

Board of Director's Meeting Minutes

Meeting Date/Time: September 19, 2024 - 6:30pm – 9:00pm

Location: Ann Arbor District Library (4th Floor)

Virtual attendance available via Zoom Passcode: 983308

Members Present: Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Julie Grand

Members Absent: Monica Ross-Williams, Susan Pollay (Excused), Kyra Sims (Excused)

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

Agenda Item

1. OPENING ITEMS

1.1 Approve Agenda

Chairwoman Mozak suggested two amendments to the agenda – remove Budget Presentation under 9.2 Topics for Next Meeting and add 2.7 to 5.2 Policy Language Discussion. No other changes were noted.

Mr. Chang motioned to approve the amended agenda, seconded by Mr. Miller.

All in favor of approving the amended agenda:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Chairwoman Kathleen Mozak: Yes

The motion to approve the amended agenda passed unanimously.

1.2 Public Comment

Robert Pawlowski shared that he has been personally tracking recent service enhancements and notes that the stats have been positive – he thanked Planning and Operations for their diligence in implementing service changes.

1.3 General Announcements

Mr. Yang introduced Mr. Raymond Hess as the new Manager, Project Management & Delivery. Mr. Hess shared that he had served on the AAATA Board several years ago and had previously worked for the City of Ann Arbor – he thanked the Board and staff for a warm welcome and is looking forward his work on several large upcoming projects.

2. CONSENT AGENDA

2.1 Board Meeting Minutes July 18, 2024

2.2 Board Meeting Notes August 15, 2024

2.3 Committee Meeting Summaries (July & August)

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

All in favor of accepting the Consent Agenda:

Mr. Mike Allemang: Yes
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Chairwoman Kathleen Mozak: Yes

There was no discussion on the motion.

The motion to accept the Consent Agenda passed unanimously.

3. OWNERSHIP LINKAGE

3.1 Open Dialogue Task Force Updates

Mr. Chang shared that the task force is updating their name to Ownership Linkage Task Force (OLTF) in order to focus more on ownership linkage. He provided an update on the recent task force meeting discussion and offered to present OLTF next steps / planning with the Board at a future meeting.

*** Ms. Grand joined the meeting at 6:37pm*

4. MONITORING

4.1 Asset Protection (2.7)

Mr. Carpenter shared an overview of the monitoring report for Asset Protection (policy 2.7). He noted that non-compliance for policy 2.7.2 – the organizational name and logo had not been trademarked – had been addressed and the trademark process was in progress. The Finance Committee had reviewed / discussed the monitoring report in July and recommended it be accepted as (B) with proposed dates for compliance on policy 2.7.2 noted.

Mr. Allemang motioned to accept the monitoring report as (B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO's stated non-compliance with item(s) 2.7.2, which the Board acknowledges and accepts the proposed dates for compliance, seconded by Mr. Miller.

All in favor of accepting the Asset Protection (Policy 2.7) monitoring report as (B):

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

There was no discussion on the motion.

The motion to accept the Asset Protection (Policy 2.7) monitoring report as B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO's stated non-compliance with item(s) 2.7.2, which the Board acknowledges and accepts the proposed dates for compliance, passed unanimously.

5. POLICY

5.1 Budget Discussion & Approval

Mr. Carpenter shared an overview of the budget process approval steps that combine Policy Governance with the traditional steps for budget approval. The Board will be accepting two monitoring reports (Financial Planning & Budgeting and Fare Policy), followed by the approval of the budget.

5.1.1 Public Hearing

Chairwoman Mozak stated that in accordance with Budget Hearings of Local Government Act, local units are required to hold a public hearing on proposed budget.

Mr. Chang motioned to suspend the regular board meeting and move into the public hearing, seconded by Mr. Barr.

All in favor of suspending the board meeting to move into the public hearing:

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

There was no discussion on the motion.

The motion to suspend the regular board meeting to move into the public hearing passed unanimously.

Robert Pawlowski commented that the budget had been thoughtfully prepared and didn't include fare changes or operational cuts. He thanked staff for their diligence in prioritizing community needs by providing a good budget to work with each year.

Public comments concluded and Chairwoman Mozak requested a motion to close the public hearing and resume the regular board meeting.

Mr. Chang motioned to close the public hearing and resume the regular board meeting, seconded by Ms. Grand.

All in favor of closing the public hearing and resuming the regular board 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
Chairwoman Kathleen Mozak: Yes

There was no discussion on the motion.

The motion to close the public hearing and resume the regular board meeting passed unanimously.

5.1.2 Financial Planning & Budgeting (2.4)

Ms. Reed provided an overview of the Financial Planning & Budgeting (Policy 2.4) monitoring report and noted that all policies show the report is fully compliant. One comment within the survey was related to a suggested word change for Board discussion/consideration. The Finance Committee reviewed the monitoring report and put forth a recommendation that the Board accept the monitoring report as (A).

Mr. Allen motioned to accept the monitoring report as (A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, seconded by Mr. Miller.

All in favor of accepting the Financial Planning & Budgeting (Policy 2.4) monitoring report as (A):

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

There was no discussion on the motion.

The motion to accept the Financial Planning & Budgeting (Policy 2.4) monitoring report as (A) passed unanimously.

5.1.3 Fare Policy (2.5.12)

Ms. Reed provided an overview of the Fare Policy (Policy 2.5.12) monitoring report and noted that all policies show the report is fully compliant. The Finance Committee reviewed the monitoring report and put forth a recommendation that the Board accept the monitoring report as (A).

Mr. Allen motioned to accept the monitoring report as (A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, seconded by Mr. Miller.

All in favor of accepting the Fare Policy (Policy 2.5.12) monitoring report as (A):

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

There was no discussion on the motion.

The motion to accept the Fare Policy (Policy 2.5.12) monitoring report as (A) passed unanimously.

5.1.4 FY2025 Budget Presentation & Approval

Ms. Reed presented the recommended FY2025 Operating and Capital Budget for Board approval ([Board packet: Budget book page 112, Budget PPT page 178](#)). The recommended FY2025 budget is balanced with revenues sufficient to cover budgeted expenditures. The final recommended FY2025 Operating and Capital Budget was presented with a request for Board approval with total expenditures of \$68,716,570 for Operations and \$34,866,296 for Capital Investment.

Board members thanked Ms. Reed and staff for their diligence and on-going work during the entirety of the months-long budget process.

Mr. Allemang put forth a motion to adopt the Resolution as presented, seconded by Mr. Allen.

All in favor of adopting the Board Resolution for the Approval of FY2025 Operating and Capital Budget:

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

There was no discussion on the motion.

The motion to adopt the Board Resolution for the Approval of FY2025 Operating and Capital Budget passed unanimously.

5.2 Policy Language Discussion (2.4, 2.5.12, 2.7)

There was no policy language discussion for policies 2.4 and 2.5.12. Mr. Miller had provided in the policy 2.7 survey related to adding “theft” to policy 2.7.2. Board members discussed the similarities in language with policies 2.7.2 and 2.5.4.1. The Finance Committee was tasked with reviewing at their October meeting and Mr. Miller was invited to join their discussion.

6. BOARD EDUCATION / DISCUSSION

7. OPERATIONAL UPDATES

7.1 Q3 Service Report

Mr. Brooks provided an overview of the FY2024 Q3 Service Report. Highlights included continued steady growth in ridership and a decrease in complaints for fixed route. He also noted that flex ride services are under a new contract which has resulted in a slight increase in denials.

7.2 CEO Report

Mr. Carpenter shared that Mr. Brooks had coordinated a recent award ceremony to honor staff excellence within the organization – he thanked several Board members for attending in support. He also shared details of the completed transition of D2A2 to the RTA.

Mr. Pfeifer provided an update on the federal budget process.

8. EMERGENT ITEMS

8.1 Officer Elections

Chairwoman Mozak opened the floor for nomination for Board Secretary for the 2025 year.

Mr. Barr nominated Mr. Miller, seconded by Mr. Chang.

Mr. Miller accepted the nomination for Board Secretary for the 2025 year.

All in favor of nominating Mr. Miller for Board Secretary:

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

All in favor, none opposed.

Chairwoman Mozak opened the floor for nomination for Board Treasurer for the 2025 year.

Mr. Miller nominated Mr. Allemang, seconded by Ms. Grand.

Mr. Allemang accepted the nomination for Board Treasurer for the 2025 year.

All in favor of nominating Mr. Allemang for Board Treasurer:

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

All in favor, none opposed.

Chairwoman Mozak opened the floor for nomination for Board Chair for the 2025 year.

Mr. Chang nominated Ms. Mozak, seconded by Ms. Grand.

Mr. Allemang accepted the nomination for Board Chair for the 2025 year.

All in favor of nominating Ms. Mozak for Board Chair:

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

All in favor, none opposed.

9. CLOSING ITEMS

9.1 Action Item Recap

Finance Committee to discuss wording in policy 2.7.2 with input from Mr. Miller and OLTF presentation discussion at Governance Committee.

9.2 Topics for Next Meetings

Treatment of Staff (2.2)

Construction (2.10)

Future: Training/Discussion on Reasonableness

9.3 Public Comment

Robert Pawlowski shared his experiences of long wait times when using Via who holds the new Flex Ride contract. He thanked Ms. Reed and her department for their work on the approved budget.

9.4 Adjournment

Mr. Chang motioned to adjourn the meeting seconded by Mr. Miller.

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

Chairwoman Kathleen Mozak: Yes

There was no discussion on the motion.

The motion to adjourn the meeting passed unanimously.

Chairwoman Mozak adjourned the meeting at 7:54 pm.

Respectfully Submitted by Deborah Holt