-Gen Flex Max	8	2025	Diesel	2037	120	0030-0500
476	Gillig	E-Gen Flex Max	8	2025	Diesel	2038	120	0030-0500
477	Gillig	E-Gen Flex Max	8	2025	Diesel	2038	120	0030-0500
478	Gillig	E-Gen Flex Max	8	2025	Diesel	2038	120	0030-0500
456	Gillig	LFS 40'	8	2023	Diesel	2038	120	0030-0500
457	Gillig	LFS 40'	8	2024	Diesel	2038	120	0030-0500
458	Gillig	LFS 40'	8	2024	Diesel	2038	120	0030-0500
459	Gillig	LFS 40'	8	2024	Diesel	2038	120	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
451	Gillig	LFS 40'	8	2025	Diesel	2038	120	0030-0500
469	Gillig	E-Gen Flex Max	8	2025	Diesel	2038	120	0030-0500
460	Gillig	LFS 40'	8	2024	Diesel	2038	120	0030-0500
479	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
480	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
481	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
482	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
470	Gillig	E-Gen Flex Max	8	2025	Diesel	2039	120	0030-0500
571	Gillig	E-Gen Flex Max	8	2025	Diesel	2039	120	0030-0500
572	Gillig	E-Gen Flex Max	8	2025	Diesel	2039	120	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
573	Gillig	E-Gen Flex Max	8	2025	Diesel	2039	120	0030-0500
483	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
484	Gillig	E-Gen Flex Max	8	2026	Diesel	2039	120	0030-0500
485	Gillig	E-Gen Flex Max	8	2026	Diesel	2040	120	0030-0500
486	Gillig	E-Gen Flex Max	8	2026	Diesel	2040	120	0030-0500
487	Gillig	E-Gen Flex Max	8	2027	Diesel	2040	120	0030-0500
488	Gillig	E-Gen Flex Max	8	2027	Diesel	2040	120	0030-0500
489	Gillig	E-Gen Flex Max	8	2027	Diesel	2040	120	0030-0500
490	Gillig	E-Gen Flex Max	8	2027	Diesel	2040	120	0030-0500
491	Gillig	E-Gen Flex Max	8	2027	Diesel	2040	120	0030-0500

VEHICLE NO.	MAKE	MODEL	CLASS	MODEL YEAR	FUEL TYPE	REPLACEMENT CYCLE (EOL YEAR)	AVERAGE DAILY MILES	DWELL TIMES (24hr clock)
492	Gillig	E-Gen Flex Max	8	2027	Diesel	2041	120	0030-0500
493	Gillig	E-Gen Flex Max	8	2027	Diesel	2041	120	0030-0500
494	Gillig	E-Gen Flex Max	8	2027	Diesel	2041	120	0030-0500
495	Gillig	E-Gen Flex Max	8	2027	Diesel	2041	120	0030-0500
496	Gillig	E-Gen Flex Max	8	2027	Diesel	2041	120	0030-0500

## UPDATED WHISTLEBLOWER PROCEDURE

**Meeting: Board of Directors**

**Meeting Date: April 18, 2024**

<b>INFORMATION TYPE</b>
Monitoring (compliance follow-up)
<b>RECOMMENDED ACTION(S)</b>
Receive for information and provide feedback.
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Acceptance of Monitoring Report 2.9 on May 18, 2023.
<b>ISSUE SUMMARY</b>
<p>In May of 2023, the CEO identified the need for a clearer procedure to facilitate any future staff whistleblowing reports as part of his interpretation of policy 2.9.2.3. The CEO intended to have an updated whistleblower procedure in place by the end of 2023, however this deadline was not met due to other priorities. Coincidentally policy 2.9 is being monitored again at the April 2024 meeting. This same deficiency is noted for a second time in that report.</p> <p>The final draft of the updated procedure is being presented here for feedback. Implementation is expected by August. Once implemented, the CEO will be able to report full compliance with 2.9.2.3.</p>
<b>BACKGROUND</b>
<p><b>Summary</b></p> <p>TheRide has had mechanisms for staff to raise concerns anonymously for many years. However, in 2023 the CEO identified that no clear procedure existed for staff to report concerns regarding the CEO himself. The CEO then tasked the Manager of Human Resources (Monica Boote) and corporate counsel (Mel Muskovitz, Dykema) with recommending a more robust whistleblowing procedure. The draft final procedure is detailed in the attachment below.</p> <p>Anonymity and clear roles are central to the updated procedure. An <u>outside third-party messaging service</u> would be retained to ensure anonymity. The role of <u>Corporate Counsel</u> (who reports to the Board, not the CEO) is elevated to protect the agency's interests. The role of the <u>Chair of the Board and the Board itself</u> is clarified. If appropriate, the CEO can be entirely removed from the process. Key outcomes of the updated procedure include:</p> <ul style="list-style-type: none"> <li>A. Clear, construction channel for anonymous reporting and due process,</li> <li>B. Improved general internal staff reporting processes, and</li> <li>C. A clear process for reporting on the CEO or Board members.</li> </ul> <p>It is hoped that this procedure will allow staff to raise concerns anonymously (if desired) and constructively while ensuring due process for other employees and board members.</p>

**Finalization Process & Next Steps**

The CEO is presenting this draft final policy to the Board for feedback, not approval, as the CEO already has the responsibility and authority to create the procedure (policy 4.3.3). Although the Board has no direct control over this procedure, the Board always has the right to further clarify its expectations by updating policy 2.9.2.3 or other policies.

**IMPACTS OF RECOMMENDED ACTION(S)**

- Budgetary/Fiscal: N/A
- Social: N/A
- Environmental: N/A
- Governance: Follow-up on monitoring report compliance deadline

**ATTACHMENTS**

1. Final Draft of Updated Whistleblower Procedure



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# ANN ARBOR AREA TRANSPORTATION AUTHORITY CORPORATE POLICY

## Whistleblower Policy

Date: \_\_\_\_\_ 2024

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Ann Arbor Area Transportation Authority (AAATA) requires all employees to observe high standards of integrity and ethics in conducting their professional duties, including senior leadership. The agency addresses all behaviors that violate laws or regulations, or that constitute fraudulent business or accounting practices.

The purpose of this Whistleblower Policy is to provide a clear path for employees to report, in good faith, any action or suspected action taken that they reasonably believe is illegal or in violation of any adopted organizational policy, while ensuring protection from retaliation for employees who make such reports or who participate in an investigation or hearing related to a report. At the same time, it strives to provide fairness and due process for all staff. This policy is intended to supplement policies included in the AAATA's Administrative Personnel Policy Manual as well as state and federal laws governing whistleblowing.

### **Scope**

The Whistleblower Policy is intended to allow employees to raise serious concerns regarding illegal or unethical behavior. It is a tool intended to increase transparency and accountability, especially among agency leadership, while allowing for anonymity if preferred by an employee. Examples of improper activities in the workplace that employees should report include, but are not limited to:

- Violation of local, state, and federal laws and regulations.
- Theft, misappropriation, or misuse of AAATA's funds, supplies, or other assets.
- Authorizing or receiving compensation for goods not received or services not performed.
- Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement or accounting records.
- Pursuit of a benefit or advantage in violation of the AAATA's conflict of interest policy.
- Violating AAATA's Equal Employment Opportunity and/or Anti-Harassment (including sexual harassment), or Discrimination and Retaliation Policies.
- Conduct endangering the health or safety of staff or the public.

The Whistleblower Policy complements other channels that employees can use to raise concerns that may not rise to the level of the examples listed above. For example, concerns such as personal disagreements between employees, differences of opinion about how to pursue business goals, and general employment concerns, should be addressed through the escalating supervisory chain-of-command, starting with department Managers, then the Deputy CEOs, then the Manager of Human Resources, and then finally the CEO.

In contrast, Whistleblower concerns should be reported following the Reporting Process described below which includes an anonymous third-party reporting platform. Staff can use the channel they feel most appropriate and comfortable with to submit concerns.

## Reporting Process

The AAATA is committed to ensuring employees have clear mechanisms in which to raise concerns while ensuring reports are acknowledged, treated seriously, investigated, and that corrective action is taken as appropriate. At the same time, due process requires that all parties be treated fairly and have an opportunity to respond to concerns, even those made anonymously.

- **Non-Whistleblower Concerns.** Employees concerned about another employee or a management decision that does not rise to the level of a Whistleblower claim should share their concerns with their department Manager, who will then decide how to proceed.
- **Whistleblower Concerns.** Whistleblower concerns, such as policy or legal concerns, should be reported as follows:
  - **Concerns related to employees other than the Manager of Human Resources (HR Manager) and the CEO.**
    - These concerns are to be reported to a department Manager, Deputy CEO, the HR Manager, the CEO, or through VENDOR, an independent third-party reporting platform. Employees can self-identify or report anonymously, including through VENDOR. Staff can choose which method of reporting to utilize.
    - The individual receiving the report, and VENDOR, are required to notify the HR Manager as soon as possible, but within no more than twenty-four hours. The HR Manager reports directly to the CEO and is independent from the Deputy CEOs or other managers.
    - These concerns will be investigated by the HR Manager or a third party.
  - **Concerns related to the HR Manager.**
    - These concerns are to be reported to the CEO or VENDOR.
    - These concerns will be investigated by the CEO or by a third party, as determined by the CEO.
  - **Concerns related to the CEO, Board Chair or Board Members.**
    - These concerns are to be reported to VENDOR.
    - Within 24 hours of receiving a report related to the CEO, Board Chair, or Board Members, VENDOR shall notify the Authority's Corporate Counsel.
    - These concerns shall be investigated by the Authority's Corporate Counsel or a third party, and communicated to the Board Chair and/or the Board, at a time as determined by Corporate Counsel so as to not compromise an investigation. Counsel will report the findings to the Board Chair and/or the Board.
- While the agency prefers that concerns be raised internally, including through VENDOR, staff have the right to report their concerns to law enforcement or government agencies, as applicable.

### Third Party Reporting (\_VENDOR \_)

- Concerns can be reported anonymously or by self-identifying through \_ VENDOR \_\_, an independent third-party service, via \_\_\_\_\_[Insert available options] \_\_\_\_\_ [ Insert website]
- Calls and web reports will not be recorded, nor tracked through IP address information.
- \_ VENDOR \_ is, however, at the employee’s option, able to communicate with employees who report anonymously without the identity of the reporting party being disclosed, and without disclosure of the reporting party’s contact information. This allows for follow up while maintaining anonymity. This can be done if the employee chooses the \_\_\_\_\_ method of reporting
- *[Note – not to be included in Policy – all individuals who may be provided notice of a possible violation of the Policy will receive training on the protocol to be followed]*

### Action Following Report

All reports will be investigated, either internally or externally, and corrective action taken as appropriate. The Manager of HR, the CEO and Corporate Counsel are each bound to address concerns in a professional manner. All reports will be documented, reviewed and investigated. Total confidentiality or anonymity may not be guaranteed depending on the nature of the concern.

### Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant and can be submitted anonymously via the third-party platform. Reports will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. It is only possible to reply to anonymous submissions reported through the third-party platform.

### No Retaliation

This Whistleblower Policy is designed to protect employees and address the agency’s commitment to integrity and ethical behavior. Accordingly, the agency will not take any adverse employment action against any employee because they report or indicate an intent to report a concern, cooperate in an investigation or participate in a hearing pursuant to this policy (hereafter “Protected Activity”). Any employee who takes an adverse employment action against, or otherwise retaliates against, an employee who engages in Protected Activity, is subject to disciplinary action, up to and including termination of employment.

Any employee who believes they have been retaliated against should follow the Reporting Process described above.

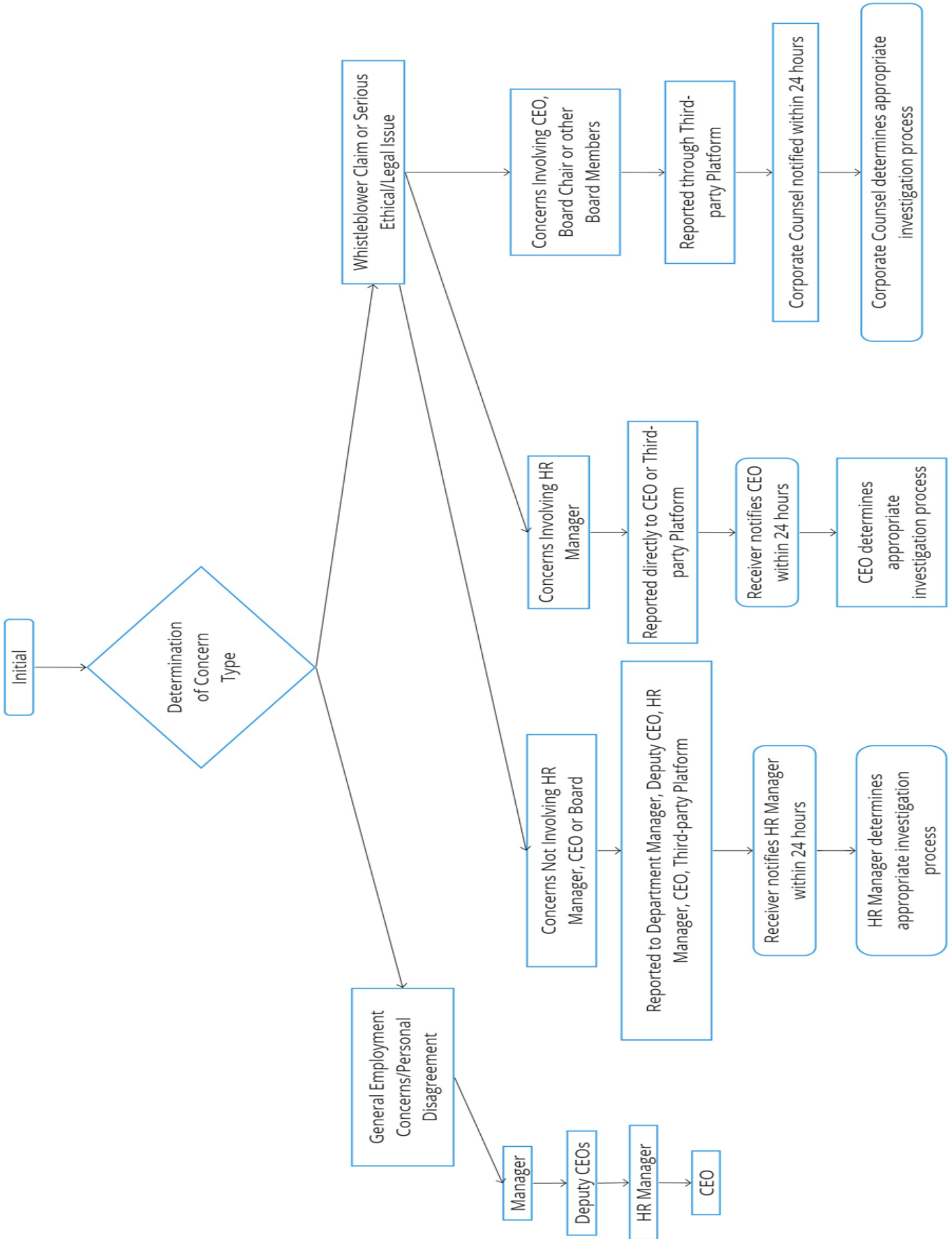
### Authorization

My signature below indicates my receipt, understanding and acknowledgement of my rights under, and my obligation to comply with, this policy.

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
Date

\_\_\_\_\_  
[Sign Name]



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## CEO Report

**Meeting: Board of Directors**

**Meeting Date: April 18, 2024**

### INFORMATION TYPE - O

### LONG-RANGE PLAN STATUS UPDATES

#### **SPRING SERVICE UPDATE**

TheRide's Spring service updates begin on Sunday, May 5. Service adjustments include Spring/Summer schedules going into effect on Routes 4 and 62 due to school breaks, and timepoint adjustments to improve on-time performance on Route 4. The new Washtenaw Avenue Express service will also begin.

#### **UPCOMING MILLAGE SERVICE**

The Washtenaw Ave Express will begin service on Monday, May 6<sup>th</sup>. The service (numbered Route 104) will operate from the Ypsilanti Transit Center to the Blake Transit Center with four stops in between: Washtenaw/Cross St (Eastern Michigan University Main Campus), Washtenaw/Golfside Rd (Fresh Thyme Market), Washtenaw/Pittsfield Blvd (Arborland Mall), and the University of Michigan Central Campus Transit Center. The service will operate every 30 minutes Monday – Friday, is expected to save 11 - 13 minutes of travel time when compared to Rt 4 trips. On Monday May 6<sup>th</sup> staff will be present at both transit centers and will ride several express trips to provide information about the route to customers and promote the service. Additional millage-related service enhancements will start on Sunday, August 25<sup>th</sup>. These will include 1) extended hours of weekday service on fixed-routes, 2) extended hours of weekend service on fixed-routes. 3) increased frequency of weekend service on fixed-routes, and 4) expanded and extended service for FlexRide Late Night and Holiday service. Staff is working to finalize details for these services and will provide additional updates in the coming months.

#### **YPSILANTI TRANSIT CENTER PLANNING**

The DLZ, HDR, and AAATA team continues their work to validate and update the 2018 Passenger Terminal Needs Assessment, including facility programming, confirming the site, conceptual alternatives, and working with the FTA through the planning, environmental documentation, and design processes. Staff and Jesse Miller kicked up the public involvement process with a presentation to Ypsilanti City Council on March 19<sup>th</sup>. We have also developed a Stakeholder and Public Engagement Plan. Public engagement is encouraged April 22 – May 22, 2024.

## **MDOT WASHTENAW AVENUE and US-23 STUDIES**

CEO Matt Carpenter and staff had an initial meeting with MDOT to discuss the possibility of MDOT looking at an additional option on the ongoing US-23 project that would use park and rides and coach buses to transport people into downtown Ann Arbor. Communication continues and further meetings are likely to take place.

## **BLAKE TRANSIT CENTER EXPANSION**

TheRide continues to work with the Ann Arbor Housing Commission and City staff on the joint development of the old Y-Lot site adjacent to the BTC. Plans and agreements between the partners have not changed and the project is making steady if slow progress. The Housing Commission received seven (7) responses to its RFP for a co-developer, and the evaluation team completed their review in February. Interviews with the top firms have concluded, and the evaluation team selected a firm. Contract negotiations are in progress. A separate study led by the DDA to redesign 4th Avenue from Liberty St. to William St. is ongoing. The goal is to make 4th Avenue more transit/pedestrian friendly along with the BTC expansion project. The 4th Ave project team shifted into a slower place so that we can understand and potentially align with the timeline for the Y-Lot project. This will help DDA and AAATA staff plan better for 4th Ave funding, document submittals, bidding, construction, and budgeting. The project team has slowly advanced the designs through the appropriate reviews and feedback channels in the interim. Feedback will be incorporated into the designs before progressing further. TheRide will ensure that various stakeholders, including drivers, customers, and other staff, among others, have continuing opportunities to provide input.

## **ZERO EMISSIONS BUS PROPULSION**

Staff continue to work on the grant application with assistance from consultant Calstart. The grant application deadline is April 25<sup>th</sup>. In January, the Board approved proceeding with 2 hydrogen and up to 40 Hybrid grants. Staff completed multiple Peer to Peer site visits including, Champaign Urbana, Flint MTA (Hydrogen) Peer to Peer site visit complete., SEPTA, U of M, DDOT, SARTA. Staff have also reached out to WCC and EMU about a potential partnership in developing a work force development plan for hydrogen technology. ZEB budget discussions and cost analysis discussions have all been completed and staff is scheduled to complete the grant application ahead of the April 25<sup>th</sup> deadline.

AAATA staff successfully submitted a \$4.3 million CDS (earmark) request to Sen. Gary Peters to assist with a fueling station. Staff will also be submitting a \$1.6 million request through Rep. Debbie Dingell to help fund one of the hydrogen buses as well as workforce development.

## **LEGISLATIVE UPDATE**

Last week, CEO Matt Carpenter, CFO Dina Reed, Manager of Public Affairs Jeff Pfeifer and Board Members Simi Barr and Susan Pollay attended the APTA 2024 Legislative Conference in Washington DC. TheRide team had productive meetings with the offices of: Senator Gary Peters, Congresswoman Debbie Dingell, and Congresswoman Elissa Slotkin on Capitol Hill. The conference provided the opportunity for TheRide to meet and network with transit agencies from across the country as well as FTA officials. Notably, the FTA released their final safety rule for transit.

TheRide team thanked both Senator Peters and Rep. Dingell for their assistance with securing the CDS funding last year for the YTC Project. Members were also briefed on TheRide's Z.E.B.



plans and asks were made for letters of support for the projects as well as a continued push for CDS funding.

In Michigan, Governor Whitmer announced the FY 25 budget in February, but there has not been substantial movement on the process. The Michigan House of Representatives is currently in a 54-54 split, as two former sitting members won mayoral elections in their respective districts and vacated their seats, leaving the MI House in a split. Committee meetings are still being held and some bill votes are being taken. Special elections for the two seats, which heavily favor democrats, are being held on April 16<sup>th</sup>. The legislature will be returning from spring break and the focus of members will remain on the budget.

The MPTA Conference is set to take place May 7-9 in Lansing. CEO Matt Carpenter, Manager of Public Affairs Jeff Pfeifer, TheRide Board Chair Kathleen Mozak, and TheRide Board Member Jesse Miller will be attending and will meet with state legislators from our area.

### **SCIO TOWNSHIP**

The Scio Township Board recently approved putting a renewal millage for transit on their August Ballot. This millage will be used to help cover the cost of the routes that TheRide offers in Scio Township, as well as services offered by W.A.V.E.

TheRide would like to recognize staff member Ken Anderson from Planning and Innovation for all his hard work on this issue.

## **OPERATIONAL UPDATES**

### **EMPLOYEE ENGAGEMENT**

Transit Employee Appreciation Day took place on March 18th, however, TheRide staff were celebrated for the entirety of the week. Staff were gifted goodie bags courtesy of TheRide. Board Members Rich Chang, Kathleen Mozak, and Susan Pollay all participated in the festivities which included a popcorn party and a Friday luncheon.

Many staff members helped in the planning of Transit Employee Appreciation Day, specifically Samantha Potter from Public Affairs and Community Engagement for running point and organizing many aspects of the celebration.

TheRide staff celebrated Opening Day with a BBQ, featuring hamburgers and hot dogs. It was great to see many staff wearing their Detroit Tigers gear, filled with excitement for the upcoming season.



### **STOPGAP BUS REPLACEMENT**

TheRide is currently working on a mutual cancellation agreement with NovaBus, as reported last month, NovaBus is departing the US market. The remainder of the contract has been awarded to Gillig, a prominent manufacturer. Most of TheRide's fleet are Gillig buses. Delivery of the new buses is set to take place in about 12 months. As per the 2019 authorization, the replacement buses will be conventional clean diesels (same as the Novas) and are not part of the ZEB or Low-No discussions. Staff anticipate a new procurement process in the future, which will include ZEB decisions.

### **ARBORBIKE (BIKESHARE) DECOMMISSIONING**

Virtual public meetings regarding the permanent decommissioning of the defunct Arborbike program were held on March 19<sup>th</sup>. There were few attendees and no serious objections to disposing of the equipment. Staff will now proceed with disposing of the equipment, hopefully by transferring owners to another agency that can continue using the equipment.

### **LOCAL ADVISORY COMMITTEE (LAC)**

CEO Matt Carpenter met with the LAC and decided that 1) In-person meetings would resume immediately and 2) LAC meetings would be moved from monthly to bi-monthly. Staff provided an update on the AAATA Long-Range Plan, and monthly service updates were provided for paratransit, fixed route, and customer service. The next LAC meeting will be taking place on April 23<sup>rd</sup> in-person at TheRide's office.

### **ANN ARBOR CITY COUNCIL**

CEO Matt Carpenter will be presenting to the Ann Arbor City Council on Monday, April 15<sup>th</sup>.

### **TRANSPORTATION COMMISSION (ANN ARBOR)**

The Commission met on March 20<sup>th</sup> and conducted normal business. It is set to meet on Wednesday, April 17<sup>th</sup> at 7:00pm.

### **WATS POLICY COMMITTEE UPDATE**

The WATS Policy Committee did not meet in March. The next meeting is being held on Wednesday, April 17<sup>th</sup> at 9:30am.

### **NATIONAL BUS RODEO**

Two MCOs and management staff will be attending the national APTA bus rodeo at the end of April. A bus rodeo tests precision driving skills in a contest among drivers across the country.



# ODTF: Hugh Clark

2021 Phone Survey Insights

# Background

AAATA board adopted Policy Governance model in 2017

3 roles of the Board:

1. Ownership linkage
2. Policy development
3. Assurance of performance

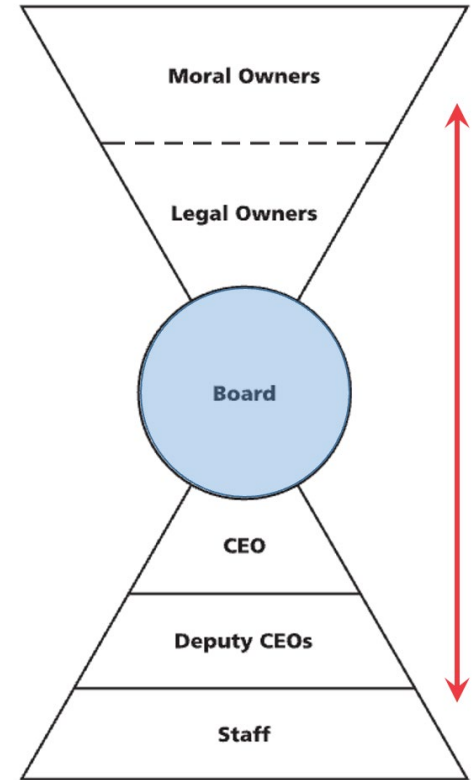
The ODTF (Open Dialog Task Force) focuses on: **1. Ownership Linkage.**

Our model of governance relies on understanding the values and priorities of “Owners”

- The Board’s role is to be the informed voice and agent of the ownership.
- The Board translates values that they hear from the ownership and passes that on to management.
- The Board also hears from management and communicates those needs/requests/updates to ownership.

Two Owners:

- Legal
- Moral



# Background: Legal Owners

**Definition: “Municipal governments that signed our Articles of Incorporation”**

- City of Ann Arbor, City of Ypsilanti, Ypsilanti Township.
- They have the power to hire and remove board members.

We have begun regular dialog with some legal owners:

- Ann Arbor City Council / Mayor / City Administrator every other month
- Working on establishing a cadence with City of Ypsilanti and Ypsilanti Township

# Background: Moral Owners

**Definition: “Residents and workers of the member jurisdictions and government jurisdictions with whom we have service agreements”**

A bit blurry...

When considering public feedback, it is important to distinguish between the sources of input including:

- Owners to whom the Board is accountable,
- Beneficiaries such as passengers and suppliers, who are consumers of TheRide’s services or resources, and
- Stakeholders with some other interest in our decisions (e.g. UM, advocates, etc)

E.g.: Passengers can be those within our jurisdiction and from outside our jurisdiction (park and ride commuters)

# Why are we here today?

“A board should seek to understand the values and priorities of their owners in order to develop expectations and goals for the agency (i.e. policies) that reflect the aspirations of those we serve.”

1. Do we have a firm understanding of the priorities, values, and needs of our ownership?
2. Do we have ends/policies that need to be created or need to be modified to cover those priorities and values?
3. Do we know why those who do not use the service are not using it? We would aim to find out by asking ownership these questions:
  1. Is it more important that transit grow ridership, or provide coverage?
  2. Who is transit for?
  3. Which goal(s) is more important: riders, seniors, climate action, etc.

# 2021 Phone Survey Background

The AAATA has utilized phone surveys:

- 2009, 2011, 2013, 2017, and 2021

Hugh/CJI Research ran all of those surveys:

- 2009 and 2011 were county wide
- 2013 was Ann Arbor only
- 2017 and 2021 asked the “most important issue” question

# Hugh Clark from CJI Research

Hugh/CJI Research, will present relevant information from the 2021 telephone survey and lead a discussion with the Board regarding how the 2021 survey can help us to better understand the values and priorities of area residents.

While the survey can provide insight into some priorities for a subset of the total population, the Board may wish to consult with Susan Radwan to discuss how such information can best be used to shape future policy.

# Desired Outcomes

1. Do we have a firm understanding of the priorities, values, and needs of our ownership?
1. Do we have ends/policies that need to be created or need to be modified to cover those priorities and values?
1. Do we know why those who do not use the service are not using it? We would aim to find out by asking ownership these questions:
  1. Is it more important that transit grow ridership, or provide coverage?
  2. Who is transit for?
  3. Which goal(s) is more important: riders, seniors, climate action, etc.



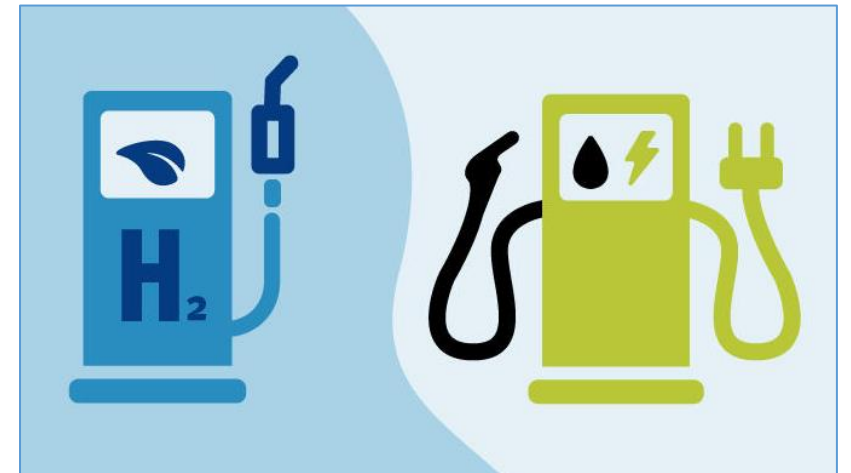
# Welcome, Hugh!

# Fleet Transition Plan



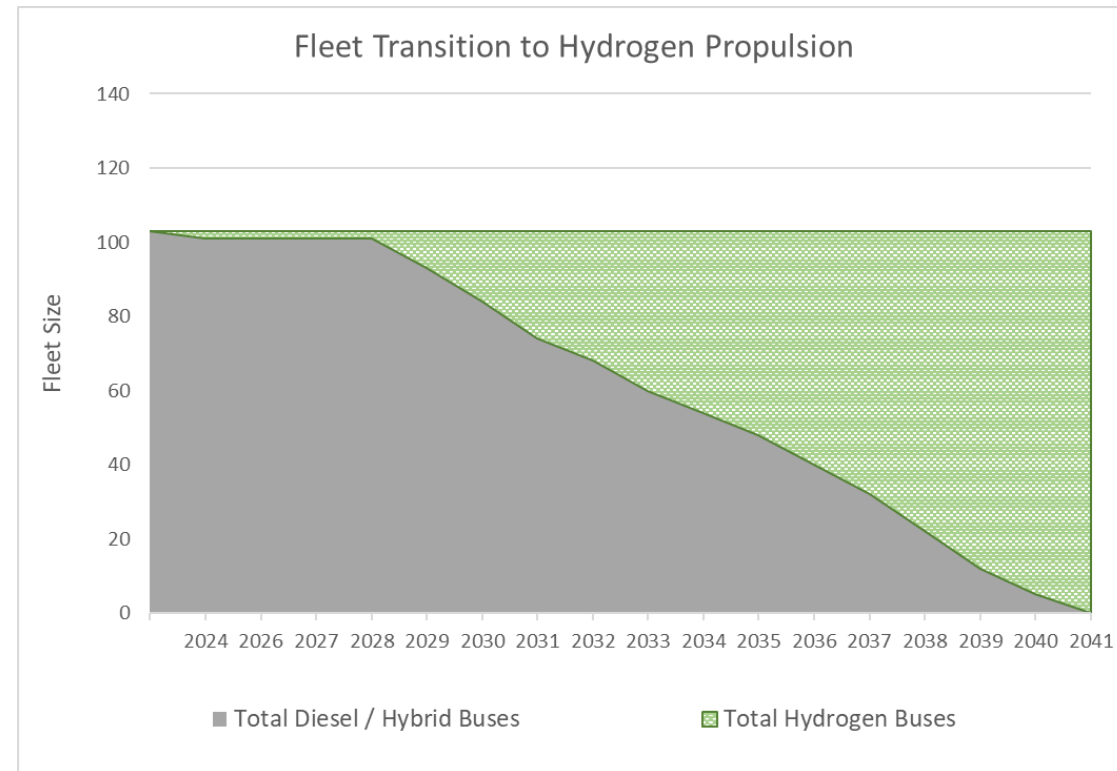
# Zero-Emission Bus Transition Plan

- 2<sup>nd</sup> part of our ZEB approval process
  - Jan: Grant submission approval
  - April: Transition Plan and submission
  - Announcements: July-October
  - Initiation: early 2025
- Document required by FTA for grants
  - Required content for easy comparison
  - Re-packages January decision



# Key Elements

- Scope of request
  - 2 hydrogen fuel cell buses
  - 1 fueling station
  - 32-34 hybrid buses (diesel-electric)
- Target for zero emission fleet
  - Accelerated from 2045 to 2041
  - Eliminates 7,000 tons of carbon/year
  - Dependent on outside funding



# Budget

*\$ in millions*

<b>2024 Grant Applications</b>	<b>2024 - 2028</b>		
	Federal	State	Total
Fueling Station and Infrastructure	\$ 3.5	\$ 0.9	\$ 4.4
Hydrogen Fuel Cell Buses (2)	3.8	0.9	4.7
Hybrid Diesel-Electric Buses (34)	31.4	7.8	39.2
<i>Total 2024 Grant Applications</i>	<u>\$ 38.7</u>	<u>\$ 9.6</u>	<u>\$ 48.3</u>
<b>Transition Remainder of Fleet to Zero Emissions</b>	<b>2029 - 2041</b>		
	Federal	State	Total
Bus Facility Renovations	\$ 20.0	\$ 5.0	\$ 25.0
Hydrogen Bus Replacement Cost	123.6	30.9	154.5
<i>Total Transition Remainder of Fleet</i>	<u>\$ 143.6</u>	<u>\$ 35.9</u>	<u>\$ 179.5</u>

*Note: All funding sources are anticipated; 2029-2041 program based on 2024 Grant Application assumptions*

# Closing

- Transition Plan is required today
- 2 hydrogen buses, 1 fueling station, 34 hybrid buses
- Ambitious & within Board authorization
- Will learn results July-October
  
- *Important step towards become emissions-free by 2041*



# Fleet Transition Plan

