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**BOARD OF DIRECTORS - ANN ARBOR AREA TRANSPORTATION AUTHORITY**

DATE: June 20, 2019

TIME: 6:30pm – 9:00pm

PLACE: Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor MI 48104

MEETING CHAIR: Eric Mahler

**AGENDA**

	<b>Info Type *</b>	<b>Detail</b>
<b>1) Opening Items</b>		
1. Approve Agenda	D	
2. Public Comment	O	
3. General Announcements & Raymond Hess Introduction	O	
<b>2) Consent Agenda</b>		
1. Minutes	D	
2. July Meetings	D	
3. 2.9 Emergency CEO Succession	D	
<b>3) Policy Monitoring and Development</b>		
1. Board's Annual Plan of Work Items	O	Mahler
2. Committee Reports		
1. Governance Committee	O	Mahler
a. Retreat Recap	O	All
b. Policy Monitoring & Development Options	D	
c. Board Development Costs	D	
2. Finance Committee	O	Allemang
3. Service Committee	O	Hewitt
3. Monitoring Reports		
1. 3.8 Costs of Governance	D/M	Mahler
2. 2.10 External Relations	M	Carpenter
4. Other Board Reports & Ownership Linkage		
1. LAC & Task Forces	O	
2. Delegation of WATS & Transportation Commission	D	Carpenter
<b>4) Strategy and Operational Updates: CEO</b>		
1. Paratransit Study Part II	O	Smith
2. Authorize Grant Applications for YTC	D	Sanderson
3. Business Plan + Budget Updates (Verbal)	O	Carpenter/Metzinger
4. Q2 Financial Report (From May)	O	Metzinger
5. CEO Report	O	Carpenter
<b>5) Emergent Business</b>		
<b>6) Closing Items</b>		

1. Topics for Next Meeting: 2020 Budget, Business Plan		<i>Thursday, July 18, 2019</i>
2. Public Comment		
3. Board Assessment of Meeting		
4. Adjournment		

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

## Monitoring Reports

### **Sample Motions**

**Accepting:** I move that:

- We affirm that Monitoring Report XYZ has been read by board members, and
- We accept this report as it provides
  - a reasonable interpretation of the policy and
  - evidence of compliance with that reasonable interpretation [or... while not in compliance, shows evidence of reasonable progress/commitment toward compliance]

**Not Accepting:** I move that:

- We affirm that Monitoring Report XYZ has been read by board members, and
- We do not accept this report
  - as the interpretation for XYZ.XYZ cannot be deemed reasonable by a rational person
  - A. OR
  - though it provides a reasonable interpretation, it does not adequately provide evidence of compliance for XYZ.XYZ.
- CEO will provide an updated Monitoring Report XYZ within ## months.

### ***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 3.13 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?
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Ann Arbor Area Transportation Authority Board of Directors  
Meeting Minutes  
Thursday, May 16, 2019  
6:30 p.m.  
Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan

Present: Sue Gott, Roger Hewitt, Ryan Hunter, Jesse Miller, Kathleen Mozak-Betts,  
Kyra Sims (Acting Chair)

Chairwoman Kyra Sims called the meeting to order at 6:30 p.m.

1) Opening Items

1. Approve Agenda

Chairwoman Sims requested that the Board discuss the Plan of Work as part of the monitoring reports and combine the discussion on Ownership Linkage and the Finance Committee report, both to be given by Mr. Miller.

Roger Hewitt moved to approve the agenda as amended with support from Sue Gott. Ms. Mozak-Betts noted that the report on LAC should be coming from Cheryl Weber. Mr. Hewitt moved to accept the agenda as modified with support from Ms. Gott.

On a voice vote Chairwoman Sims declared the motion carried.

2. Appoint Acting Secretary

Chairwoman Sims appointed Jesse Miller Acting Secretary.

3. Public Comment

Leon Bryson commented on a recent experience he had where the bus he was riding broke down and he was asked to pay another fare when the new bus arrived. Mr. Bryson inquired about the policy.

CEO Matt Carpenter made a commitment to follow-up with Mr. Bryson.

Larry Krieg commented on the appointment of Ryan Hunter, the new representative to the AAATA Board from the Charter Township of Ypsilanti.

4. General Announcements: Ryan Hunter Introduction

Ms. Sims welcomed Mr. Hunter who shared details of his background.

2) Consent Agenda: Minutes

Roger Hewitt moved approval of the Consent Item, seconded by Jesse Miller. On a voice vote, Chairwoman Sims declared the motion carried.

3) Board Education: New Mobility: Scott Shogan, Vice President of WSP

Mr. Shogan made a presentation on The Age of Vehicle Automation: Opportunities for Transit Providers; highlights included:

- Timeline for Driverless Vehicles
- Curve of Innovation
- Mobility as a Service Paradigm: Affordability, Accessibility, Efficiency
- Continued Growth Rate of Travel Demand
- Changes in Travel Behavior
- Physical Street Space
- Mobility for the Disadvantaged Population
- Mobility as a Service
- Shared Mobility Pilots
- Parking Transition

Board members commented, and Mr. Shogan responded to questions on the following topics:

- Integrating different modes of transportation into one system with public transportation as the leading entity
- BRT as an option
- Driverless vehicles as a last mile alternative
- Theories about reducing congestion
- Safety
- The local transit agency as part of an overall ecosystem vs. traditional view of public transportation
- Pilot partnerships and integration with emerging transportation modes

#### 4) Policy Monitoring and Development

##### 1. Committee Reports

##### 1. Governance Committee

##### a. Retreat Planning

Chairwoman Sims made a report on behalf of the Governance Committee; particularly: monitoring reports 3.1, 3.6, and 3.7; Raymond Hess was appointed to the Board by Ann Arbor City Council and expected to attend the June 6 Board Retreat; Board Officer roles. Chairwoman Sims reviewed the June 6 Board Retreat agenda.

##### 2. Finance Committee

Mr. Miller made a report on behalf of the Finance Committee; particularly: a meeting between the Ownership Linkage Committee and officials from the City of Ypsilanti. The Committee received a presentation on the Fare Study Part II.

##### 3. Service Committee

Mr. Hewitt made a report on behalf of the Service Committee; particularly: receipt of a presentation on the Paratransit Study Part I, review of the Q2 Service Report and the Long-Range Planning Process. The Committee discussed

handling Means questions within the Policy Governance framework without subverting the process of policy governance.

2. Monitoring Reports: 3.1, 3.6, 3.7  
The results of the monitoring reports were submitted to the Board the day prior to the Board meeting.
  3. Other Board Reports & Ownership Linkages
    1. Local Advisory Council  
Mr. Carpenter reported that he asked LAC to reschedule their meeting so that LAC meeting minutes can be completed to be included in the monthly Board packet.
- 5) Strategy and Operational Updates: CEO
1. Fare Study Part II  
CFO John Metzinger made a presentation on the Fare Study Part II. Board members commented; Mr. Metzinger and Mr. Carpenter responded to questions.
  2. Paratransit Study Part I  
Deputy CEO, Operations Bryan Smith made a presentation on Paratransit Study Part I. Board members commented; Mr. Smith and Mr. Carpenter responded to questions.
  3. Q2 Service Report  
Mr. Smith referred to the Q2 Service Report clarifying how road calls are reported.
  4. Q2 Finance Report (Deferred)  
CEO Matt Carpenter asked that the Q2 Finance Report be deferred to June.
  5. CEO Report  
Mr. Carpenter reported on the level of participation in the recent survey of staff; nearly double from last year's rate. Mr. Miller commended AAATA on their participation in the Commuter Challenge.
- 6) Emergent Business  
None.
- 7) Closed Session  
Closed Session under the Michigan Open Meetings Act, MCLA 15.268, (d) re: Real Estate  
A motion was made by Jesse Miller, support from Roger Hewitt to adjourn to Closed Session. The motion carried on a unanimous roll call vote. The Closed Session commenced at 8:35 p.m.

Roger Hewitt moved to adjourn the Closed Session with support from Sue Gott. The motion carried unanimously, and the Closed Session adjourned at 9:50 p.m.

8) Closing Items

1. Topics for Next Meeting

- Paratransit II
- Retreat Debrief
- Business Plan

2. Public Comment

None.

3. Board Assessment of Meeting

None.

4. Adjournment

A motion was made by Roger Hewitt, seconded by Jesse Miller, that the meeting adjourn. On a voice vote, Chairwoman Sims declared the motion carried. The meeting adjourned at 9:55 p.m.

Jesse Miller

Acting Secretary, AAATA Board of Directors

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## Issue Brief: Approve July Board Meeting Date

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Decision

**Recommended Action(s):** Approve July Board meeting for July 18, 2019; 6:30pm-9pm.

**Issue Summary:** Every year in September, the Board approves the following year's worth of monthly Board meeting dates. Typically, July is left unscheduled to accommodate personal summer vacations. Some years the July meeting is held.

Staff would like to introduce the draft FY 2020 budget to the Board at a July meeting. This gives the Board, and the public, additional time to review and question the proposed budget. Otherwise, the draft will be introduced in August. Approval must occur in September. The fiscal year starts in October.

The draft document will be publicly released after introduction to the Board in July. Any Board members not in attendance will receive a draft through other means and a personal orientation to the budget by staff off-line.

The Library meeting room has already been reserved for this date and Board members should have received a electronic appointment already.

### Impacts of Recommended Action(s):

- **Budgetary/Fiscal, Social, Environmental: NA**
- **Governance:** Setting board meeting times.

**Attachments:** NA

## **Issue Brief:** Monitoring Report 2.9 Emergency CEO Succession

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Monitoring, Decision Preparation, Other

**Recommended Action(s):** That the Board accept the monitoring report as “A – Full Compliance”.

**Issue Summary:** The CEO feels the report is complete and will ask the Board to accept.

**Background:** 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:

1. CEO sends Monitoring Report and survey link to all board members
2. All board members complete survey on acceptability of Monitoring Report, looking particularly for two things in the Monitoring Report:
  - a. A reasonable interpretation of the policy
  - b. Evidence of compliance with the reasonable interpretation
3. Committee reviews survey results and develops recommendation to accept/not accept Monitoring Report
4. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)

**Impacts of Recommended Action(s):**

- **Budgetary/Fiscal, Social, Environmental: NA**
- **Governance: Monitoring policy is part of the Board’s responsibility.**

**Attachments:** Monitoring Report 2.9 Emergency CEO Succession

## Monitoring Report

# 2.9 Emergency CEO Succession

Period: July 1, 2017 – May 1, 2019

Date of Report: May 20, 2019  
Board Survey due: May 20-30, 2019  
Board Review: June 20, 2019

AAATA board;

In accordance with the Board's Policy Manual; I present the June Monitoring report on **Executive Limitation Policy 2.9: Emergency CEO Succession**. This report consists of internal report information from staff.

I certify that the information is true and complete.

Matt Carpenter,  
CEO  
Ann Arbor Area Transportation Authority

## **Executive Limitations Policy 2.9**

*In order to protect the Board from sudden loss of CEO services, the CEO may have no fewer than one, and preferably two, other executives who are sufficiently familiar with Board and CEO issues and processes to be able to temporarily assume the duties of CEO.*

**Compliance:** In compliance

### **Current Interpretation and Rationale:**

Compliance will be demonstrated when there are one or two staff members that can function as CEO for the AAATA if the CEO position is suddenly vacant.

These individuals must be able to maintain all key AAATA functions without my guidance including:

- leadership of organization's operations and administration
- working knowledge of board policies, processes, and staff obligations

### **Evidence and data:**

In response to this policy, and as a way to effectively manage the organization, I have developed three Deputy CEO positions

- Deputy CEO of Operations
- Deputy CEO of Finance and Administration
- Deputy CEO of Planning and Innovation

During this monitoring period, these three positions have been filled except a one-time three-month period where one seat was vacant. Each of the deputies has sufficient professional qualifications to lead the organization. As AAATA's Executive Team, the CEO and deputies meet regularly to discuss the organization's business and ensure that we are collectively well-informed and well prepared. They are familiar with all department managers and their responsibilities. They all attend board meetings, two of them have received training in Policy Governance and the third is scheduled for training in June 2019

(To be filled in based on Board action after submission)

**Executive Limitations Policy 2.9**

**Date Submitted:** May 20, 2019

**Date of Board Response:** May 30, 2019

The Board has received and reviewed the CEO's Monitoring Report references above. Following the Board's review and discussion with the CEO, the Board makes the following conclusions:

**(select one)**

The Board finds that the CEO:

- A. **Full Compliance:** All interpretations are reasonable; all evidence is sufficient.
- B. **Partial Compliance:** Some interpretations or evidence need work. Compliance date noted. (see notes).
  - a. (Board should specify which interpretations or evidence are not reasonable.)
- C. **Not Compliant:** Some interpretation or evidence are not accepted. Compliance date noted. (see notes).

Board notes:



# Survey Report

## Monitoring Report

### 2.9 Emergency CEO Succession

## 2019

#### Summary of the Report

This summary highlights the AAATA Board of Directors responses in relation to Monitoring 2.9 Emergency CEO Succession. Below are the key points.

- This survey had **2** responses.
- **All** respondents agreed that the report was submitted when due.
- **All** respondents found the CEO's interpretation of each policy/sub policy to be reasonable and complete.
- **All** respondents found the CEO's evidence and data showing compliance with policy
- Respondents felt confident with the measures taken to ensure compliance of this policy.

#### CONTENT

1. Board Assessment of CEO/Org Performance .....	2
2. Comments for the CEO .....	2

# 1. Board Assessment of CEO/Org Performance

Was this report submitted when due?

2 responses



Do you find the CEO Interpretation for each policy/subpolicy to be:

2 responses



Do you find the CEO's evidence and data shows..?

2 responses



## 2. Comments for the CEO

Commendations on this topic:

2 responses

I am happy to hear that the Executive Team meets regularly to discuss operational matters throughout the organization. My interactions with you all indicate that there is open communication among you, giving me confidence that any single one of you could maintain operations

I find the CEO, having 3 Deputy CEO positions, who are all involved at board meetings, 2 are familiar with policy governance and 1 to attend training in June as well as regularly scheduled meetings between the CEO and the deputy CEO's gives me confidence in the fulfillment of the policy as written.

Meeting Summary  
Ann Arbor Area Transportation Authority Board of Directors  
Governance Committee  
Thursday, May 30, 2019

Present: Mike Allemang, Eric Mahler (Chair; Phone)

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Rosa-Maria Njuki

The meeting was called to order at 9:07 a.m. by Chairman Mahler.

1) Opening Items

a. Agenda

There were no new additions.

b. Communications

CEO Matt Carpenter announced that beginning in June, Board Committee meetings will be held at the Blake Transit Center.

2) Policy Monitoring and Development

a. Monitoring Report: 3.8 Costs of Governance

Chairman Mahler reported that the Board needs to circulate and get feedback on the policy. He will send it out next week. Mr. Carpenter will send out an issue brief.

b. Other Governance Issues

1. Retreat Planning

Chairman Mahler reported that the board needs to develop a vision. Mr. Carpenter confirmed that the board received a packet last month regarding the retreat.

2. Recruitment

Chairman Mahler provided an update on recruiting new Board members and Committee members discussed.

3. Policy Development

Mr. Carpenter reported that there are general policies about Means that may need to be customized.

4. Committee Agendas

Mr. Allemang approved the Finance Committee meeting agenda as presented.

3) Strategy and Operational Updates: CEO

a. YTC Update

Mr. Carpenter provided an update on the YTC and a timeline for seeking approval from the Board.

b. Fares Task Force

Mr. Carpenter reported that the agency may want to create a task force because there are general policies in place but nothing specific to fares.

c. Compliance: Data Integrity

Mr. Carpenter reported the agency uses a variety of software systems that were built by staff that are now retired or no longer with the agency. Mr. Carpenter may have some concerns as to how accurate the data is.

d. July AAATA Meetings

Chairman Mahler reported that he will have the board decide in June if they want to have July meetings. Mr. Carpenter and Mr. Metzinger would like to present the Draft Budget report.

4) Closing Items

a. Topics for Next Meeting: Treasurer Role, Advisory Follow up

b. Adjournment

Chairman Mahler adjourned the meeting at 10:47 a.m.

Respectfully Submitted,  
Traci Chauncey

## Issue Brief: Options for Policy Monitoring and Development

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Other

**Recommended Action(s):** Receive for information and discuss.

### Issue Summary:

Recently, some Board members expressed concern that too much time is being spent on policy monitoring and not enough on forward-looking matters. This issue brief outlines some options for reducing the amount of time spent on retroactive monitoring and increasing the time spent on setting policy to guide the future.

### Impacts of Recommended Action(s):

- **Budgetary/Fiscal:** NA
- **Social:** NA
- **Environmental:** NA
- **Governance:** Requires changes to policy monitoring and development practices.

### Attachments:

1. **Options to Reduce Time on The Past**
2. **Options to Increase Focus on the Future**

## Attachment 1: Options to Reduce Time on The Past

The Board's oversight of agency activities is important. But it is possible to spend too much time on this activity. This is likely a question of finding a proper balance, which may change over time. Below are some options the Board could consider for reducing the amount of time spent on Monitoring while still maintaining oversight.

1. **Reduce Time on Monitoring Reports** – We may have been using the wrong approach, thereby increasing the amount of time spent dealing with monitoring reports. In retrospect, the CEO has been writing these reports to a higher standard, and inadvertently making them more complicated than necessary. I have been trying to “bullet proof” them to anticipate any possible Board member concern. This leads to larger, more complex reports with more detail. Board members seem to be reacting this detail (more detail = more questions) and also may be applying the wrong standard of judgment, asking questions based on “*What would I have done?*” rather than simply “*Is this reasonable: yes or No?*”. Strictly speaking all that is needed in a Board decision is:
  - Is this interpretation reasonable Yes or No, and
  - Is the evidence adequate: yes or no?

The CEO is going to try to write shorter, more limited Monitoring Reports. If Board members can be satisfied, and focus their own discussions, then we may be able to shorten the amount of time required for monitoring reports.

2. **Move Some Monitoring Reports into the Consent Agenda** – Some uncontroversial monitoring reports could be accepted without discussion as a part of the consent agenda.
3. **Change the Frequency of Some Monitoring Reports** – Some policies refer to Means that do not change very often. Such policies could be monitored every *two* years, rather than every year. These include: 2.9 Emergency CEO Succession, 2.3 Compensation and Benefits, and possibly 2.8 Asset Protection. Board members can always decide to change the frequency of monitoring again in the future.
4. **Eliminate policy 2.7 Ends focus of Grants** – As discussed previously by the Board, this policy seems unnecessary.
5. **Consolidate Quarterly Financial Reports and Annual Monitoring of Policy 2.5 (Financial Conditions and Activities)** – If the quarterly reports could be a more-frequent monitoring of the same expectations, then the annual monitoring report would simply be the cumulative scores of the four quarterly reports. This may increase the complexity of the quarterly reports but streamline the annual monitoring report.
6. **Eliminate Verbal LAC Report** – Most times this report merely re-states what is already in the written minutes. (Updating the purpose of the LAC is part of the Board's Annual Plan of Work.)
7. **Delegate WATS and A2 Transportation Commission to CEO** – Staff can attend and provide written summations as part of the written CEO Report.

## Attachment 2: Options to Increase Focus on the Future

The forthcoming Long-Range Plan will give Board members and the public the chance to discuss and weigh in on the Means-oriented aspects of service planning. However, the Board also has the unique role of guiding those activities via their policies.

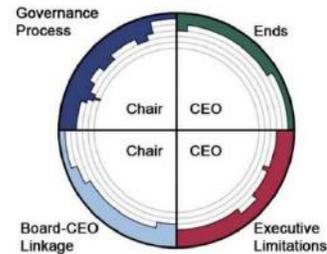
The *Ends* are the most important future-oriented thing the Board can focus on. This is already the focus of the discussion at the retreat. If enough members share a concern about how staff are doing work, it may suggest an opportunity for additional *Executive Limitations* policies. If Board members are ever uncomfortable about staff activities, they can use policy 3.1.3.1 to explore those concerns.

### Opportunities to Guide the Future

There are at least three subjects that *may* warrant additional *Executive Limitations* policies. If crafted properly, such policies would allow the Board more opportunity to steer the future of the organization with clear expectations. These subjects are:

- Service and Infrastructure Planning,
- Fares, and
- Union negotiations and contracts.

Existing policies have little to say about these issues (see below). This leaves much up to staff interpretations – possibly too much. In response to missed expectations in the past, staff have adopted more thoughtful approach to service planning and fares, but this tentativeness is partially an indication of uncertainty about the Board’s expectations.



More detailed sub-policies in these areas would allow the Board to shape the staff-work that shapes future Means, and allow staff to move more decisively because expectations would be clear. *Policy Governance allows for more detailed policies in certain areas for this very purpose.* I believe that the Board could raise these issues as potential additions to its Annual Plan of Work and assign the policies development to existing committees (planning) or single-issue task-forces (fares, union). Someday a fully-evolved Policy Governance framework for transit agencies will likely include Executive Limitations polices for these same areas.

I have been emailed Rose Mercier on this idea. Broadly, she agrees with this approach. She wrote:

*“One way to start this process might be to preview the big projects that are starting to take shape and have the board identify their “worry list” when it comes to these projects. It is then possible to look at current policies and determine if they are addressed in current policies. ... It may be that there is an area that doesn’t have a natural home.*

*We have developed context-specific policies that are not part of the standard set of policies others might start with but which address particular areas of operation that are sufficiently large that they require a policy to specifically deal with the area. For example, in the Colleges template we have an Executive Limitation policy on Land Use and another on Entrepreneurial Activity; in the Credit Union template there is a policy on Corporate Development. Most of our templates are tailored to the context. It may be that there is an opportunity for a set of templates for a transit/public agency.”*

As an example, there are several policies that indirectly guide how service and infrastructure planning is done. Tim Sanderson referred to these policies as “the funnel” that outlines the planning process.

There are Executive Limitations policies that speak to how planning should be done. These are scattered throughout the Manual and are not directly referring to service/infrastructure planning per se. These are the existing policies staff must follow while doing planning:

- *1.0 – The Ends provide the outcome for all planning efforts. All our work should be aligned to advance the Board’s stated goals.*
- *2.2 – Allow staff to be unsafe.*
- *2.4 – Don’t risk financial jeopardy. Must have a multi-year plan.*
- *2.4.2 – Put decisions in context. Show how they advance the Ends.*
- *2.4.3 – Have good project budgets. Disclose assumptions.*
- *2.4.4 & 2.8.2 (B)– Be clear about long term costs, and growth projections.*
- *2.4.8 – Don’t overcommit the agency.*
- *2.5.5.1 – Don’t allow cost over runs.*
- *2.5.8 – Only the Board can change fares or approve tax rates.*
- *2.5.9 – Can’t buy real estate.*
- *2.8.5.2 – Must use the triple bottom line (Social, Enviro, Economic)*
- *2.8.5.6 – Ignore opportunities for innovation.*
- *2.10.2 – Don’t ignore multi-modal solutions, TOD, first mile considerations.*
- *2.10.4 & 2.10.5 – Must have public involvement.*
- *2.11.1.6 – Keep the Board up-to-date on major issues.*
- *2.0 & 2.8.5.1 – Don’t do anything illegal or against FTA rules. These federal rules already provide a lot of proscriptions on how transit agencies must do planning – but the Board does not know what those rules are.*
- *4.3.3 – As long as they adhere to policies, the CEO is empowered to take all actions and make all plans they see as necessary.*

Having so many policies related to service planning creates uncertainty. This lack of clarity could inadvertently cause Board members to be shy about raising concerns. It could also disproportionate empower those who know more about the existing policies.

There are few policies that speak directly to fares (2.5.8) or union contracts (2.2.2 & 2.2.5), and they provide little guidance.

*2.5.8 Adjust transit passenger fares or tax rates assessed by the Authority.*

*2.2.2 Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons*

*2.2.2.1 Fail to provide internal controls necessary to enforce such policies.*

*2.2.5 Operate without an adequate labor agreement covering unionized personnel.*

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## Issue Brief: Board Development Costs

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Decision

**Recommended Action(s):** That the Board accept the CEO's recommendation for a Board Development Budget of \$38,000 to be include in the FY 2020 budget.

**Alternative Option(s):** Approve a different amount.

**Prior Relevant Board Actions and Policies:** *Policy 3.8.3: The Board will develop its budget by June 30 each year to assure its inclusion in the overall budget.*

**Issue Summary:** Policy Governance acknowledges that good governance is a skill that must be learned, and that learning requires resources. Policy 3.8.3 requires the Board to direct the CEO to include a certain budget amount to pay for the Board's own ongoing training and development. In the recent past, this has been used to pay for orientation and training costs for new board members, as well as facilitation and Rose Mercier's services. It could also be used to pay for other training for board members such as out of town conferences, on-line learning, etc.

While it can be controversial to spend agency funds on board member development, it is more concerning if board members are inadequately prepared for their roles given their position and responsibilities. It is common for board members at other transit agencies to attend conferences or training.

For FY 2020, the CEO would recommend including at least \$23,000 for continued orientation, training and facilitation services – similar to previous years (next page).

In addition, the CEO would suggest setting aside another \$15,000 to support additional board member development. The CEO feels that we may have reached the limit of what veteran Board members can learn on-site. Board members may benefit from meeting and building relationships with members of other high-functioning boards. Training opportunities include:

#### Conferences

- Annual Policy Governance [Users Conference](#) - Summer 2020. Location TBD
- American Public Transit Association – [Board members conference](#) – Summer 2020. Location TBD
- [BoardSource Leadership Forum](#) – May 7 and 8, 2020. 2020 St Louis, MI

#### On-Line Training

- [Policy Governance Proficiency Program](#)
- Parliamentary Training – [Various on-line programs](#)
- BoardSource Web Training – [Various certificates](#)

Each conference or training opportunity would likely cost an average of \$3,000. The \$15,000 budget assumes five board members will receive some sort of training. Actual costs widely.

**Background:** In the past two years, the Board has budgeted between \$25,000 and \$50,000 for board development. Previous years' figures were:

- FY 2018: Budgeted \$25,000. Expended: \$8,257
- FY 2019: Budgeted \$50,000. Expended: \$21,266 (to date)

#### **Impacts of Recommended Action(s):**

- **Budgetary/Fiscal:** Determine amount to be placed in draft FY 2020 budget.
- **Social:** NA
- **Environmental:** NA
- **Governance:** Compliance with Board policy. Fostering board development.

**Attachments:** NA

Meeting Summary  
Ann Arbor Area Transportation Authority Board of Directors  
Finance Committee  
Tuesday, June 11, 2019

Present: Mike Allemang (Chair), Jesse Miller

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson

The meeting was called to order at 3:02 p.m. by Chairman Allemang.

1) Opening Items

a. Agenda (Additions, Approval)

Mr. Carpenter added the State Budget Update to the agenda. The Committee approved the amended agenda by consensus.

b. Communications

None.

2) Policy Monitoring and Development

a. 2.9 Emergency CEO Succession

Mr. Carpenter inquired as to if there were any concerns about him reporting compliance. Chairman Allemang and Mr. Miller responded "no". Mr. Carpenter reported that there were only two responses received for the survey. Mr. Carpenter indicated that this item is included on the June 20, 2019 Board meeting Consent Agenda.

b. Cash Flow

Mr. Metzinger made a presentation on Cash Flow. Committee members commented on the presentation and Mr. Metzinger responded to questions.

c. Cash + Investments Monitoring Frequency

Mr. Metzinger made a presentation on Cash Flow. Committee members commented on the presentation and Mr. Metzinger responded to questions. Mr. Metzinger will re-visit this topic (including investments monitoring frequency) with the Committee in August.

3) Strategy and Operational Updates

a. Q2 Finance Report

Mr. Metzinger suggested that he would schedule a special training on financial statements for future board members. He highlighted the following:

- Income Statement
- Balance Sheet
- Statement of Cash Flows

b. YTC Update

Mr. Carpenter reported that he and Mr. Miller gave a presentation to the Ypsilanti City Council and all went well.

c. Detroit -to- Ann Arbor Update

Mr. Carpenter reported that the agency has a written proposal and is waiting to see if the state money will come through for the project.

d. Discussing Means

Mr. Miller reported that he feels that he needs to evaluate the Means. Mr. Carpenter encouraged the board to feel free to ask questions.

4) Closing Items

a. Topics for Next Meeting

- Millage Update
- Second Quarter Financial Statement
- Proposed Policy Language on Operating Cash

b. Adjournment

The meeting was adjourned at 4:49 p.m.

Respectfully Submitted,  
Traci Chauncey

Meeting Summary  
Ann Arbor Area Transportation Authority Board of Directors  
Service Committee  
Wednesday, June 5, 2019

Present: Roger Hewitt (Chair), Kathleen Mozak-Betts, Sue Gott

Staff: Matt Carpenter, Bryan Smith, John Metzinger, Tim Sanderson

The meeting was called to order at 3:08 p.m. by Chairman Hewitt.

1) Opening Items

a. Agenda (Additions, Approval)

The Committee approved the agenda by consensus.

b. Communications

None.

2) Policy Monitoring and Development

a. 2.10 External Relations

CEO Matt Carpenter reviewed Monitoring Report 2.10 External Relations.

Committee members shared ideas on the report and Mr. Carpenter responded to questions.

b. Planning Policy Development

Mr. Carpenter reported that the board is spending a lot of time on monitoring reports and would like more time focused on the future. He asked that the board articulate to the agency what the board would like the agency to achieve and for clarity in the following areas:

- Service Planning
- Fares
- Union Contracts

3) Strategy and Operational Updates: CEO

a. Paratransit (Prt II)

Mr. Smith presented a preview of Paratransit Part II. A discussion surrounding service standards and costs ensued.

b. YTC Update

Mr. Carpenter reported that he and Mr. Miller gave a presentation to the Ypsilanti City Council and all went well. There is a June 13<sup>th</sup> application deadline to apply for grants.

c. Discussing Means

Mr. Carpenter introduced a discussion on Means to be continued at a future meeting.

d. Detroit -to- Ann Arbor Update

Mr. Carpenter reported that the agency is waiting to see if the state money will come through for the project. The agency will start a public discussion with the board of commissioners.

4) Closing Items

a. Topics for Next Meeting

- Budget Preview

b. Adjournment

Chairman Hewitt adjourned the meeting at 5:17 p.m.

Respectfully Submitted,  
Traci Chauncey

## **Issue Brief:** [Monitoring Report 2.10 External Relationships](#)

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Monitoring

**Recommended Action(s):** That the Board Receive the Monitoring Report for Information. The CEO is not asking the Board to accept the report at this time.

**Issue Summary:** While some elements of this report are complete, the CEO is struggling with the appropriateness of many of these policies. He would welcome the Board guidance as to whether the he should attempt to complete and re-submit the report, or if the Board would prefer to first revise the policies.

**Background:** 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:

1. CEO sends Monitoring Report and survey link to all board members
2. All board members complete survey on acceptability of Monitoring Report, looking particularly for two things in the Monitoring Report:
  - a. A reasonable interpretation of the policy
  - b. Evidence of compliance with the reasonable interpretation
3. Committee reviews survey results and develops recommendation to accept/not accept Monitoring Report
4. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)

**Impacts of Recommended Action(s):**

- **Budgetary/Fiscal, Social, Environmental: NA**
- **Governance:** Monitoring is the Board's responsibility.

**Attachments:** Monitoring Report 2.10 External Relationships

## 2.10 External Relationships

Period: July 1, 2017 – May 1, 2019

Date of Report: May 20, 2019  
Board Survey due: May 20-30, 2019  
Board Review: June 20, 2019

AAATA board;

In accordance with the Board's Policy Manual; I present the June Monitoring report on **Executive Limitation Policy 2.10: External Relationships**. This report consists of internal report information from staff.

I certify that the information is true although incomplete.

Matt Carpenter,  
CEO  
Ann Arbor Area Transportation Authority

<b>POLICY TITLE: <i>External Relationships</i></b>
<p>2.10 In order to facilitate the continued success of AAATA and its achievement of Ends, the CEO shall not operate without creating collaborative, strategic relationships with external stakeholders.</p> <p>Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:</p>
2.10.1 Ignore opportunities for collaboration for the community benefit.
2.10.2 Ignore opportunities to promote multi-modal solutions, transit-supportive land development, or first mile/last mile considerations whether internally or to outside decision makers.
2.10.3 Fail to develop relationships with community stakeholders, including elected officials, which contribute to community support for the AAATA.
2.10.4 Fail to reasonably engage riders, residents, and stakeholders when considering material changes to services, programs, fares, or transit facilities.
2.10.5 Fail to operate in a publicly transparent manner.

### **Executive Limitations Policy 2.10**

In order to facilitate the continued success of AAATA and its achievement of Ends, the CEO shall not operate without creating collaborative, strategic relationships with external stakeholders.

#### **Current Interpretation & Rationale:**

See below

#### **Compliance:**

#### **Evidence:**

**Executive Limitations Policy 2.10.1**

...the CEO shall not... Ignore opportunities for collaboration for the community benefit.

**Current Interpretation & Rationale:**

See below

**Compliance:**

**Evidence:**

**Executive Limitations Policy 2.10.2**

...the CEO shall not...Ignore opportunities to promote multi-modal solutions, transit-supportive land development, or first mile/last mile considerations whether internally or to outside decision makers.

**Current Interpretation & Rationale:**

See below

**Compliance:**

**Evidence:**

**Executive Limitations Policy 2.10.3**

...the CEO shall not...Fail to develop relationships with community stakeholders, including elected officials, which contribute to community support for the AAATA.

**Current Interpretation & Rationale:**

See below

**Compliance:**

**Evidence:**

#### **Executive Limitations Policy 2.10.4**

...the CEO shall not... Fail to reasonably engage riders, residents, and stakeholders when considering material changes to services, programs, fares, or transit facilities.

#### **Current Interpretation & Rationale:**

Compliance with this policy will be demonstrated when the CEO ensures that appropriate opportunities for public involvement and feedback are provided prior to final decisions regarding services, programs, fares, or transit facilities exist. For service and fare changes, staff followed the *Public Input Policy for Service and Fare Changes*, which describes levels/types/timing of engagement needed, scaled with the degree of change being considered: major, minor, or adjustment.

#### **Compliance:**

In Compliance

#### **Evidence and Data:**

During the monitoring period;

<b>Changes to...</b>	<b>Public Involvement Activities</b>	<b>Decision Finalized</b>
<b>Fares –</b> No changes were made during monitoring period.	Public comment was collected and incorporated into a fare study.	No decisions were made. No changes to fare occurred.
<b>Facilities –</b> No substantive changes to passenger terminals were made.  No changes to bus stop practices were made.	Public involvement activities for a study of the Ypsi Transit Center occurred and were documented through <ul style="list-style-type: none"><li>- Surveys</li><li>- Public Meeting</li></ul> The AAATA is partnering with the City of Ann Arbor regarding the future of the Y-Lot. Public involvement activities are being planned. Public outreach was conducted to obtain feedback on a trial installation of wheelchair securements	No decisions were made. No changes to facilities occurred.       Quantum Wheelchair Stations have been implemented on 10 fixed route buses.
<b>Programs –</b> There were no significant changes to programs during the period.	Public comment was collected and incorporated into a paratransit study.	No decisions were made. No changes to programs occurred.
<b>Services –</b> Several routine changes to fixed-bus routes were made.	<ul style="list-style-type: none"><li>- Routine service changes.</li><li>- BRT Study</li><li>- Public input was collected for August Service changes</li></ul>	New services began operating on: May 5 <sup>th</sup> , 2019

## Executive Limitations Policy 2.10.5

The CEO shall not... Fail to operate in a publicly transparent manner.

### Current Interpretation & Rationale:

Compliance with this policy will be demonstrated AAATA's website rates favorably based on the Ballotpedia/Sunshine transparency review criteria.

### Compliance:

In compliance

### Evidence:

The Sunshine Review, a non-profit dedicated to state and local government transparency developed a [now-widely-used 10-point checklist](#) to help create a more open government and affirmatively disclosure of key information of interest to the public. Below is how AAATA rates

Parameter	AAATA performance
Budgets	✓ Current budget ✓ Previous budgets
Open meeting laws	✓ Notices for public meetings of board ✓ Board Minutes ✓ Current and past Board Packets
<u>Governing</u> officials	✓ Names of Board members x <b>Contact information</b>
Administrative officials	✓ Names of Executive Staff ✓ Contact information
Applications/Forms/key data available on- line	✓ ADA, FareDeal applications ✓ Lost and Found form ✓ Suggestion/Complaint form ✓ Transit data (GTFS and real-time API)
Audits	✓ Current audit ✓ Previous years' audits
Contracts	✓ Current RFPs posted ✓ Instructions and information site x <b>Awarded contracts</b>
Lobbying	x <b>We belong to MPTA and APTA, and dues are part of the annual budget, but have not posted this information online.</b>
Public records	✓ FOIA process ✓ Contact information
Taxes	x <b>Though included in budgets and plans, we have not had a webpage on tax rates.</b>

### CEO Notes

- I believe that policies 2.10, 2.10.2, 2.10.2, and 2.10.3 may be inadvertent Mean prescriptions (describing required staff activities) and do not provide an expected outcome. As such, it is hard to develop meaningful interpretations.
- Policies 2.10.4 and 2.10.5 have a lot in common with policy 2.8.5 regarding maintaining the public reputation and credibility of the agency.
- The original Policy Governance template does not include a section on “External Relations”. I believe that this policy may be a hold-over from the pre-2017 PMER Committee (Performance Monitoring and External Relations).
- I would like to ask the Board to reconsider there policies.

(To be filled in based on Board action after submission)

**Executive Limitations Policy 2.9**

**Date Submitted:** May 20, 2019

**Date of Board Response:** May 30, 2019

The Board has received and reviewed the CEO's Monitoring Report references above. Following the Board's review and discussion with the CEO, the Board makes the following conclusions:

**(select one)**

The Board finds that the CEO:

- A. **Full Compliance:** All interpretations are reasonable; all evidence is sufficient.
- B. **Partial Compliance:** Some interpretations or evidence need work. Compliance date noted. (see notes).
  - a. (Board should specific which interpretations or evidence are not reasonable.)
- C. **Not Compliant:** Some interpretation or evidence are not accepted. Compliance date noted. (see notes).

Board notes:



# Survey Report

## Monitoring Report

### 2.10 External Relationships

### 2019

#### Summary of the Report

This summary highlights the AAATA Board of Directors responses in relation to Monitoring Report 2.10 External Relationships. Below are the key points.

- This survey had **2** responses.
- **All** respondents agreed that the report was submitted when due.
- **All** respondents found the CEO’s interpretation of each policy/sub policy to be reasonable and complete.
- **50%** of the respondent found the CEO’s evidence and data showing compliance with policy except for items noted. 50% of the respondents could not determine compliance.
- **Policies 2.10, 2.10.1, 2.10.2, & 2.10.3** were found to be incomplete

#### CONTENT

1. Board Assessment of CEO/Org Performance .....	2
2. Potential Policy Development .....	3
3. Comments for the CEO .....	4

# 1. Board Assessment of CEO/Org Performance

Was this report submitted when due?

2 responses



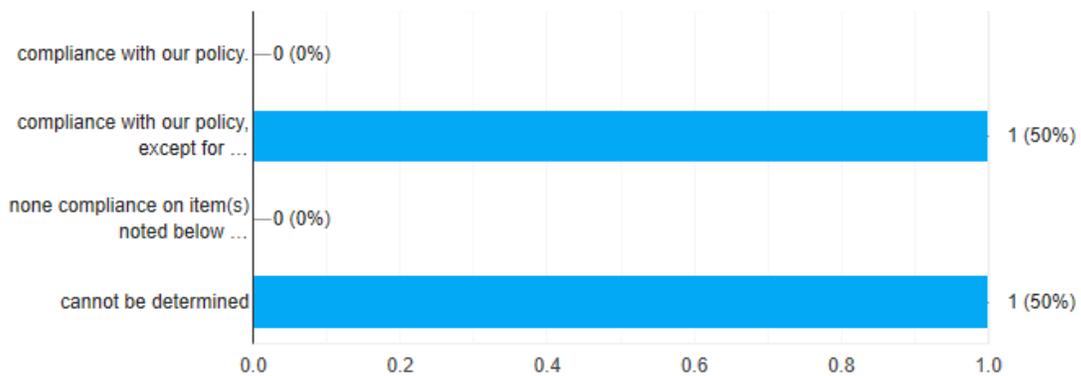
CEO Interpretations that were incomplete or unreasonable (if any):

2 responses



Do you find the CEO's evidence and data shows..?

2 responses



## Items not in compliance (if any):

2 responses

2.10, 2.10.1, 2.10.2, 2.10.3

There was a lack of evidence and data for items 2.10, 2.10.1, .2.10.2, & 2.10.3. The CEO has stated that these items are meansy in nature and therefore difficult to interpret as there are no identifiable expected outcomes. While I understand the CEO's concern, I believe this executive limitation has value. Mr. Carpenter has requested the board to reconsider these policies. I am open to discussion and would like to hear some "history" from board members who developed the policy governance manual.

## 2. Potential Policy Development

Is there any area associated with this policy that concerns you that is not clearly addressed in existing policy? What is the value that drives your concern?

1 response

I think the CEO's evaluation that policies 2.10, 2.10.2, 2.10.2, and 2.10.3 are "means-y" is valid, though I believe their intent as I perceive it is also valid. The note that 2.10.4 and 2.10.5 seem similar to 2.8.5 is also worth discussing, though I do not feel that 2.8.5 covers the same range of limitations

What policy language would you like to see incorporated to address your worry?

1 response

Re-phrase the policies to avoid prescribing means

### 3. Comments for the CEO

#### Potential improvement(s):

1 response

While I could agree that policies 2.10, 2.10.2, 2.10.2, and 2.10.3 may be inadvertent Mean prescriptions, I am disappointed that we have no information to examine. I would have preferred that a reasonable attempt to report be made and then explain the difficulties encountered. As it stands, we have no report on several criteria the board has previously deemed valuable.

#### Comments on the report itself

1 response

Mr. Carpenter has stated that "Policies 2.10.4 and 2.10.5 have a lot in common with policy 2.8.5 regarding maintaining the public reputation and credibility of the agency" While there is commonality, these policies are not specifically addressed in 2.8.5. If the board were to entertain removing 2.10 EXTERNAL RELATIONSHIPS from the executive limitations policy I would ask that and 2.10.4 and 2.10.5 be moved to 2.8.5 as currently worded.



## May 7, 2019 AAATA Local Advisory Council

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### Meeting Minutes

#### **1.0 CALL TO ORDER:**

Chairperson Weber called the meeting to order at 1:30 p.m.

#### **2.0 INTRODUCTIONS:**

LAC Committee Members in attendance: Cheryl Weber (Chair), Larry Keeler (Co-Chair), Debra Poster, Jody Slowins, Rebecca Burke, Clark Charnetski (Rep. A1B), Andrea Henry (CIL)

LAC Committee Members not in attendance: Stephen McNutt, Mary Wells, Janet Nutt

AAATA Board Liaison: Kathleen Mozak-Betts

AAATA Staff Liaison: William De Groot (AAATA), Tracy Byrd (AAATA), Julia Roberts (AAATA)

LAC General Members: Luanne Bullington; Liz Aldridge

Guests: Darryl Johnson, RideCorp;

#### **3.0 REVIEW AND APPROVAL OF AGENDA:**

The agenda was approved with no additions.

#### **4.0 REVIEW AND APPROVAL OF MINUTES:**

The April meeting minutes were accepted with a spelling correction in Section 8.0.

#### **5.0 COMMUNICATIONS AND ANNOUNCEMENT**

Clark Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on May 15<sup>th</sup> at 7:00pm.

Mr. Charnestski mentioned a program through the Turner Center that travel trains seniors about public transit. The instructor is Ms. Tracy Byrd from AAATA.

Mr. Charnestski discussed Visions 2019 conference in Ann Arbor which will take place on May 15 from 11 am - 4 pm.

## **6.0 PUBLIC COMMENT TIME**

- Mr. Charnestski thanked AAATA staff for the public discussion about the BRT Project along Washtenaw Avenue.
- Mr. Keeler has a concern about NightRide accessibility for people with mobility issues. He understands from riders there are limitations on vehicles and times for people to travel. Additionally, the drivers do not understand how to properly operate the lift on the vehicle and need training.
- Ms. Poster mentioned that the on time performance scheduling has been problematic this month and asked why. It was explained that AAATA and RideCorp are trying to calibrate the reservation software to allow for better shared rides and this has contributed to on-time performance concerns for the drivers.
- Ms. Weber reported that the City of Ypsilanti lost Mr. Pete Murdock over the weekend. He has been a Councilperson for more than 30 years holding time as Mayor, and Councilperson.

## **7.0 BOARD REPORT**

Chairperson Weber gave the report. The Board discussed monitoring reports for communications and investments.

## **8.0 NEW BUSINESS**

- AAATA Project Updates – Ms. Roberts gave updates on the Q-Straint, and Feonix Mobility project. These projects are all focused on helping our customers access the bus in better ways. From better securement options, and better bus arrival notifications helping riders know that a bus is arriving at a stop.
  - Ms. Mozak-Betts asked about if the push button for the passenger should be red instead of green during travel. It is

confusing to the rider if it is green during travel because one may not believe they are fully secure. She did take a bus trip and noticed that that system did not have a mirror.

- Agenda Items Advocacy Policy Discussion, and Paratransit Monthly Update were moved to the next meeting per time constraints. This was approved by voice vote.

## **9.0 PUBLIC COMMENT TIME**

- Mr. De Groot asked the LAC if this time was still proper for all of the members. It was agreed to keep this time.
- Mr. De Groot asked if the LAC would consider placing a standing agenda item called “Strategic Discussion” in order to reserve time in future meetings to discuss the Paratransit Study, and Mobility improvements. The LAC agreed.

## **10.0 FUTURE NEW BUSINESS ITEMS**

- A. Advocacy Policy Discussion
- B. AAATA Project Updates
- C. Paratransit Monthly Update
- D. Strategic Discussion

## **11.0 ADJOURNMENT**

Chairperson Weber adjourned the meeting at 3:05 p.m.

Respectfully Submitted by: William De Groot (C/O), Brian Clouse, LAC Liaison / AAATA Paratransit Coordinator



## June 4, 2019 AAATA Local Advisory Council

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### DRAFT Meeting Minutes

#### **1.0 CALL TO ORDER:**

Chairperson Weber called the meeting to order at 1:30 p.m.

#### **2.0 INTRODUCTIONS:**

LAC Committee Members in attendance: Cheryl Weber (Chair), Larry Keeler (Co-Chair), Debra Poster, Jody Slowins, Stephen McNutt, Mary Wells, Clark Charnetski (Rep. A1B), Andrea Henry (CIL)

LAC Committee Members not in attendance: Janet Nutt, Rebecca Burke

AAATA Board Liaison: Kathleen Mozak-Betts

AAATA Staff Liaison: Bryan Smith (AAATA), William De Groot (AAATA), Robert Williams (AAATA), Tracy Byrd (AAATA), Julia Roberts (AAATA)

LAC General Members: Dana Greer, Liz Aldridge

Guests: Darryl Johnson, RideCorp;

#### **3.0 REVIEW AND APPROVAL OF AGENDA:**

The agenda was approved with no additions.

#### **4.0 REVIEW AND APPROVAL OF MINUTES:**

The May meeting minutes were accepted with an addition of public attendees and the adding of a "p" to p.m. in the start time.

#### **5.0 COMMUNICATIONS AND ANNOUNCEMENT**

Clark Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on June 19<sup>th</sup> at 7:00pm.

Mr. Charnetski mentioned as the Ann Arbor Green Fair will be June 14<sup>th</sup> starting at 6:00 p.m. on Main Street.

Mr. Charnetski mentioned that SMART will hold their Advisory Council Meeting on June 21<sup>st</sup> at 9:00 a.m.

## **6.0 PUBLIC COMMENT TIME**

- There was a concern expressed about the design of the BTC charging and resting counter along the windows. This counter cannot be used by people in wheelchairs because of the height. It was asked if in the future design of buildings that this counter be reviewed to offer a similar item for persons in wheelchairs.
- The BTC women's restroom seems to be broken a lot so people with disabilities must use the family changing room. The door on this room is very heavy and cannot be opened by someone easily, especially those with a disability. The question is "can anything be done to help?"

## **7.0 BOARD REPORT**

Staff gave the report. A presentation of the Paratransit report was given. This same report will be given to the LAC later in the meeting.

## **8.0 NEW BUSINESS**

- Mr. Smith (AAATA DCEO Ops.) gave a presentation about the paratransit report. The presentation focused on the review of the study, the reach of the study, and the initial finds. The recommendations will be presented to the LAC next month. A copy of the presentation will be available on TheRide.org website soon.
- AAATA Project Updates – Ms. Roberts gave updates on the Q-Strait, and Feonix Mobility project.
- Advocacy Policy Discussion. Mr. De Groot stated that after review of the responsibility of the LAC and the by-laws for the LAC advocacy could happen but in the following manner:
  - When speaking as a body (LAC) then advocacy was limited to the subject matter on or about the LAC's role in policy and compliance with the Policy Manual of the AAATA.

- If an individual was to advocate for something, then they could do so only as a member of the general public and could not link the AAATA or their position as a LAC member to their view.
- The Paratransit Monthly Update was moved to the next meeting.

## **9.0 PUBLIC COMMENT TIME**

- The robo pre-calls letting riders know that their vehicle is on the way has helped riders remember they have a trip and be ready for pickup.

## **10.0 FUTURE NEW BUSINESS ITEMS**

- A. Strategic Discussion
- B. AAATA Project Updates
- C. Paratransit Monthly Update
- D.

## **11.0 ADJOURNMENT**

Chairperson Weber adjourned the meeting at 3:05 p.m.

Respectfully Submitted by: William De Groot (C/O), Robert Williams, LAC Liaison /  
AAATA Paratransit Coordinator

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## Issue Brief: Delegation of WATS and Transportation Commission

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Decision Preparation

**Recommended Action(s):** Delegate representation of the AAATA on the WATS Policy Committee and the Ann Arbor Transportation Commission to the CEO, including the ability to vote on behalf of the AAATA. This can be accomplished by a motion, either together or separately.

**Alternative Option(s):** Continue to appoint AAATA Board members to these roles.

### Prior Relevant Board Actions and Policies:

*Policy 3.3.9 – When serving on other Board, members remain accountable to the AAATA Board for their action and statement regarding transit-related issues.*

### Issue Summary:

The **Washtenaw Area Transportation Study (WATS)** is a county-wide transportation planning body that uses consensus among local leaders to help decide how to distribute federal transportation funding. WATS discussions are generally technical and related to transportation planning and federal funding.

The decision-making body of WATS is called the Policy Committee. Organizations are represented by either elected leaders or very senior staff. At present there is no AAATA delegate to the Policy Committee. WATS has clarified that the CEO can represent the AAATA and vote on the Committee, as long as there is a delegated authorization from the Board. Procedurally, this is no different than appointing a Board member to this role.

The **Ann Arbor Transportation Commission** was created in 2017. To date, most issues that have been discussed are operational, concern internal City decisions, or deal with coordinating City infrastructure decisions with other organizations. The present AAATA delegate is Kyra Sims. The Board can delegate this role to the CEO [[Commission Bylaws, 4.1\(5\)](#)].

Delegating attendance and voting rights for these two outside bodies to the CEO has the following implications:

- **Increased Board control of decisions:** While sitting on these bodies, the CEO is constrained to pursue the Board's Ends while complying with Executive Limitations. In contrast, individual board members are constrained only by the policy 3.3.9 (above). In the past, this has led to

disagreement between board members and concern about individual activism. Delegation would mean that the entire Board ultimately controls the CEO's decisions at these meetings.

- **Greater Effectiveness:** For the AAATA both bodies are primarily Means – that is, mechanisms for achieving the Board's Ends. WATS develops plans and allocates funding. The Commission "fosters excellence" and advises City Council. Professional staff would likely be better suited to maximizing the AAATA's benefits from these groups.
- **Fewer Meetings:** Delegation will relieve volunteer board members of two monthly meetings requiring 2-3 hours each month.
- **Shorten AAATA Board Meetings:** Updates on these two meetings would be in writing, rather than verbal.
- **Ownership Linkage:** While the majority of both meetings are likely Means-oriented, there is an informal networking that could be seen as a sort of Ownership linkage. Under policy 2.11.1.1 the CEO is required to alert the Board to any important Ownership-related issues that arise from these meetings.

*"2.11.1.1 – The CEO will not... Withhold, impede, or confound information relevant to the Board's informed accomplishment of its job."*

#### **Background:**

The WATS position is vacant. Kyra Sims has indicated that she wishes to relinquish her position on the Transportation Commission.

#### **Impacts of Recommended Action(s):**

- **Budgetary/Fiscal: NA**
- **Social: NA**
- **Environmental: NA**
- **Governance:** Clarification of roles.

**Attachments: NA**

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## Issue Brief: Paratransit Study Recommendations (Part II)

**Meeting:** Board

Meeting Date: 6-18-19

**Information Type:** Other

### Recommended Action(s):

Receive for Information

### Prior Relevant Board Actions and Policies:

8-10-17 Paratransit Study included in 2018 Budget passed by Board (pg 29)

Board Policy

1.1 All residents of the Area can participate fully in society without a personal vehicle.

1.1.2. People, including those with disabilities or mobility impairments, seniors, minors, and non-English speakers, have equitable access to opportunities in the Area.

2.4 Financial planning for any fiscal year...shall not...risk fiscal jeopardy.

### Issue Summary:

Staff have prepared another short presentation on information contained in the Paratransit Study conducted in 2018. This is the second presentation on the study, giving an overview of the recommendations set forth in the study for TheRide's demand responsive service, A-Ride.

### Background:

At the May 2019 Board meeting, staff covered the introductory information from the paratransit study. That presentation outlined several challenges with the existing service. Primarily, the service as currently provided is increasing in cost and exceeding its budget year over year. Forecasts of future ridership indicate continuing increases.

### Impacts of Recommended Action(s):

- No Board actions are being recommended at this time.

**Attachments:** Paratransit Study Recommendations Presentation Slides

# The Ride Paratransit Study

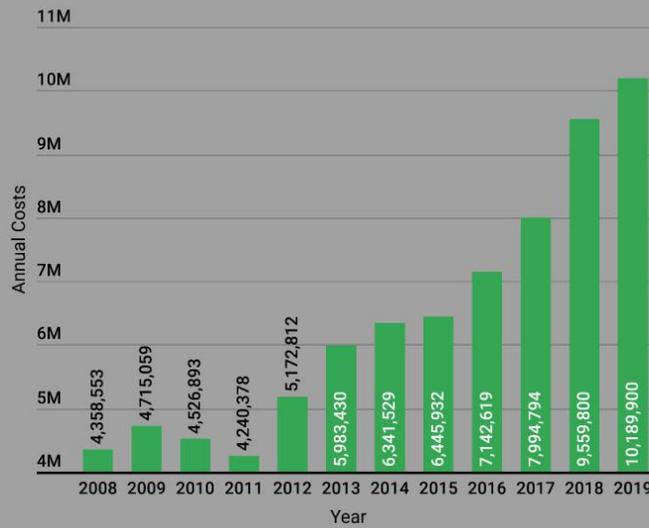
*A Clear Path Forward*



*Current  
Challenges*

*Next  
Steps*

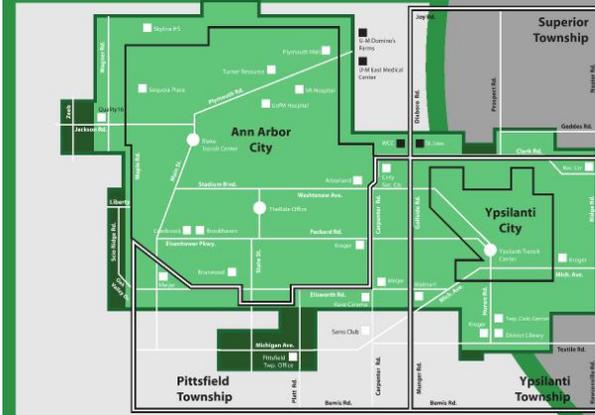
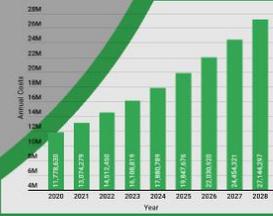
# Rising Costs



Service Levels

Efficiency

Significant increases in the last four years



# A-Ride is a mixture of required and premium services

## ADA Required Service Level

- Next day service
- Certified disability
- Within 3/4 mile
- Shared ride
- 1.5X ride length of a fixed route trip
- No pattern of denials

## Premium Service Level

- Same day service
- Age or disability
- Any location
- Few shared rides
- Direct trip

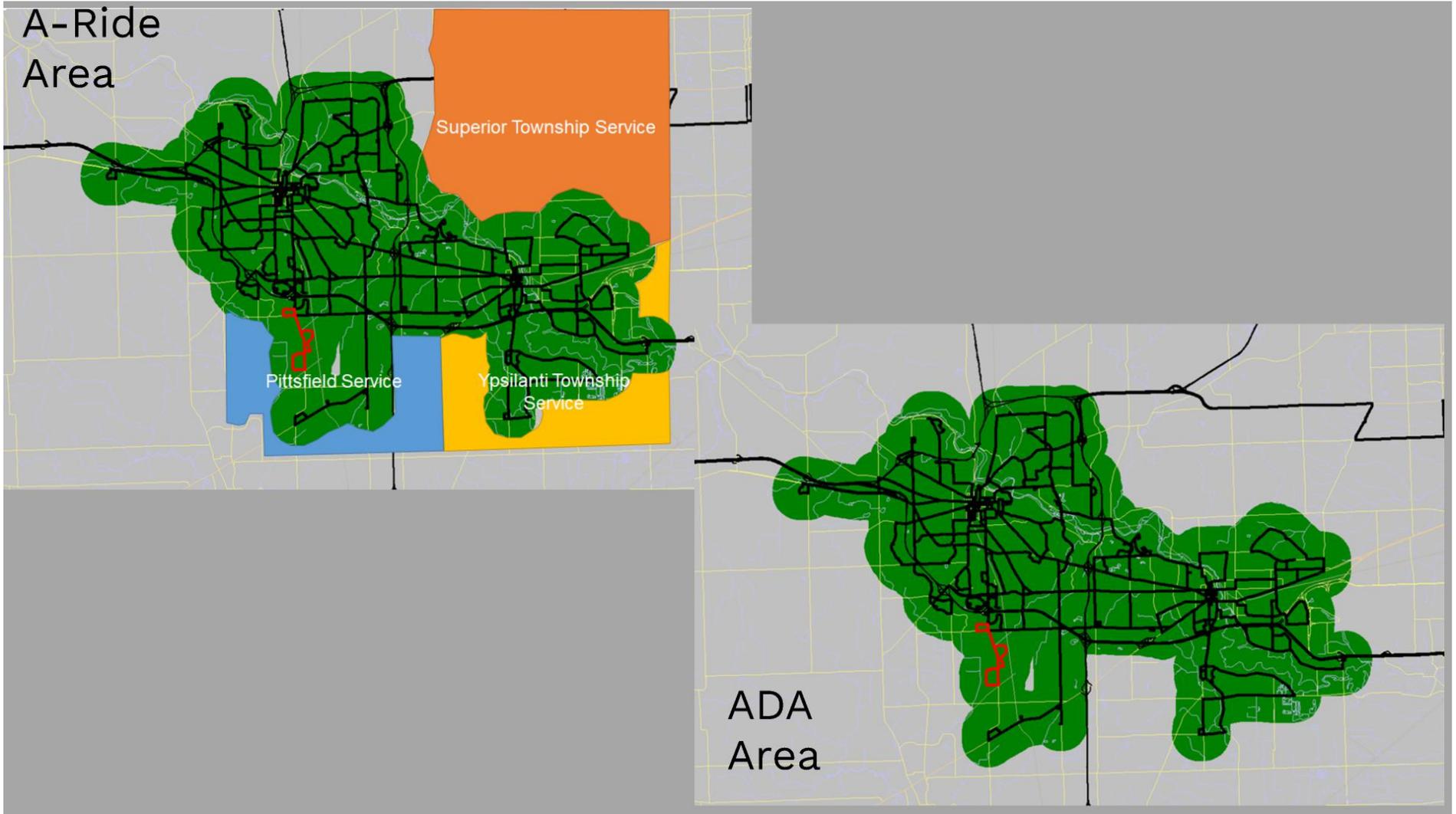


Figure 3-9: Operating Cost per Passenger Trip

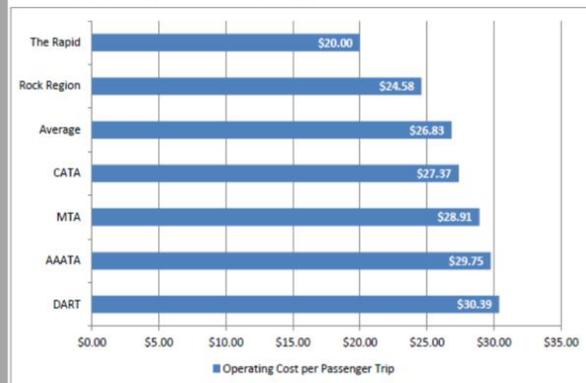
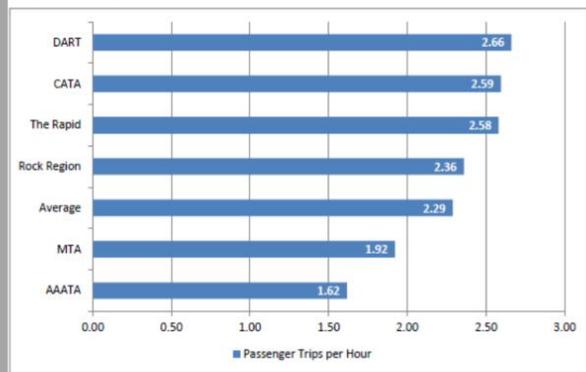


Figure 3-7: One-Way Trips per Hour



## Taxi-like service on shared ride budget

- Expectations and resources are not aligned
  - Same day service
  - Limited ride time
  - Few shared rides
  - Broad service area

# Internal Opportunities to Improve Efficiency

- Software could be better utilized ending the need to manually schedule
- Ambulatory and non-ambulatory passengers could be booked together rather than separated by vehicle type
- Contract for service could be strengthened
- Staffing could be strengthened to provide effective contract oversight
- Fleet composition could be expanded

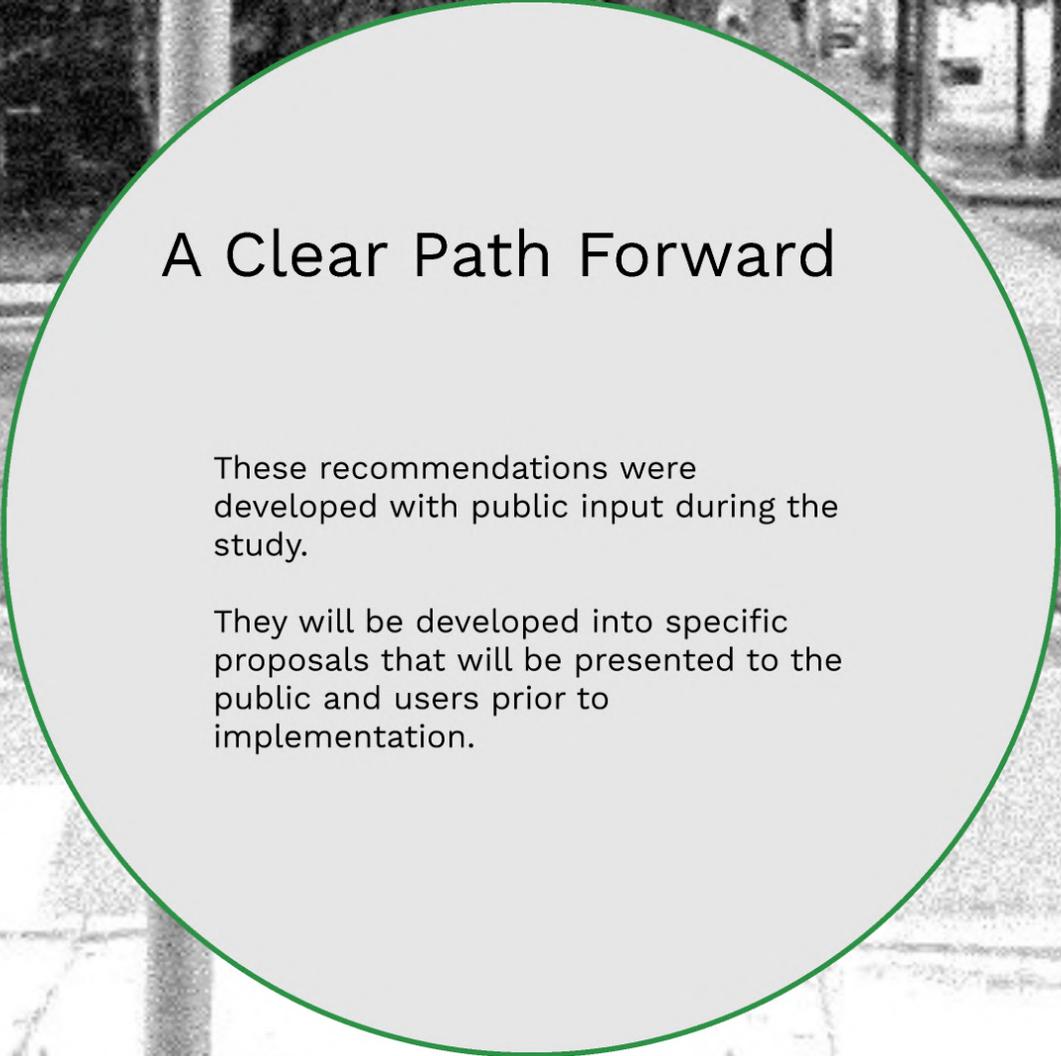
# TheRide Paratransit Study

*A Clear Path Forward*



*Current  
Challenges*

*Next  
Steps*



## A Clear Path Forward

These recommendations were developed with public input during the study.

They will be developed into specific proposals that will be presented to the public and users prior to implementation.



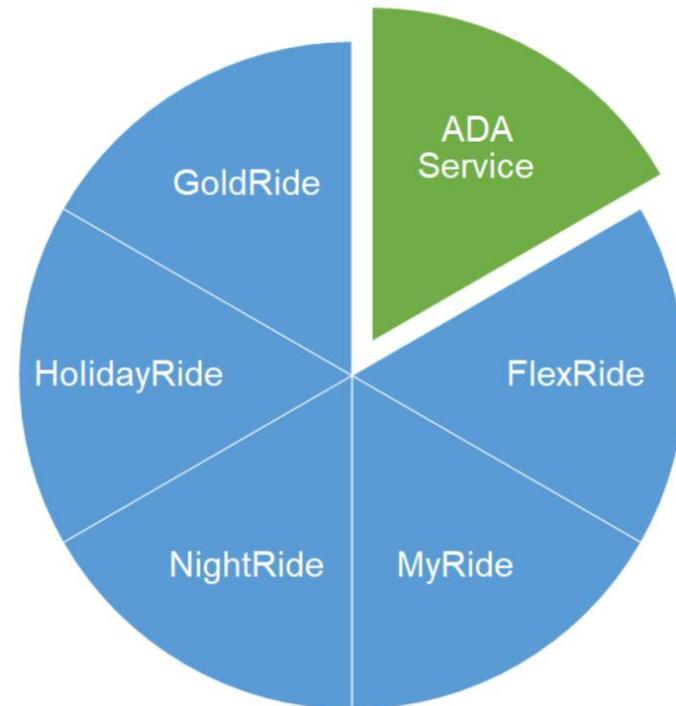
Service  
Clarity



Internal  
Efficiency

# Separate required and premium service

- The option of a premium same-day service separate from ADA service should be considered.
- This will:
  - let staff manage the different services more efficiently,
  - eliminate the commingling of ADA service, which is a federally regulated service, with a premium service that is beyond ADA requirements, and
  - ultimately, reduce costs.



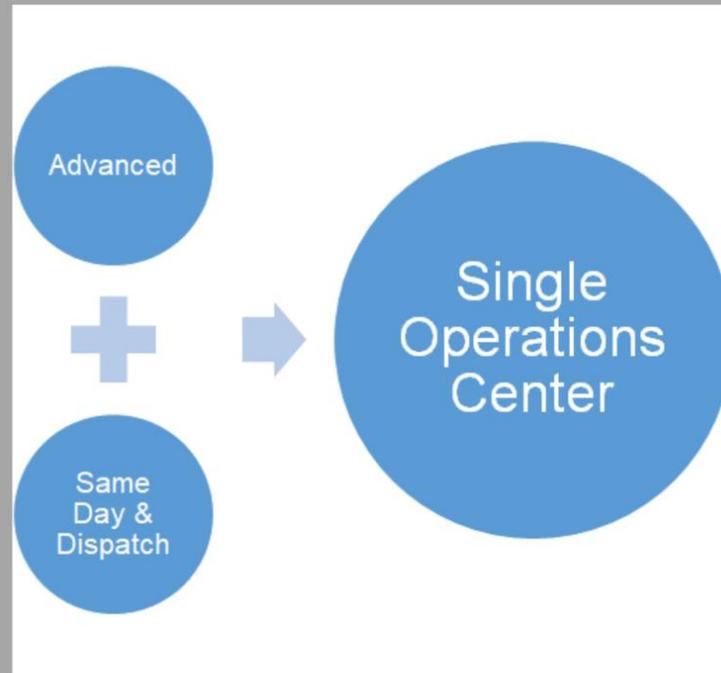
# Evaluate Service Standards

- Discussion with the community about levels of service versus cost
- Work at maintaining a quality of service while improving efficiency
- Enhance eligibility certification
- Increase attention to supporting the use of accessible fixed route.



# Consolidate Operations

- Bring reservations, scheduling and dispatch together in one location
- Use Trapeze booking software exclusively, allowing grouped trips across the fleet



# Backoffice Efficiency & Coordination

- Expand service monitoring.
- Designate an accessibility office responsible for A-Ride as well as support for accessible fixed route (e.g., improving bus stop accessibility).
- Develop new Request for Proposal for ADA service
  - Strengthen requirements for staff and vehicles
  - Include stronger productivity requirements

# TheRide Paratransit Study

*A Clear Path Forward*



*Current  
Challenges*

*Next  
Steps*

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## Issue Brief: Ypsilanti Transit Center, Authorization of Grant Application

**Meeting:** Board

Meeting Date: June 20, 2019

**Information Type:** Decision

**Recommended Action(s):** That the Board approve a resolution (attached) authorizing the CEO to apply for Federal and State capital grants of about \$15.2 million for the Ypsilanti Transit Center project. The implementation of the project is contingent upon receipt of adequate Federal and State grant funding.

**Alternative Option(s):** Defer decision to FY 2020 Budget for grant application in 2020.

**Prior Relevant Board Actions and Policies:** Policy 3.2.7: Approval of budget. Policies 2.4 and 2.5 regarding financial planning and capital projects.

**Issue Summary:** There is a demonstrated need to rebuild and expand the Ypsilanti Transit Center (YTC). To fund this project, TheRide will need the financial support of the federal and state governments, who regularly provide such support through established grant programs. The CEO is seeking the Board's authorization to allow TheRide to apply for these grant funds.

Should the Board decline to authorize on June 20, 2019, TheRide will continue to refine the project as seek authorization at a later date.

Should the grant applications be approved, the federal and state governments would cover all capital costs for design and construction. The estimated capital costs are about \$15.2 million (see attachment below). We intend to ask the federal government to provide 80% of the total costs. The Michigan Department of Transportation provides "local" matching funds for such projects, and will likely supply the remaining 20%. Should the federal applications be rejected in 2019, TheRide will continue to refine the planning in anticipation of future application opportunities.

There are two federal grant opportunities in summer of 2019:

- **Bus & Bus Facilities Grants:** A competitive federal grant program that funds transit facilities. Applications are due June 21, 2019
- **BUILD:** A competitive federal grant program for transportation infrastructure of all types. Applications are due July 15, 2019.

These grant programs are nationally competitive (i.e. "discretionary"). Awards are made before year's end. It is possible we will not succeed in our first attempts or may receive only partial funding.

Inadequate funding means the project may not be able to proceed right away. Partial funding may allow further planning and assessment which could improve chances of success in future applications.

There is a risk that unforeseen costs may arise after grant award, increasing the project costs beyond this estimated cost. Staff have tried to address this with a professional, third-party budget estimate, healthy contingencies and conservative budgeting. Alternately, we can defer the grant application while we work to refine the cost estimates and reduce uncertainty. However, risk can never be eliminated entirely.

Should the Board authorize this grant application, staff will still need to return for approval for real-estate purchase and possibly other decisions. These applications would not require a change to the FY 2019 budget. If successful, capital budgets for 2020 and beyond would need to reflect these costs and revenues.

**Background:** Building an expanded Ypsilanti Transit Center would be a significant step in advancing the Board's Ends: an improved terminal will greatly increase customer satisfaction, enable future service expansion, and will likely help to attract new passengers. It will signify TheRide's commitment to the Ypsilanti area. (Preliminary budgets, as well as a conceptual site plan can be found in the attachments below.)

Since 2017, TheRide has undertaken preliminary planning for a new YTC. A study analyzing alternatives recently looked at over 10 locations and numerous configurations, and concluded that the existing location continues to be the best spot for a bus terminal. Preliminary design for a new bus terminal in Ypsilanti was part of the 2019 Strategic Business Plan. Technical planning was a part of the approved FY 2018 and FY 2019 Budgets.

Several key steps remain including: opening discussions with the City of Ypsilanti and local property owners, conducting additional site studies (NEPA, etc.); final design, engineering and architecture; land consolidation, interim operations planning, and construction. We will be allowed to bundle many of these costs into the federal grant application. (It should be noted that federal and state grants will not pay for amenities that are not directly related to transit infrastructure.)

#### **Impacts of Recommended Action(s):**

- **Budgetary/Fiscal:** If successful, grant awards would need to be reflected in annual capital budget in FY 2020 and beyond.
- **Social:** A new YTC would be a significant benefit for the Ypsilanti area and would advance several Board objectives.
- **Environmental:** A new YTC will enable future transit services and can be built to high environmental standards.
- **Governance:** The magnitude of this grant application, the project's impacts on future budgets, and the inclusion of real estate in the project suggests that the Board's authorization is required.

#### **Attachments:**

- 1 – Resolution 04/2019 Authorizing an Application for Discretionary Funds
- 2 – Project Summary, Timeline, Preliminary Site Plan
- 3 – Capital and Operating Cost Estimates

Resolution 04/2019

AUTHORIZE GRANT APPLICATION

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
ANN ARBOR AREA TRANSPORTATION AUTHORITY**

We hereby certify that the following Resolution was duly approved and adopted by the Board of Directors (herein after referred to as the Board) of the Ann Arbor Area Transportation Authority at a meeting held on June 20, 2019 at which a quorum was present and acting throughout.

**WHEREAS**, the U.S. Department of Transportation has made discretionary federal funds available for competitive award under the FY2019 Section 5339 Bus and Bus Facilities Discretionary Program, and the FY2019 Better Utilizing Investments to Leverage Development (BUILD) Program; and

**WHEREAS**, the AAATA Strategic Business Plan calls for an expansion of the Ypsilanti Transit Center, significant preliminary planning for which has already been undertaken demonstrating that \$15.2 million in capital investments are needed to build the project; and

**WHEREAS**, the Board of Directors supports and encourages the advancement of the Ypsilanti Transit Center expansion, and is willing to amend the AAATA's operating and capital budgets as necessary to accommodate this project contingent upon award of adequate discretionary grants;

**NOW THEREFORE, BE IT RESOLVED**, that the Board hereby authorizes the CEO to apply for discretionary capital grants for the Ypsilanti Transit Center expansion project.

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Eric A. Mahler, Chair  
June 20, 2019

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Kyra Sims, Secretary  
June 20, 2019

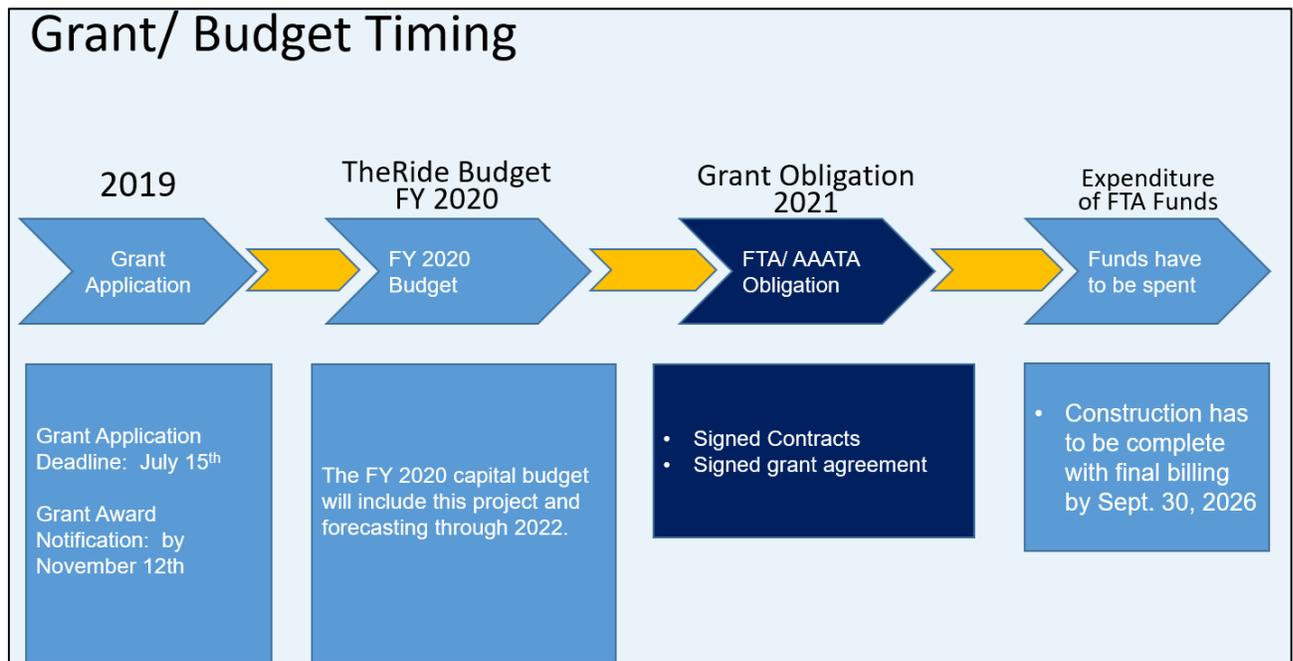
## Attachment 2: Project Summary, Timeline, Conceptual Site Plan

### Study Phase

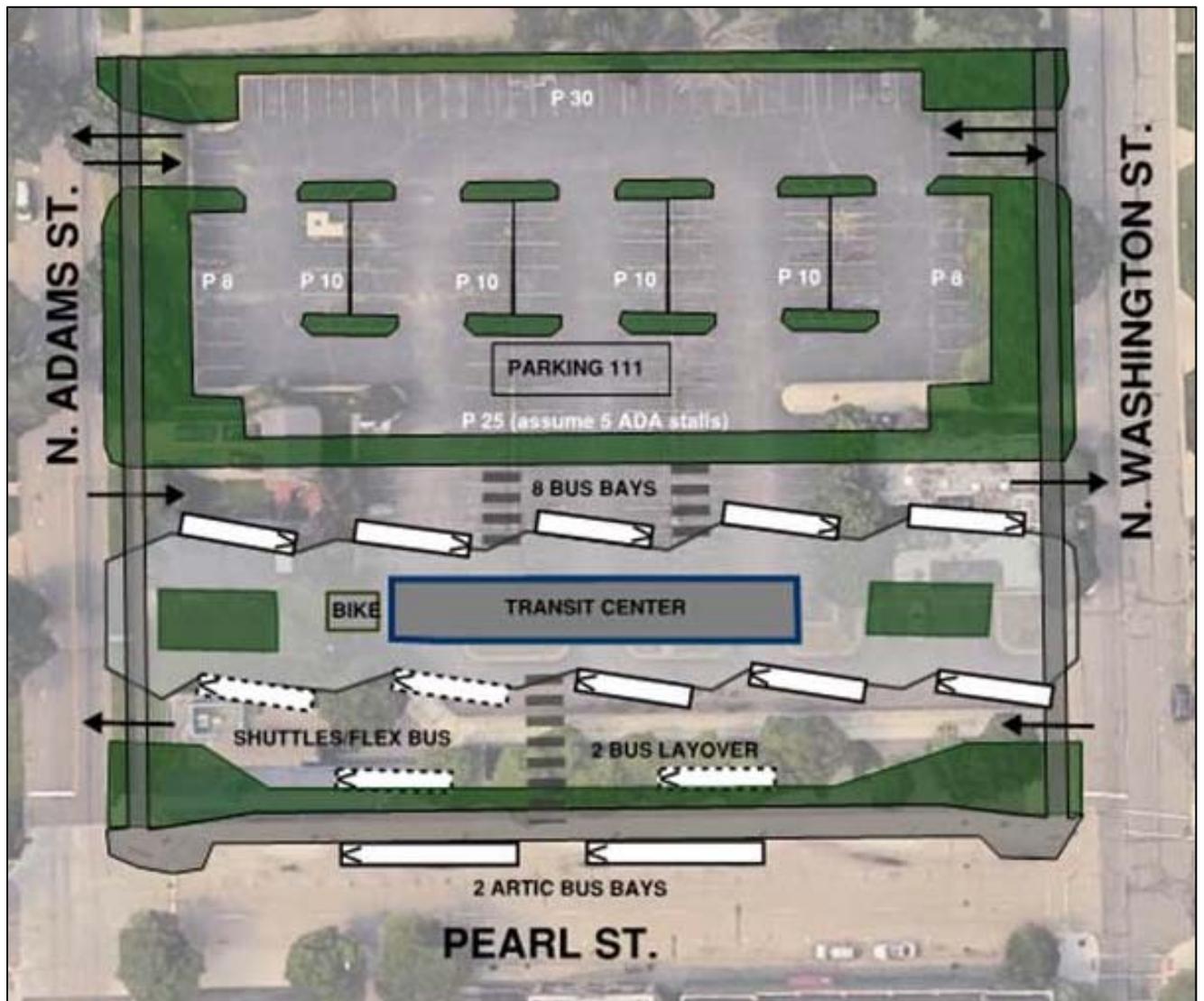
- **2014:** Preliminary discussions identify the desire to improve the Ypsilanti Transit Center.
- **2017 – 2019:** Conceptual planning and preliminary public involvement. Budget estimates.

### Next Steps Timing (Illustrative)

- **June 21, 2019 - July 15, 2019:** Opportunities to apply for grant funding.
- **Late 2019:** Federal grants awarded.
- **2020-2022:** Partnering with City of Ypsilanti, land consolidation, increasingly detailed planning, planning for interim operations, procuring construction services, etc.
- **2022-2023:** Demolition and construction. Interim operations at another location.
- **2023/2024:** Opening of new terminal. Adjustment to annual operating costs.
- **2026:** Federal grants must be spent by this deadline.



Conceptual Site Plan (Illustrative – Not Final)



**Project Description**

After extensive study and public involvement, a basic functional design has been proposed (above). There are other potential configurations. Many decisions remain. At a minimum the new facility must provide space to accommodate more buses and a larger building. The proposed transit center program yields a 6,500 square-foot building on a 2-acre site and includes the following minimum program elements:

- 13 Bus and Shuttle Bays/Slips
- Kiss and Ride and taxi/ride-share drop-off area
- Safe pedestrian circulation
- Green Space

### Attachment 3: Capital and Operating Cost Estimates

#### Capital Costs

The table below illustrates the capital cost estimates developed by the Wendell company in concert with TheRide staff. Capital costs include design, purchase and construction of physical infrastructure. The federal and state grants pay for capital costs.

<b>Element</b>	<b>Cost Estimate</b>
Demolition and Site Work	\$1,687,592
New Building Program	\$7,382,315
Design, Contingency and Associated Costs	\$6,155,725
<b>Total</b>	<b>\$15,225,633</b>

During construction, a temporary bus terminal will be needed. We are assuming \$350,000 based on security and parking agreements with the City. Other soft costs such as temporary warming shelters, stand markers can be included in capital grants and are included in the project contingency (site development) costs.

#### Operating Costs

New *capital* projects typically result in additional ongoing *operating* costs. Typical operating costs include ongoing costs for staff, utilities and maintenance.

It is assumed that the new building will cost between \$300,000 to \$350,000 annually to operate based on costs for existing terminals. Grants do not fund such costs, which must be borne by TheRide's operating budget in perpetuity. TheRide is already incurring operating costs for the existing YTC, so these costs do not illustrate the total *additional* cost. We are tentatively assuming that these costs will begin in FY 2023.

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## Issue Brief: FY2019 Q2 Financial Statement Report

Meeting: Board of Directors

Meeting Date: June 20, 2019

**Recommended Committee Action(s):** Receive as CEO Operational Update

**Prior Relevant Board Actions and Policies:**

- 2.11.1.5 CEO shall not...Let the Board be unaware of... incidental information (including) quarterly budget to actual financial reports.
- Appendix A: Informational Reports schedule specifies quarterly Financial Statement reports in November, February, May, and August.
- Policy 2.6 Investments and Appendix F Investment Policy were adopted in June 2018.

**Issue Summary:**

Staff present the Second Quarter Financial Statement with currently available and reportable financial information for the period ending March 31, 2019. (Last month the Finance Committee recommended deferring this report for one month due to staff transitions in the Finance Department.)

**Background:**

Financial highlights from the second quarter (January, February, March 2019) include:

- TheRide operated within the budget for the second quarter of the year.
- There was a \$625,470 surplus of revenue over expense, which represents a contingency margin of 2.8% of the adopted budget to date.
- Expenses were \$332,340 lower than budgeted. Savings were from lower fringe benefits, purchased service, and other costs.
- Revenues were higher than budgeted by \$137,220 with higher fare/contract revenue, federal operating assistance, and interest income.
- Cash flow was adequate to cover expense; Q2 ended at \$13.6 million in cash/ investments.
- The reserve was at 2.34 months of annual operating expense, short of the target of 2.5 months.
- The reserve balance was \$8.96 million, \$.52 million higher than second quarter end last year.

**Impacts of Recommended Action(s):**

- **Budgetary/Fiscal:** Demonstrates financial performance for the reporting period
- **Governance:** Supports Board in financial oversight/fiduciary responsibility

**Attachments:**

- FY 2019 Q2 Financial Statements (Income Statement, Balance Sheet, Cash Flow Statement)



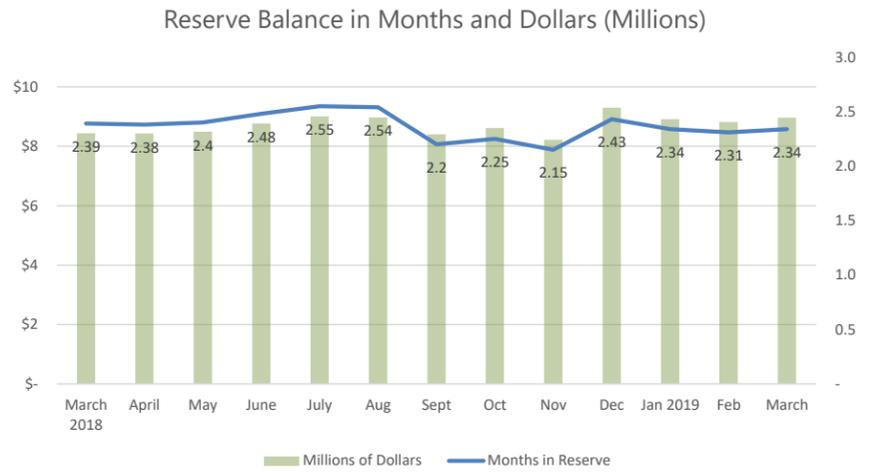
## Balance Sheet

For the Period Ended March 31, 2019

### Balance Sheet and Reserve

In Thousands of Dollars (which means add a comma and three zeros), With Prior Year Comparison.

	Q2 2018 3/31/2018	Q1 2019 12/31/2018	Q2 2019 3/31/2019
<b>ASSETS</b>			
Cash & Investments	\$ 12,511	\$ 16,403	\$ 13,612
Other Current Assets	11,969	10,321	12,623
Capital Assets	54,783	51,974	52,283
<b>Total Assets</b>	<b>\$ 79,264</b>	<b>\$ 78,699</b>	<b>\$ 78,518</b>
<b>LIABILITIES</b>	4,407	5,400	5,250
<b>NET POSITION</b>	<b>\$ 74,856</b>	<b>\$ 73,298</b>	<b>\$ 73,268</b>
<b>Reserve Balance</b>	<b>\$ 8,437</b>	<b>\$ 9,296</b>	<b>\$ 8,957</b>
<b>Months in Reserve</b>	<b>2.36</b>	<b>2.43</b>	<b>2.34</b>



### Statement of Cash Flows (in Thousands of Dollars)

In Thousands of Dollars (which means add a comma and three zeros).

Historical Cash Flows	Fiscal Year 2017			Fiscal Year 2018				Fiscal Year 2019	
	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2
Beginning Cash:	\$ 16,638	\$ 12,985	\$ 7,537	\$ 15,638	\$ 15,119	\$ 12,511	\$ 9,064	\$ 19,824	\$ 16,403
Cash from Operations	(1,263)	3,859	(137)	(1,519)	(3,584)	(5,417)	2,725	(5,289)	115
Cash from Capital	48	(1,958)	(447)	-	(5)	(31)	(2)	(50)	628
Cash from Investments	(2,438)	(7,349)	8,685	1,000	980	2,001	8,037	1,918	(3,534)
<b>Cash Flow:</b>	<b>\$ (3,653)</b>	<b>\$ (5,448)</b>	<b>\$ 8,101</b>	<b>\$ (519)</b>	<b>\$ (2,609)</b>	<b>\$ (3,447)</b>	<b>\$ 10,760</b>	<b>\$ (3,421)</b>	<b>\$ (2,791)</b>
<b>Ending Cash:</b>	<b>\$ 12,985</b>	<b>\$ 7,537</b>	<b>\$ 15,638</b>	<b>\$ 15,119</b>	<b>\$ 12,511</b>	<b>\$ 9,064</b>	<b>\$ 19,824</b>	<b>\$ 16,403</b>	<b>\$ 13,612</b>

**Q2 cash flow was negative at \$2.791 million**  
 The Statement of Cash Flows summarizes the amount of cash and cash equivalents entering and leaving AAATA during the reporting period. It measures how AAATA generates cash to fund its operating, capital, and investing needs. **Negative cash flow is the normal position for all quarters except 4th quarter, when property tax revenues are typically received.**

### Investments Summary

In Thousands of Dollars (which means add a comma and three zeros).

Investment Instrument	Date of Maturity	Interest Rate	Total as of 12/31/2018	Transactions	Total as of 3/31/2019
Bank of AA - CD	1/23/2019	1.9%	795	(795)	-
Bank of AA - CDARS	1/31/2019	0.7%	1,000	(1,000)	-
Bank of AA - CD	2/20/2019	2.0%	795	(795)	-
Bank of AA - CD	3/20/2019	2.0%	795	(795)	-
Bank of AA - CDARS	3/28/2019	0.7%	2,500	(2,500)	-
Bank of AA - CDARS	8/1/2019	0.8%	1,500	-	1,500
U.S. Treasury Bill	5/28/2019	2.4%	1,000	-	1,000
U.S. Treasury Bill	9/27/2019	2.3%	1,000	-	1,000
U.S. Treasury Bill	3/25/2020	2.4%	1,000	-	1,000
U.S. Treasury Bill	9/25/2020	2.5%	2,000	-	2,000
RBC Futures Account	Daily	0.1%	446	164	610
Key Bank Money Market	Daily	0.1%	5	-	5
Bank of AA - Money Market	Daily	0.6%	1,675	2,187	3,862
<b>Total Investments:</b>			<b>\$ 14,512</b>	<b>\$ (3,534)</b>	<b>\$ 10,978</b>

**Projected FY2019 Investment Income: \$153,421**

The majority of Operating Capital and Long Term Reserves are federally insured. CDARS (Certificate of Deposit Account Registry Service) allows AAATA funds to be distributed to various banks to ensure funds remain under the FDIC \$250,000 limit. This is facilitated by Bank of Ann Arbor.

U.S. Treasury Bills are short term bonds (2 years or less) backed by the Treasury Department of the U.S. Government (rates shown are after the annual fee of .28%).

Accounts that are not FDIC insured or with balances above the FDIC insurance threshold are used for day-to-day working capital and include Bank of Ann Arbor CDs, a fuel futures commodity account, and money market savings. Bank of Ann Arbor CDs are a prudent investment; the bank has \$1.6 billion in assets and \$142.9 million in net capital as of June 30, 2018, has been profitable the past 9 years, and does not enter into risky investments.

### Cash and Investments History

Total Cash and Investments by Month and Year (2015 to 2019 YTD)

In Millions of Dollars.



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## Issue Brief: CEO REPORT

Meeting: Board

Meeting Date: June 20, 2019

Information Type: Other

### OPERATIONAL AND PROJECT UPDATES:

- **STATE BUDGET UPDATE** – Mid June was a dramatic time for development of the FY 2020 State Budget. Seeking to create a counter-proposal to Governor Whitmer’s gas tax proposal, Republicans on a House committee [proposed an initial transportation budget](#) that would have shifted state funding from transit to roads. This would have been very negative for transit and the AAATA. Transit supporters throughout the state quickly began contacting their local representatives. Shortly afterward, the full House [amended the proposal](#) to be less negative for transit. However, there are still significant challenges.

Next, the House and the Senate will need to combine their proposals and send a single proposal to the Governor, who has some line-item veto authority. We are settling in for a long summer of budget debates in Lansing. It is likely that the State budget may not be approved until late September. This could present challenges for TheRide’s annual budget, due September 19, 2019.

TheRide wishes to thank local state House representatives, Warren and Lasinski, and especially Rahbi and Peterson for their work in amending the House proposal. Through their efforts, the House bill was improved. We also wish to note an unprecedented joint press release developed by the major transit agencies in Southeast Michigan and the Michigan Public Transit Association (attached).

The [final House proposal](#) still present challenges. This includes cuts to the capital funding needed for the Ypsilanti Transit Center expansion. The next step will be to help State Senator Jeff Irwin and the Governor to understand and improve the legislature’s transportation budget proposals.

- **CITY OF YPSILANTI / WASHTENAW BOARD OF COMMISSIONERS** – Board Member Jesse Miller and the CEO visited the Ypsilanti City Council on June 4 and provided an update on the plans for the Ypsilanti Transit Center. ([June 4 Audio: 36:40- 59:12](#)). The CEO also briefly spoke to the Washtenaw County Board of Commissioners ([June 5. Ways and Means - Video: 15:30-18:20](#)).
- **FREE RIDE PROMOTION WITH ANN ARBOR AND YPSILANTI LIBRARIES** - Ann Arbor District Library (AADL) and Ypsilanti District Library (YDL) card holders can ride free by showing their library card when boarding the bus every Saturday and Sunday June 15 – August 31. There are Summer Game Codes for AADL on the inside of the buses, on our website (50<sup>th</sup> anniversary page) and on the outside of 10 buses – players can earn points for prizes when entering those codes. There is a

Summer Challenge code for YDL on the inside of the buses – players can turn in this code for a badge and a chance to win a prize basket.

- **COMMUTER CHALLENGE** - The 14th annual Commuter Challenge participants logged nearly 40,000 commutes using alternatives modes. 2200 commuters from 275 organizations competed in this year's challenge.
- **BIKESHARE/ARBORBIKE** - The new ArborBike operator, Shift has submitted permits for stations in downtown Ann Arbor and they are awaiting final language for on-campus operations from the University. All preparations are being made to launch once the permits are approved. *(Stations are essentially remaining as they were before, with 8 stations on University properties and 5 stations on City right-of-way, connecting from the southern portions of central campus (S. Division and Hill) up to Kerrytown and from downtown (Main and Washington) up to the medical center and North Campus (Murfin & Hubbard).*
- **BOARD ORIENTATION** – Rose Mercier provided a Policy Governance orientation to new board member Raymond Hess and some staff on Friday June 7.
- **ANN ARBOR TRANSPORTATION MASTER PLAN** – AAATA Staff participated in meetings with the City regarding the beginnings of the City new Transportation Master Plan. It is our intent to coordinate the City's work with the AAATA services planning, which is still planned to begin this fall.
- **"BUS AND BEYOND" NEW MOBILITY GUIDANCE** - TheRide will be conducting public engagement sessions to obtain feedback on our Bus and Beyond New Mobility Guidelines. The pop-up events will be held at the Blake Transit Center on July 23 from 4-7pm and at the Ypsilanti Transit Center July 24 from 7-10am. Individuals will also be given the opportunity to provide feedback at TheRide.org.
- **VALUES TASK FORCE** – The power of leading by explicit, group-determined values is well established. Seeking to clarify the workplace values at the AAATA, the CEO has struck a staff task force and charged them with speaking with staff throughout the organization to help clarify expectations for behavior. Among other inputs, the Task Force is looking into values inherent in the Board's written policies.
- **TEAM BUILDING TRAINING** – AAATA staff conducted their second round of team building using a system called Personality Dimensions. This off-shoot of Myer-Briggs helps staff work together in a fun setting to better understand themselves and their teammates, and to develop stronger communications skills. The training seems to have been well-received and may be brought back again in the future.
- **HIRING** – A new class of MCO's is scheduled to start July 8<sup>th</sup>. We interviewed 22 applicants out of 300 for a call taker position. We hired an internal candidate, James Spangler, for Fleet Supervisor (he had been a technician with us for several years prior). We've hired a new Manager of Mobility Services, to be announced Monday the 15<sup>th</sup>. Three new technicians have been hired, and are going through onboarding swiftly. We also hired a new Operations Training Supervisor, Al Taylor.

- **FACILITIES** – We have awarded a contract for the Admin Roof and HVAC replacement project, C & J, a disadvantaged business enterprise. We have almost completed an update and upgrade of the building camera systems at all of our facility locations (DGO, BTC, YTC, and Park-n-Rides). Fleet and Facilities did a spring cleaning which led to the selling of surplus and antiquated equipment, recycling of thousands of pound of used electronic equipment, and disposal of 80 yards of waste.
- **FLEET** – Implemented a new timekeeping software called iSolved with the close coordination of IT and Finance. Fleet and Facilities workers can now request off electronically for the first time, and see their accumulated time-off in real time when requesting the days.
- **BUS OPERATIONS** – MCO Reg Trussell placed 39<sup>th</sup> out of 85 in an international bus roadeo in Louisville, KY. All Operators were trained in how to use the new Quantum semi-autonomous wheelchair securement units installed on ten coaches.
- **ANNIVERSARY** - Ron Copeland will celebrate his 45<sup>th</sup> anniversary with TheRide on July 9<sup>th</sup>.
- **IN MEMORIA** – The AAATA is sad to announce the passing of long time Paratransit Coordinator Brian Clouse. Brian was an employee of the TheRide for more than 20 years working closely with the LAC and ARide users. His passion for the people we serve was inspirational and he will be sorely missed by all.



## Joint Statement



### House Transportation Committee Budget Prioritizes Potholes over People

**June 11, 2019** - The FY 2020 House transportation budget proposal passed by the Transportation Subcommittee of Appropriations jeopardizes transit and mobility services state-wide, including service provided across Southeast Michigan by the TheRide (Ann Arbor), Detroit Department of Transportation (DDOT), and The Suburban Mobility Authority for Regional Transit (SMART). The House proposal would transfer \$36 million from public transit to fund roads. While fixing our roads is a mutual priority, doing so on the backs of our region's seniors, disabled, youth, and our most vulnerable residents is not a viable solution.

How would the House proposal impact transit services in metro Detroit and Ann Arbor? Bus services provided more than 40 million rides in 2018 across Macomb, Oakland, Washtenaw, and Wayne Counties.

- Under the House proposal, state operating funding would be reduced to the lowest amount since 2005. Southeast Michigan would lose millions of dollars in state funding. State funds are used to match local investment and are a critical part of annual operating budgets.
- The House proposal also reduces capital investment. State funding helps keep vehicle fleets and facilities in working order. Cuts to the transit capital budget puts federal funding at risk if there are insufficient funds available to “match” the federal grants. MDOT reports that, under this proposal, they will be approximately \$3 million short of meeting all available federal funding for urban bus systems. Further, transit agencies would not be able to access federal discretionary funds if matching funds are unavailable.
- The House proposal discourages innovation by cutting new initiatives funding by 77%, funds that can be used to implement new mobility projects across the region.
- The House proposal also cuts “specialized services” by 70%, resulting in more than 348,000 rides lost for seniors and individuals with disabilities.

The cuts affect riders state-wide; in urban, suburban and rural communities. Likely impacts in our region include:

- **TheRide (Ann Arbor):** The proposed operating cuts would eliminate service for about 300,000 annual trips which Michiganders rely on to get to jobs, doctors, schools, and grocery stores. This could increase traffic and wear on our roads while leaving the most vulnerable stranded without access to opportunity. Loss of capital funding would stall investment leading to shrinking, unreliable bus fleets – mirroring the impact of under-investing in roads.
- **DDOT:** The proposed cuts to capital funding could jeopardize the matching funds required to access federal grants DDOT uses to maintain its assets in a state of good repair. In 2018, DDOT was able to leverage \$2,384,000 in state funding to access \$9,536,038 in discretionary federal funding to support a necessary facility rehabilitation project. If DDOT loses access to federal formula or discretionary funding, it would mean deferred maintenance, and reductions in service.

- **SMART:** The proposed package of cuts would reduce SMART's operating budget and grant match revenues by close to \$7 Million annually. This reduction in funding would require cuts in services for fixed route, connector (primarily senior and disabled) service, and specialized local services. The loss of state revenue affects communities that opt into the full services of the SMART system as well as those communities that opt out of SMART; the Specialized Services program alone funds over 400,000 rides annually through 39 individual programs all across Wayne, Oakland, Macomb and Monroe Counties. In addition, fewer state matching dollars would jeopardize \$4.5 million in Federal grant funds that are essential to maintaining safe and reliable equipment and facilities.

Recently, national and regional business leaders have acknowledged that Southeast Michigan needs to invest in public transit to make the region and the State of Michigan more competitive in a global economy. This latest House Transportation Committee budget poses a risk not only to the region's transit dependent residents, but also to the businesses where they work and shop, and to future economic growth in our region and state.

In its current form, this proposal jeopardizes existing transit service across the state while not generating enough revenue to actually fix our roads; a lose-lose proposition for everyone. We ask that the Legislature **at a minimum maintain current state funding levels** for transit services across the state as it seeks to develop a balanced budget. The people of our Great State and Southeast Michigan deserve and need both good roads and good transit; not one or the other.