

## Board of Director's Meeting Agenda

**Meeting Date/Time: October 17, 2019, 6:30-9:00pm**

**Location:** Ann Arbor District Library, 343 South Fifth Avenue, 4<sup>th</sup> Floor, Ann Arbor, MI 48104

**Meeting Chair:** Eric Mahler

Agenda Item	Info Type	Details	Page #
<b>1. OPENING ITEMS</b>			
1.1 Approve Agenda	D		
1.2 Public Comment	O		
1.3 General Announcements	O		
<b>2. CONSENT AGENDA</b>			
2.1 Minutes			3
<b>3. POLICY MONITORING &amp; DEVELOPMENT</b>			
3.1 Committee Reports			
3.1.1 Governance Committee	O	Mahler	9
3.1.1.1 Annual Work Plan	O	Mahler	13
3.1.2 Finance Committee	O	Allemang	14
3.1.3 Service Committee	O	Hewitt	17
3.2 Monitoring Reports:	M	Mahler	
3.3 Board Member's Code of Conduct;			21
4.1 Unity of Control;			27
2.0 Global Executive Limitations			29
3.3 LAC Report	O	Weber	31
3.4 Ends Policies			
3.4.1 Task Force Report	D	Allemang, Hewitt, Miller	33
3.4.2 LAC Input (Verbal)	D	Mozak-Betts	
3.4.3 Monitoring Report Mock-up (Attachment)	D	Carpenter	36
<b>4. STRATEGY &amp; OPERATIONAL UPDATES: CEO</b>			
4.1 State Budget Update (Verbal)	O	Carpenter	
4.2 CEO Report	O	Carpenter	37
<b>5. EMERGENT BUSINESS</b>			
<b>6. CLOSING ITEMS</b>			
6.1 Topics for Next Meeting: Ends, Treatment of Staff, Quarterly Reports, Audit Task Force		Thurs., Nov. 21, 2019	
6.2 Public Comment			
6.3 Board Assessment of Meeting			39
6.4 Adjournment			

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

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

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

**Emergent Topics**

Policy 3.13 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?
-

---

## Board of Directors Meeting Summary

**Meeting Date/Time: September 19, 2019, 6:30-9:00pm**

**Location:** Ann Arbor District Library, 343 South Fifth Avenue, 4<sup>th</sup> Floor, Ann Arbor, MI 48104

**Board Member Attendees:** Mike Allemang, Raymond Hess, Eric Mahler (Chair), Jesse Miller, Kathleen Mozak-Betts, Kyra Sims, Sue Gott, Roger Hewitt, Ryan Hunter

**AAATA Staff Attendees:** Matt Carpenter (CEO), Bryan Smith, John Metzinger, Tim Sanderson

Chairman Eric Mahler called the meeting to order at 6:31 p.m.

### 1. OPENING ITEMS

#### 1.1 Approve Agenda

Mr. Roger Hewitt proposed to introduce the consideration of a resolution pertaining to, but not amending, the FY2020 Budget under agenda item 3.1.1. The amended agenda was approved unanimously.

#### 1.2 Public Comment

Mr. Jim Mogensen discussed cost placed onto ridership, super stops, and inquired as to how the decision was made regarding AirRide in Ypsilanti.

Larry Krieg congratulated Mr. John Metzinger, CEO Matt Carpenter, and the AAATA staff for their GFOA award. He discussed policy 1.2 and 1.2.1 on environment, referencing CEO Carpenter's March 2019 interpretation of the policies and Greta Thunberg's activism.

Michelle Barney discussed A-Ride service needs and hopes that something can be done about longer than 30 minute waits for service.

#### 1.3 General Announcements

Mr. John Metzinger introduced LaTasha Thompson (AAATA, new Manager of Finance) and Mike Blackston (AAATA, new Manager of IT).

He also announced that Michelle Whitlow was awarded the 2019 Manager of the Year by the Michigan Public Procurement Officers Association (MPPOA).

CEO Carpenter acknowledged Mr. Keith Book's efforts to reformat the AAATA Board Meeting packets and requested feedback on the formatting from the Board. Favorable comments ensued.

#### 1.3.1 Farewell Bill DeGroot (Verbal)

CEO Carpenter thanked Mr. Bill DeGroot for his contributions to AAATA. Mr. DeGroot thanked the Board for all they have done and for their selection of CEO Carpenter. Ms. Sue Gott spoke of Mr. DeGroot's strengths and specific contributions to AAATA. Mr. Roger Hewitt expressed that it has been a pleasure working with Mr. DeGroot. Chairman Mahler added additional appreciation and acknowledgement of Mr. DeGroot's exemplary attributes.

### 1.3.2 GFOA Award (Verbal)

Ms. Catherine McClary of the GFOA presented the GFOA Award on Financial Reporting and Budgeting to AAATA and explained how the award is determined. Mr. Metzinger and Ms. Thompson accepted the award.

### 1.4 Board Officer Elections

Chairman Mahler explained the process of accepting Board Officer nominations from the floor.

Mr. Mike Allemang nominated Eric Mahler for Chairman of the Board. The nomination passed unanimously.

Chairman Mahler nominated Kyra Simms for Secretary. The nomination passed unanimously.

Chairman Mahler explained the functions of the Treasurer role as listed in the Articles of Incorporation and how other Boards in the industry have handled this position. There were no nominations from the Board for the Treasurer role. Chairman Mahler proposed that the position will be left open until actions can be taken by the Board to address the proper municipalities regarding a change in the Articles of Incorporation.

## 2. CONSENT AGENDA

Ryan Hunter moved to approve the consent agenda. Ms. Kathleen Mozak-Bett's seconded the motion. Sue Gott abstained. The motion carried.

### 2.1 Minutes

#### PROPOSED BOARD MEETING DATES: 2019 – 2020

October 17, 2019

November 21, 2019

December 19, 2019

January 16, 2020

February 20, 2020

March 19, 2020

April 16, 2020

May 21, 2020

June 18, 2020

July 23, 2020

August 20, 2020

September 24, 2020

*Note: Board meetings in July and September are later than normal to avoid conflicts between earlier committee meetings and long weekends.*

## 3. 2020 BUDGET UPDATE

### 3.1 Monitoring Report: 2.4 Financial Planning & Budgeting (Approval)

Mr. Metzinger presented on the policy monitoring report.

Ms. Mozak-Betts moved to vote the policy in compliance, except for the reserve balance. Mr. Miller supported this motion. The motion passed unanimously.

#### 3.1.1 Resolution Concerning Capital Construction Executive Limitations 07/2019

Mr. Hewitt discussed Executive Limitations and having new ones in place by the end of the year. Mr. Hewitt moved to consider Resolution 07/2019. The motion was seconded by Ms. Gott.

**Resolution 07/2019  
RESOLUTION CONCERNING  
CAPITAL CONSTRUCTION EXECUTIVE LIMITATIONS**

**WHEREAS**, the Ann Arbor Area Transportation Authority's proposed budget for the Fiscal Year 2019-20 includes initial funding for the replacement of the Ypsilanti Transit Center.

**WHEREAS**, the Board of Directors believes that additional Executive Limitations policies may be necessary to ensure that Board expectations are clear for the Ypsilanti Transit Center and future capital construction projects.

**THEREFORE, BE IT RESOLVED**, that the CEO of the Ann Arbor Area Transportation Authority shall not execute any additional contracts concerning the replacement of the Ypsilanti Transit Center until the Board of Directors has had sufficient time to revise the Executive Limitations polices concerning capital construction, if such revisions are deemed necessary.

Mr. Miller expressed concern that the resolution not slow down the process on construction of the YTC. He asked for AAATA staff to discuss their reactions to the resolution.

CEO Carpenter expressed that it should not slow down the process considering that the earliest TheRide should hear about the award is after Thanksgiving. He expressed a positive view of the idea moving forward.

Ms. Sims sought confirmation that the CEO is not requesting any directional dollar amount. Mr. Hewitt confirmed that to be the case for any contracts concerning this particular construction project, not any other contracts. Ms. Sims requested Ms. Gott's opinion on the matter and how it came about.

Ms. Gott discussed the opportunity to provide clarity in policy favorably and provided further affirmation of Mr. Hewitt's resolution.

Mr. Hewitt suggested that the Service Committee can discuss drafting possible Executive Limitations at their meetings and bring those drafts and their discussions to the Board for the Board's approval.

Ms. Kathleen Mozak-Betts asked if there is a way to open the discussion to not just the Service Committee. Mr. Hewitt welcomed that. Chairman Mahler explained how that is possible as long as quorums are observed.

Mr. Raymond Hess and Mr. Hewitt discussed that the function of the resolution would just be for major construction capital expenses on this particular construction project and would no longer be valid as additional Executive Limitations are developed by the Board.

The motion passed unanimously.

**3.2 FY 2020 Budget (Approval)**

Mr. Metzinger presented on the highlights of the Recommended FY2020 Budget.

Ms. Mozak-Betts asked Mr. Smith about the purchase of the paratransit fleet and concern for the rehabilitation and replacement in the future. Mr. Smith expressed that it would provide a couple years of cushion to plan out the replacement.

Mr. Miller asked about the purchase of new buses, if it will allow for more modern amenities. CEO Carpenter described Nova's bus design and potential opportunities to make improvements within the budget. He described the most visible upgrade to be a 10 inch wider door. CEO Carpenter expressed his excitement to bring forward an improved customer experience.

Mr. Hewitt moved for the recommended budget to go into the record. This was seconded by Mr. Allemang. The FY 2020 Budget was adopted unanimously.

**Resolution 06/2019  
ADOPTION OF FY 2020 OPERATING AND CAPITAL BUDGET  
RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
ANN ARBOR AREA TRANSPORTATION AUTHORITY**

**WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) Board of Directors (Board) is required by the Michigan Uniform Budgeting and Accounting Act of 1968 to adopt a balanced operating budget on or before September 30 for its next fiscal year, which begins on October 1, and**

**WHEREAS, AAATA staff have developed a 2020 Operating and Capital Budget that furthers Board Ends Policies within Executive Limitations and provides multi-year context;**

**WHEREAS, the AAATA is required to develop a fiscally-constrained four-year program of capital projects for inclusion in the Transportation Improvement Program (TIP) to be submitted to the Washtenaw Area Transportation Study (WATS) in order to be eligible for federal funds, and**

**WHEREAS, the AAATA is required to submit the capital program for FY 2020 to the Federal Transit Administration (FTA) as part of the annual application for FY 2020 federal funding, and**

**WHEREAS, the AAATA is required to submit the capital program for FY 2020 – FY 2023 to the Michigan Department of Transportation (MDOT) as part of the annual application for FY 2020 state funding.**

**NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the AAATA FY2020 Operating and Capital Budget as its general appropriations act with total expenditures as follows:**

- \$47,389,476 for operations.
- \$17,987,928 for capital investment (contingent upon grant awards).

**BE IT ALSO RESOLVED, that the Ann Arbor Area Transportation Authority Board of Directors hereby adopts the FY 2020-2023 Capital Program, of which FY 2020 and beyond is subject to amendment in future years.**

#### **4. POLICY MONITORING & DEVELOPMENT**

##### **4.1 Committee Reports**

###### **4.1.1 Governance Committee**

Chairman Mahler described fewer verbal reports to allow focus elsewhere, the experiment of utilizing the Committees rather than task forces, and highlighted Board educating topics.

Ms. Gott discussed using speakers that are not local and exploring the use of videoconferencing to include outside speakers.

#### **4.1.2 Finance Committee**

Ms. Sims pointed out that the Monitoring Report 2.4 was the main topic and reported that the Audit Task Force was completed with the award to UHY.

#### **4.1.3 Service Committee**

Mr. Hewitt described a lively discussion of the capital construction which he feels was captured well in the meeting minutes.

#### **4.2 Monitoring Report: 3.0 Global Governance Process & 4.0 Global Board-Management Delegation**

Chairman Mahler expressed the consensus that the Board is in compliance and will make adjustments as appropriate. There were no questions on the responses.

#### **4.3 LAC Report**

Ms. Cheryl Weber described the LAC members' receptiveness to the direction of the LAC. Chairman Mahler thanked CEO Carpenter and Ms. Mozak-Betts for their contributions to the direction.

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

#### **5.1 Fall Service Update (Verbal)**

Mr. Smith described the Fall service process as a successful challenge.

#### **5.2 CEO Report**

CEO Carpenter gave a State Budget process update. He expressed hope that the budget will be a bigger continuation budget with state and local representatives remaining in support of transit.

Mr. Allemang asked if there was anything new on the RTA. CEO Carpenter explained changeover with the passing of Mr. L. Brooks Patterson and TheRide's contribution to the regional effort with D2A2.

Mr. Miller asked about the traffic light priority award. Mr. Sanderson will put together an update for the Service Committee.

### **6. EMERGENT BUSINESS**

No emergent business.

### **7. CLOSING ITEMS**

#### **7.1 Topics for Next Meeting**

- Ends
- Chairman Mahler proposed the Annual Plan of Work be added.

#### **7.2 Public Comment**

Larry Keeler discussed overhearing some confusion on the fares for NightRide and HolidayRide.

CEO Carpenter expressed that there have not been any fare changes to NightRide or Holiday Ride and an effort to make that clear to all customers.

Jim Mogensen discussed walkers on the fixed route buses. He suggested attachments for the walkers on the fixed route. He also suggested an official sign be placed at the Packard bus stop that the receptacle there is not to be used for pet excrement.

#### **7.3 Board Assessment of Meeting**



#### **7.4 Adjournment**

Ms. Gott moved to adjourn the meeting. Mr. Hewitt seconded the motion. Chairman Mahler adjourned the meeting at 8:06pm.

**Respectfully Submitted by:** Keith Everett Book

DRAFT



## Governance Committee Meeting Summary

**Meeting Date: September 26, 2019**

**Location:** Blake Transit Center, 328 S. 5<sup>th</sup> Ave., Ann Arbor, MI 48104

**Board Member Attendees:** Eric Mahler (Chair), Roger Hewitt, Mike Allemang, Kyra Sims

**AAATA Staff Attendees:** Matt Carpenter, Bryan Smith, Tim Sanderson, Rosa-Maria Njuki

Chairman Eric Mahler called the meeting to order at 9:10am.

<b>1. OPENING ITEMS</b>
<p>1.1 Agenda (Additions, Approval)  CEO Carpenter announced that the Ends Monitoring Report Mock-up and CEO Expense Report will be presented in next Governance Committee meeting instead.</p> <p>Mr. Allemang added a discussion of the Governance Committee’s meeting with Mayor Taylor and a discussion of the Treasurer Role to the agenda under 2.1.7 Board Candidates.</p>
<b>2. POLICY MONITORING &amp; DEVELOPMENT</b>
2.1 Other Governance Issues (as assigned)
<p>2.1.1 Meeting Assessment (9/19)  Chairman Mahler described the assessment as positive and remarked that the new packet formatting is a good add.</p>
<p>2.1.2 Committee Agendas  Board Meeting Agenda:</p> <ul style="list-style-type: none"> <li>• Chairman Mahler added 3.1.1.1 Annual Work Plan to the agenda.</li> <li>• CEO Carpenter informed the Committee of communication from the City Attorney’s office regarding the Transportation Commission Attendees. It is understood now that every individual attending from the AAATA needs to be approved by the Board. Chairman Mahler requested clarity from the City Attorney’s office as to what needs to be done, which CEO Carpenter will seek out.</li> <li>• Mr. Allemang and Mr. Hewitt will not be able to attend the October Board Meeting. CEO Carpenter and Keith Book will investigate teleconferencing capabilities at the AADL. CEO Carpenter will ask Mel Muskovitz the stipulations for electronic presence at Board Meetings.</li> </ul> <p>Finance Committee Meeting Agenda:</p> <ul style="list-style-type: none"> <li>• No changes to the agenda. Mr. Allemang would like to suggest that Committee meetings stay at the Blake Transit Center rather than return to the Dawn Gabay Operations Center. This was added to the agenda as agenda item 4.1.1.</li> </ul>

Service Committee Meeting Agenda:

- Mr. Hewitt announced that Rose Mercier has been invited to the meeting. CEO Carpenter suggested deleting agenda item 3 altogether if there is insufficient time, which Mr. Hewitt and Chairman Mahler agreed with. Chairman Mahler suggested Mr. Hewitt to have a preparation conversation with Ms. Mercier prior to the Service Committee meeting.

2.1.3 Annual Plan of Work (attachment)

Mr. Allemang pointed out that Resource Allocation is not on the Plan of Work for October. Mr. Allemang and Mr. Hewitt agree that Resource Allocation should be assigned to the Governance Committee.

CEO Carpenter clarified the following:

Subjects = Board Education Topics on the provided list

Seminars = Out of town training opportunities

Training = General category for catching anything that doesn't fall into the other two categories, like New Orientation, Policy Governance Techniques, and Leadership Training.

Chairman Mahler suggested having a brain storming session at the Board Meeting as to what they would like to prioritize or see more of, and put some structure to the plan. Mr. Allemang agreed with that suggestion. Chairman Mahler would like to have the Treasurer role process laid out very specifically at the Board Meeting, which all were in favor of.

Bylaws in Articles of Consideration: Mr. Hewitt suggested reviewing the whole document, not just for the treasurer role, so that they go through the process once with Dykema. All agreed with that suggestion.

LAC – CEO Carpenter described the LAC reports to the Board as collective advisors of the Board's policies and the CEO's Monitoring Reports. The structure they are discussing now is operational support to the AAATA Staff, and policy support to the Board. Chairman Mahler would love to hear their feedback on the Ends.

CEO Carpenter asked who is responsible for updating the LAC's scope. Chairman Mahler suggested that when an update becomes necessary, the Board can deliberate it and decide at that point how to present it to Ms. Kathleen Mozak-Betts. Chairman Mahler will reach out to Ms. Mozak-Betts and find some time for CEO Carpenter, Chairman Mahler, and Ms. Mozak-Betts to discuss (with Mr. Book's assistance in scheduling).

2.1.4 Board Education (attachment)

"Elite projection" is a technical item relating to ridership that CEO Carpenter will investigate further and give a better title.

CEO Carpenter will speak with Mike Neiss for further definition of the topics he has provided.

Dedicated right of ways – Mr. Hewitt would like to look at case studies of how dedicated right of ways get approved politically.

Chairman Mahler will communicate to the Board that the more specific the topic, the more likelihood the topic will be useful.

The topic of Labor Contracting & Negotiations was eliminated from the topics.

Ms. Sims would like to have CEO Carpenter to give a gentle reminder via e-mail on Open Meetings Act & Freedom of Information Act, which all agreed would then be taken off the list of topics.

CEO Carpenter expressed liking the funding topic, as did Mr. Allemang.

New Board Orientation was suggested by Mr. Allemang to be discussed with the entire Board rather than in smaller groups. That will be added to Board Meeting's next meeting topics.

#### 2.1.5 Ends Task Force Update

Mr. Hewitt and Mr. Allemang reported on editing the Ends and would like further discussion on some items that they may like to delete.

CEO Carpenter will resend his wrap up e-mail already sent to the Ends Force Task to Chairman Mahler and Ms. Sims.

Mr. Hewitt described the process as taking the discussions from the Retreat and implementing them in the Ends. One page of proposed amendments to the Ends may be presented at the next Board Meeting. Mr. Allemang and Mr. Hewitt may present remotely on the Ends.

Mr. Allemang reminded that the Ownership Linkage Task Force awaits the new Ends.

#### 2.1.6 Streamlining Opportunities

Opportunity 1 - Tasks in the past: Chairman Mahler discussed reducing time on monitoring reports, letting reports and minutes speak for themselves. For Committee Reports, all are in favor of allowing the minutes to speak for themselves, as long as anything significant may be pointed out.

Monitoring Reports – CEO Carpenter discussed that the November reports will be more focused. There may be more questions at the Board Meetings due to the more focused nature of monitoring reports. Discussion ensued on acceptance of reasonable interpretations.

Mr. Allemang suggested that the Board discuss the definition of “reasonable interpretations”.

Mr. Hewitt suggested moving reports that don't change from year to year to the Consent Agenda. Chairman Mahler requested that CEO Carpenter put together a formal proposal for that process for the Board to consider.

Ms. Rosa-Maria Njuki to clarify further going forward when surveys are to be turned in at Mr. Allemang's request.

Opportunity 2 – Tasks for the future. Chairman Mahler discussed Executive Limitations and naturally being able to include more future-focused topics into the Board Meetings.

### 2.1.7 Board Candidates

Regarding the Mayor Taylor meeting tomorrow, it was discussed that the approach is to present the bios of the candidates and let him ask questions.

It was also discussed that the Treasurer role topic and the Articles of Consideration should be put into the topics if possible, as well as a discussion of Mr. Allemang's term ending / re-nomination.

Linkage: Mr. Allemang would like to provide the Mayor with a sentence or two on how the Board stands on Linkage.

Ms. Sims sought confirmation that the Governance Committee is in support of all three of the candidates. Chairman Mahler, Mr. Hewitt and Mr. Allemang confirmed that support.

Mr. Allemang will print out 5 copies of the candidates' LinkedIn resumes.

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

### 3.1 Ends Monitoring Report Mock-up

To discuss in the next Governance Committee meeting.

### 3.2 CEO Expense Report

To discuss in the next Governance Committee meeting.

## **4. CLOSING ITEMS**

### 4.1 Topics for Next Meeting

### 4.2 Adjournment

Chairman Mahler adjourned the meeting at 10:30am.

FY 2020		Q1			Q2			Q3			Q4		
		OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
<b>Annual Budget Cycle</b>													
Ends Review			● Monitor ends										
Retreat				● Retreat									
Strategic Business Plan							● Strategic Business Plan						
Budget Development											● Draft Budget		
Budget Approval												● Approve budget	
<b>Policy Development</b>													
Item	Responsibility												
ENDS	Full Board	Mock up	Approval	Monitoring									
BOARD EDUCATION	Full Board				Transit Funding				Dedicated Right of Ways			Finance Reports	
ANNUAL PLAN OF WORK	Ownership Linkage Taskforce				Ownership Linkage	Ownership Linkage	Ownership Linkage						
	Governance Committee				Resource Allocation	Resource Allocation	Resource Allocation				Treasurer Role	Treasurer Role	Treasurer Role
	Service Committee	Construction Policy	Construction Policy	Construction Policy Approval	Fare Policy	Fare Policy	Fare Policy	Fare Policy					
	Misc	Role of LAC	Role of LAC	Role of LAC	Role of LAC	Role of LAC							
					Succession Planning	Succession Planning	Succession Planning						
<b>Oversight, Accountability and Monitoring</b>													
Item	Responsibility												
POLICY GOVERNANCE	Full board	• 2.0 Global Executive Constraint		• 1.0 Ends	• Board member Disclosure Statements due (3.3.2.1)			• 2.11 Communication and Support					• 2.4 Financial Planning/Budgeting
	Governance Committee	• 3.3 Board Code of Conduct • 4.1 Unity of Control • CEO expense report	• 4.2 Accountability of the CEO	• 4.3 Delegation to the CEO	• 4.4 Monitoring CEO Performance • CEO expense report • CEO Evaluation	• 3.4 Agenda Planning • CEO Evaluation • CEO Compensation (odd years)	• 3.2 Board Job Description • CEO Evaluation	• 3.1 Governing Style • CEO expense report • CEO Evaluation process	• 3.6 Board Committee Principles • 3.7 Board Committee Structure	• 3.8 Costs of Governance • CEO pay (3.4.7)	• CEO expense report	• 3.5 Chief Governance Officer Role	• 3.0 Board Governance Process • 4.0 Board-Management Delegation
	Service Committee		• 2.2 Treatment of Staff • Q4 Service Report		• 2.2 Treatment of Traveling Public	• Q1 Service Report			• Q2 Service Report	• 2.10 External Relations	• Draft Budget Preview	• Q3 Service Report	
	Finance Committee		Report: • Q4 Financial Report • Year End Report	• 2.7 Ends Focus of Contracts		• 2.5 Financial Conditions (audit) • Q1 Financial Report	• 2.3 Compensations & Benefits • 2.8 Asset Protection	• 2.6 Cash & Investments	• Q2 Financial Report	• 2.9 Emergency Succession	• Draft Budget Preview	• Q3 Financial Report	
	Audit TaskForce		• Form Task Force	Field Work	Draft	Present							
<b>CEO Strategy Updates</b>													
Plan and Millage Process	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan	Long Range Plan RTA Go/No Go Point	Long Range Plan	Long Range Plan Millage Prep	Long Range Plan Millage Prep
Misc													Officer elections (Byl II.2) Set meeting time (IV.1)
<b>Items suggested for Board Education</b>													
					1. Dedicated right of ways**		4. Ridership determinants*						
					2. Need for a new bus garage*		5. Elite projection*						
					3. Transit funding strategies**		6. Finance reports**						
					**=scheduled education * = Need more information in order to schedule								



## Finance Committee Meeting Summary

**Meeting Date: October 8, 2019**

**Location:** Blake Transit Center, 328 S. 5<sup>th</sup> Ave., Ann Arbor, MI 48104

**Meeting Chair:** Mike Allemang

**Committee Members:** Kyra Sims, Jesse Miller, Raymond Hess

**AAATA Staff:** John Metzinger, Rosa-Maria Njuki, LaTasha Thompson

Chairman Allemang called the meeting to order at 3:02pm.

<b>1. OPENING ITEMS</b>
<p>1.1 Agenda (Additions, Approval) The agenda was approved unanimously and there were no additions.</p>
<p>1.2 Communications Mr. Metzinger announced that AAATA has completed corrective actions approved by the Board in April to resolve the underfunded status of the post-employment benefits liability.</p> <p>He also announced that AAATA has made changes in investments (purchases of shorter-term investment funds) in the year end, and details will be in the 4<sup>th</sup> quarter financial reports that the Board will receive in December.</p>
<b>2. POLICY MONITORING &amp; DEVELOPMENT</b>
<p>2.1 Ends Task Force Update Mr. Allemang expressed that the Ends Task Force reached a verbal consensus on the majority of what was discussed at the retreat. Mr. Miller noted that the task force worked toward a healthy balance between ridership and other areas served by the Ends. He also reported that there was discussion amongst the task force about serving the community vs. visitors.</p> <p>Mr. Allemang explained that presentation of the revised Ends is optimistic for the October Board Meeting. He mentioned that he would like the revised Ends from Rose Mercier sent out to the Board as soon as possible to allow lead time up to the October Board meeting.</p> <p>Mr. Hess updated the Committee that the Ann Arbor to Detroit connection is still in healthy discussions.</p>
<p>2.2 Financial Reports (Education) Mr. Metzinger provided a high-level presentation on how to read and analyze a financial report. He explained that this presentation will start the conversation leading to additional discussions, mainly focused on financial analysis work for the Committee.</p> <p>He addressed a potential improvement that could be made in the statement of cash flows by separating operational, capital, and investments such that they don't come out of / go into the same fund.</p>

Discussion ensued on when or if the Board might ever want to use debt, perhaps by issuing bonds controlled by State law.

Mr. Hess planted the seed that there may be a time within the next 10 years that AAATA may want to consider using debt, depending on what percentage of cost the government is willing to pay going forward.

Mr. Metzinger offered that financial analysis is necessary to find answers following the below tips:

1. Do not live by one ratio alone.
2. Place financial data in context.
3. Look for explanations behind favorable/unfavorable variances.

Chairman Allemang expressed that he is in favor of having presentations such as the one given by Mr. Metzinger in this Committee meeting also presented in a Board meeting. Mr. Miller expressed that he appreciated that the context of the different reports was briefly broken down in the presentation. He would appreciate even a bit more information on what he should be looking for in each report. Mr. Metzinger identified that explaining ratios on solvency for the AAATA is important to Mr. Miller. Ms. Sims voiced that she particularly appreciated having different sets of criteria for evaluating each of the reports.

Mr. Allemang would like to further understand the internal operations/controls for accounting procedures at AAATA. Mr. Metzinger agreed that would be helpful and expressed looking forward to providing more detail around that to the Board. He pointed out that many of these details are already in financial monitoring reports offered throughout the year.

Conversation ensued about the benefits of being able to track trends more efficiently. Values around fares were discussed as well.

Mr. Hess expressed wanting to better understand fares and the relationship between the University students and the swiping of their cards. Mr. Metzinger explained that the agreement with the university is a purchase of fares, and agreed to send the fare study to Mr. Hess.

Mr. Miller suggested that the 'operating at a loss statement' (related to the cash flow statement) might need rephrasing for the presentation to the Board, suggesting something along the lines of 'operating at a ¾ year loss and ¼ year gain').

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

#### **3.1 State Budget Update (Verbal)**

Mr. Metzinger provided a brief State budget update, emphasizing no budget cuts for State transit. He remarked that the Ann Arbor to Detroit transit via RTA, partnering with AAATA, now has State and Federal dollars dedicated to the project, which could potentially see service beginning as early as January 2020.

Mr. Allemang expressed the importance of the message that the Ann Arbor to Detroit transit will be the RTA's project with AAATA as a partner.

Mr. Hess reminded the Committee of his request at the September Board meeting that there be an increase in local funding for projects involving Federal discretionary capital grants. He expressed that the trend is more "self-help" locally and less Federal funding.



Mr. Metzinger responded to Mr. Allemang's question that AAATA's industry representation with Washington, D.C. is probably most represented by AAATA's membership with APTA .

#### **4. CLOSING ITEMS**

4.1 Topics for Next Meeting: : Committee Mtgs. at BTC or DGOC?  
Committee meetings were unanimously agreed upon to be held at the BTC going forward.

Skype use at the AADL was discussed (in leu of teleconferencing equipment) for remote attendance at Board meetings. Mr. Allemang would like to know more about whether or not a Board member can attend a Board meeting remotely, as well as if they are able to vote remotely. Mr. Roger Hewitt and Mr. Allemang will need to know how that will work for the October 17<sup>th</sup> meeting.

#### 4.2 Adjournment

Mr. Allemang adjourned the meeting at 4:24pm.

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

## Service Committee Meeting Summary

**Meeting Date: October 2, 2019**

**Location:** Blake Transit Center, 328 S. 5<sup>th</sup> Ave., Ann Arbor, MI 48104

**Board Member Attendees:** Roger Hewitt (Chair), Sue Gott, Jesse Miller, Kathleen Mozak-Betts

**AAATA Staff Attendees:** Matt Carpenter, Bryan Smith, Tim Sanderson, Rosa-Maria Njuki

**Consultant:** Rose Mercier

Chairman Roger Hewitt called the meeting to order at 3:01pm.

<b>1. OPENING ITEMS</b>
<p>1.1 Agenda (Additions, Approval) The agenda was approved unanimously. There were no amendments to the agenda.</p>
<p>1.2 Communications CEO Carpenter reported that the State did pass a budget. It appears to be favorable for transit thus far.</p>
<b>2. POLICY MONITORING &amp; DEVELOPMENT</b>
<p>2.1 Construction Policy Development Chairman Hewitt opened the floor for attendees to get their concerns out on the table during this meeting. He expressed his concerns first: The first concern was political, that there may be downtown business owners in Ypsilanti concerned about losing parking. The second was regarding contractors. As AAATA is a public entity, if contractors hold up the project and/or demand significantly more payment in the middle of it, the public can become highly aware, concerned, and/or inconvenienced.</p> <p>Ms. Mozak-Betts voiced that her concerns are connected to cost over-runs. She asked for assurance that upon completion, the project can be maintained in the future. She would like the community updated on the capital project, for AAATA to be very transparent about how the funds are being allocated.</p> <p>Mr. Miller expressed that he feels significant responsibility for the project to run effectively, efficiently, and quickly as a representative for Ypsilanti.</p> <p>Ms. Gott provided the following concerns: She thanked Mr. Sanderson and CEO Carpenter for meeting with her and providing further background on the genesis of the budget numbers. She explained that the better client AAATA is, the better service they will get. Any ambiguity in communication stems from the AAATA as the client.</p> <p>She asked, what is the contract that the industry / AAATA uses for architects and engineers?</p>

Nomenclature was discussed between Ms. Gott, Mr. Sanderson, and CEO Carpenter in a previous meeting. It was also discussed that there will be industry standards for the level of contractor professional obligations.

Ms. Gott outlined that a good place to start would first be a study, then a design, and finally construction. She discussed the contingencies embedded in the budget numbers, asking that the nomenclature be more swiftly developed amongst the Board members.

She discussed unforeseen events that could cause over-runs and delays and a common language that needs to be developed amongst the staff and the Board. She would like to understand what the documents are for project management and payment. She expressed that the standards piece, the guidance documents, seem to be the missing piece in the process currently.

The following definitions were discussed amongst the group:

Scope = What are we doing?

Program = Elements of the site which inform the schematic design.

It was considered that the Executive Limitations may be developed for all capital construction projects, not just the YTC.

Ms. Gott expressed concerns of a grant ask that is higher than the need. Mr. Miller expressed agreement that it is part of the Board's responsibility to make sure the funds are spent responsibly, which calls to the need for Executive Limitations.

Ms. Gott expressed that having approval of design and construction at the same time is problematic.

Mr. Hewitt asked how we can be transparent with the funding and what to do with any extra funds.

Ms. Rose Mercier clarified that the contracts are developed in accordance with the industry standard and posed the following questions:

- What are some reasons that the Board wouldn't approve a program?  
It was discussed that all of the components that are part of the program need to have some defensible rationale, compliant with industry standards, and the assumptions should be explicit.
- What decisions might the Board not delegate to CEO Carpenter once the program is acceptable?  
Ms. Gott discussed confusion as to what the level of quality assumptions will be, that the quality, life of the building, and the rationale for them need to be spelled out.  
Ms. Mercier described hearing that the Board might not want the project to proceed without seeing the program.
- Where is the perimeter of acceptability with the program?  
Mr. Hewitt described needing to know that perimeter and having monitoring reports affiliated with that.
- When would it be unacceptable to contract a construction manager rather than a general contractor? Ms. Gott provided an example of whether to hire a General Contractor or a Construction Manager

Mr. Hewitt expressed that the Board must have a clear understanding of the assumptions made as the Board doesn't want the staff to be unclear of expectations.

CEO Carpenter explained that he thinks of scope as "what it is we're doing". He expressed his fear that he hasn't fully explained the process currently being used for construction projects. He described the competitive Federal construction process. He described that staff is only at the stage of seeking funds. He also described a level of Board expectation that needs to be met and a way to structure a sequential monitoring system.

Ms. Gott wanted to be clear that YTC project was in the FY2020 budget as a place holder for up to \$15M.

CEO Carpenter posed the following questions:

Should the Executive Limitations be about new construction and maintenance work? Should there be a difference between new construction and maintenance work that needs to be done? Should conceptual, broad design that is needed in order to apply for a Grant be included in Executive Limitations as well?

Ms. Gott discussed approving staff to move forward with a conceptual design with in-house funds. Mr. Sanderson described that the FDA typically only awards enough funds to get the project to the next step.

Mr. Hewitt described that the staff could bring a program to the Board for them to approve.

CEO Carpenter described a process that outlines the level of specificity that is needed at each level for a project to move forward.

Ms. Gott would like going forward to have a more transparent budget instead of padding which is difficult to decipher. She asked why the fees were so high.

Mr. Sanderson described that the reason for the inflated fees is associated with the Federal requirements that oversee the project. Ms. Gott described breaking down the numbers more transparently, to illustrate the actual design fees and the Federal requirements on top of that.

Mr. Sanderson cautioned designing Ends that would over-lap FDA requirements.

A discussion of defensible spending ensued.

CEO Carpenter described a funding pipeline that projects must go through, that is must be defensible and there must be clarity on scope before proceeding to the next step.

Ms. Mercier described that a lot of the discussion today is about the Board being informed and the staging of that.

Ms. Gott expressed making sure the staff of TheRide is able to deliver a project with a certain amount of guidance that will protect them, help govern the risks.

Ms. Mercier described interpretations of the Executive Limitations as the defending element.

Mr. Miller described construction capital projects being more visible and scrutinized than the purchase of new buses.

Ms. Mercier described monitoring more often, a higher level of information, and an ongoing community relations aspect.

Mr. Hewitt asked that Ms. Mercier draft an Ends for the Capital Construction Projects and bring it back to the Service Committee.

It was unanimously decided that the meetings will be at the BTC consistently going forward.

#### **4. CLOSING ITEMS**

4.1 Topics for Next Meeting: Draft Recommendations from Ms. Mercier

4.2 Adjournment

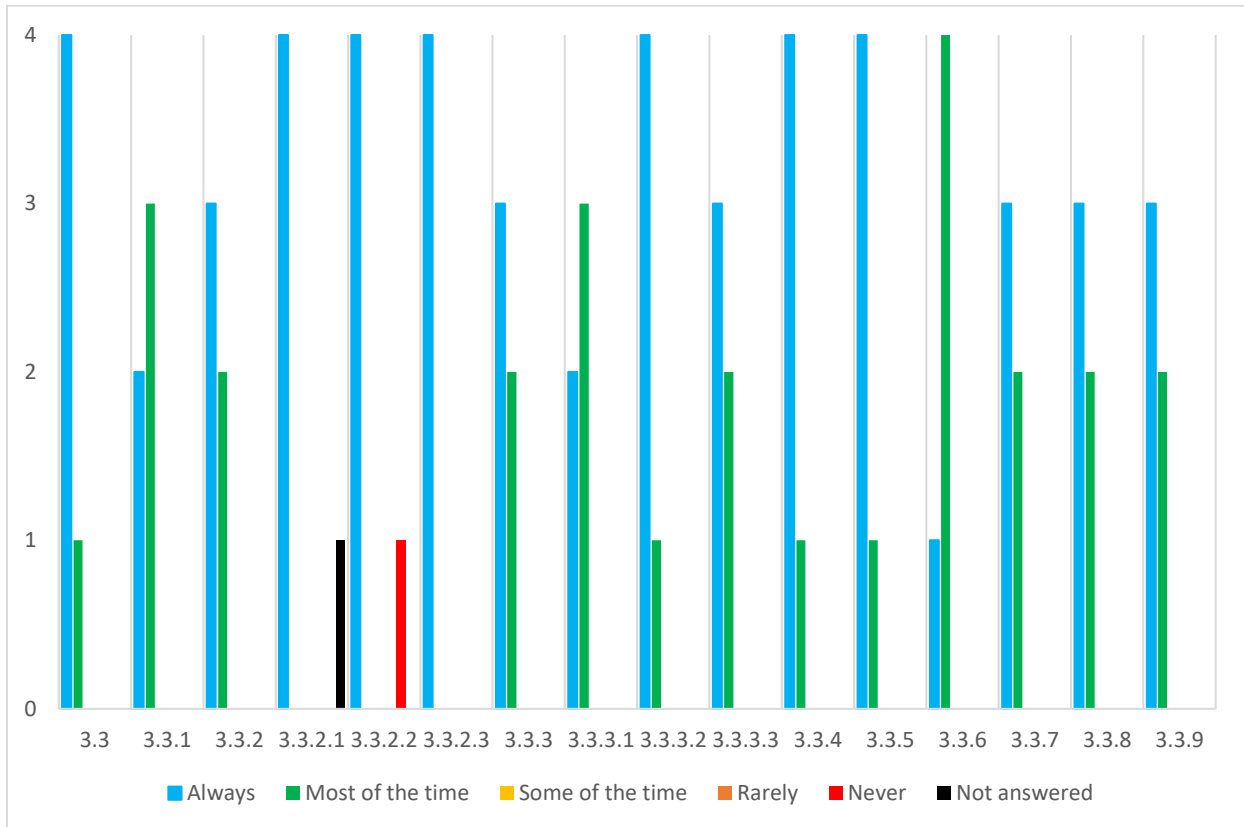
Ms. Gott motioned to adjourn the meeting, seconded by Ms. Mozak-Betts. Chairman Hewitt adjourned the meeting at 5:00 pm.

## ISSUE BRIEF: Policy 3.3 Board Code of Conduct

**Board Meeting Review Date: October 17, 2019**

<b>INFORMATION TYPE:</b>
Decision
<b>RECOMMENDED ACTION(S):</b>
Review Governance Policy feedback
<b>ALTERNATIVE OPTION(S):</b>
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Board of directors has reviewed this governance policy and provided feedback on compliance.
<b>ISSUE SUMMARY:</b>
There were <i>five respondents</i> to this questionnaire with an overall favorable compliance response to this governance policy.
<b>IMPACTS OF RECOMMENDED ACTION(S):</b>
Governance: Perform key Policy Governance process
<b>ATTACHMENTS:</b>
Governance Policy: 3.3 Board Code of Conduct – Feedback

## COMPILATION REPORT: 3.3 Board Code of Conduct



5 participants



COMMENTS	
Policy Number	Policy / Board Member Comments
3.3	Policy: The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.
	Board Member Comments: <ul style="list-style-type: none"> <li>• Board meetings are always professional and cordial in tone, even when discussion is heated.</li> <li>• There is significant individual board action with the CEO, staff, other board members, and the public, which I would not be able to witness. I have not seen any evidence of inappropriate conduct. I put 'Always' on the actions I have witnessed, and 'Most of the Time' on actions that I have not witnessed but have no evidence of misconduct.</li> <li>• I believe the board conducts themselves ethically and with decorum and am not aware of any issues regarding this policy.</li> </ul>
3.3.1	Policy: Members must demonstrate loyalty to the ownership of the AAATA, unconflicted by loyalties to the CEO or staff, other organizations, or any personal interest as consumers.
	Board Member Comments: <ul style="list-style-type: none"> <li>• Occasionally, certain Board member's professional ties have given the appearance of divided loyalty. We have researched carefully the ethics and legalities of duty of loyalty and fiduciary duty and designed policies to notify Board members of that obligation.</li> <li>• I have only observed loyalty to the ownership of AAATA and am confident that we are growing, as a board, by continuing to reach out to our legal and moral owners.</li> </ul>
3.3.2	Policy: Members must avoid conflicts of interest with respect to their legal duties of care and loyalty.
	Board Member Comments: <ul style="list-style-type: none"> <li>• Most of the time, Board members' professional or other outside obligations have no bearing on their duties to the AAATA.</li> </ul>
3.3.2.1	Policy: There will be no self-dealing or business by a member with the organization. Members will, each January, disclose in writing their involvements with other organizations, with vendors, or any associations which might be or might reasonably be seen as being a conflict.
	Board Member Comments: <ul style="list-style-type: none"> <li>• I am unaware if such disclosures are being made and so cannot make a determination on compliance.</li> </ul>

<b>COMMENTS (continued)</b>	
Policy Number	Policy / Board Member Comments
<b>3.3.2.2</b>	<p>Policy: When the Board is to decide upon an issue, about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote, but also from the deliberation by leaving the room.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• I do not believe this issue has arisen during my time on the board.</li> <li>• We have never asked a Board member to leave a deliberation due to a conflict or potential conflict. It is not completely clear we have been required to up to this point.</li> <li>• This has not been an issue during my tenure on the board.</li> <li>• To date, there has not been a disclosed conflict of interest.</li> </ul>
<b>3.3.2.3.</b>	<p>Policy: Board members will not use their Board position to obtain employment or financial benefit in the organization for themselves, family members, or close associates.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• None</li> </ul>
<b>3.3.3</b>	<p>Policy: Board members may not attempt to exercise individual authority over the organization.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• In the past, Board members have attempted to influence the direction of the organization with direction outside of the one voice of the Board.</li> </ul>
<b>3.3.3.1</b>	<p>Policy: Members' interaction with the CEO or with staff must recognize the lack of authority vested in individual members except when explicitly authorized by the Board. While individual members should share their perspectives and advice with the CEO, they shall not give (or imply) direction to the CEO or any staff.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• The Board mostly adheres to this policy. If there are ever any violations, it is primarily due to the lack of clear lines.</li> <li>• I appreciate the CEO and staff listen to individual board members perspective and advice. It is my belief that we are mindful in sharing our individual thoughts and understand that we are not giving direction.</li> </ul>
<b>3.3.3.2</b>	<p>Policy: Members' interaction with public, press or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board positions.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• Since the introduction of Policy Governance, this has not been an issue.</li> </ul>

COMMENTS (continued)	
Policy Number	Policy / Board Member Comments
3.3.3.3	<p>Policy: Except for participation in Board deliberation about whether reasonable interpretation of Board policy has been achieved by the CEO, members will not express individual judgments on performance of the CEO or other staff.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• None</li> </ul>
3.3.4	<p>Policy: Members shall conduct themselves in a calm, professional and respectful manner. Members shall not intimidate or harass other Board members, staff or members of the public.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• This has not been an issue except for occasional actions by certain Board members in the past.</li> </ul>
3.3.5	<p>Policy: Members will respect the confidentiality appropriate to issues of a sensitive nature.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• This has not been a great concern of late but has been in the past. Since Policy Governance has become the culture and norm, it is much less of a concern.</li> </ul>
3.3.6	<p>Policy: Members will be properly prepared for Board deliberation.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• Most Board members come to meetings prepared. There are a few who are not prepared on occasion, thankfully fewer who are unprepared regularly – but it happens and is noticeable through lack of participation.</li> </ul>
3.3.7	<p>Policy: Members will support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member’s personal position on the issue.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• None</li> </ul>
3.3.8	<p>Policy: Members will follow the rule of “no surprises” and shall keep the CGO and CEO informed in advance of intended actions that could be perceived as conflicting with current policy and direction of the organization.</p>
	<p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>• On occasion, as the CGO I have had to learn of issues that would be presented to the Board second-hand, rather than from the person who intended to raise the issue.</li> </ul>

COMMENTS <i>(continued)</i>	
Policy Number	Policy / Board Member Comments
3.3.9	<p>Policy: When serving on other Boards, members remain accountable to the AAATA Board for their actions and statements regarding transit-related issues.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>When Board members serve on other boards or commissions, they give reports to the full Board. On occasion a Board member's positions have led to Board debate, and at times it is not clear if we get the Board member's full position, but overall, we have been represented well.</li> </ul>

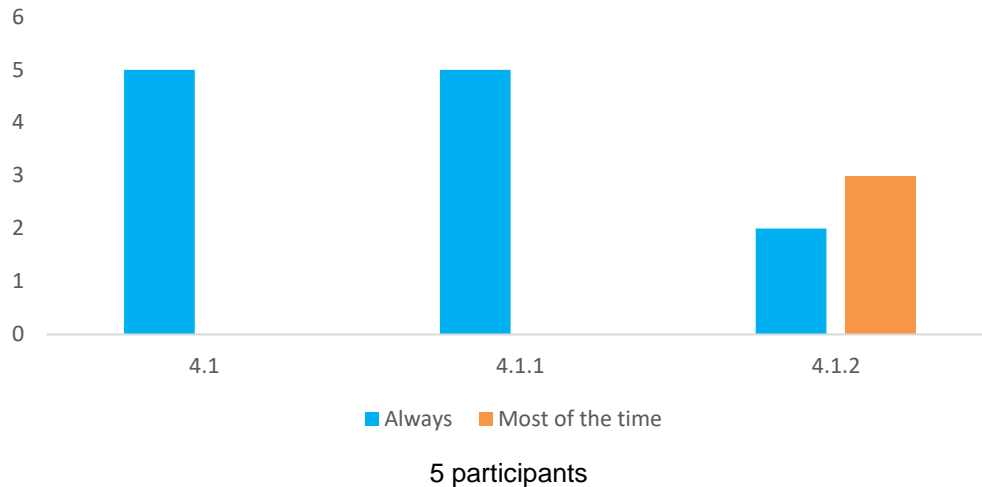
**ISSUE BRIEF: Policy 4.1: Unity of Control**

**Board Meeting Review Date: October 17, 2019**

<b>INFORMATION TYPE:</b>
Decision
<b>RECOMMENDED ACTION(S):</b>
Review Governance Policy feedback
<b>ALTERNATIVE OPTION(S):</b>
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Board of directors has reviewed this governance policy and provided feedback on compliance.
<b>ISSUE SUMMARY:</b>
There were <i>five respondents</i> to this questionnaire with an overall favorable compliance response to this governance policy.
<b>IMPACTS OF RECOMMENDED ACTION(S):</b>
Governance: Perform key Policy Governance process
<b>ATTACHMENTS:</b>
Governance Policy: 4.1 Unity of Control – Feedback

## COMPILATION REPORT:

### Policy 4.1: Unity of Control



COMMENTS	
Policy Number	Policy / Board Member Comments
<b>4.1</b>	Only officially passed motions of the Board are binding on the CEO.
	Board Member Comments: <ul style="list-style-type: none"> <li>Yes, I have seen no evidence that this is not the case.</li> <li>In the last year, to my knowledge, individual board members have not made decisions or given instructions outside of officially passed motions.</li> </ul>
<b>4.1.1</b>	Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO except in rare instances when the Board has specifically authorized such exercise of authority.
	Board Member Comments: <ul style="list-style-type: none"> <li>I have not seen any individual Board members direct the CEO.</li> </ul>
<b>4.1.2</b>	In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can defer or refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds or is disruptive.
	Board Member Comments: <ul style="list-style-type: none"> <li>The CEO may be giving Board members more information or assistance than is necessary.</li> <li>This one seems a little tricky to me, in that there have been times in committee meetings where requests for additional information and assistance have been made ie: info about past fare increases. It is my interpretation that we should ask for assistance and information but that it may not be a request that is honored due to staffing, funding, or possible disruption to the AAATA.</li> </ul>

## ISSUE BRIEF: Policy 2.0: Global Executive Constraint

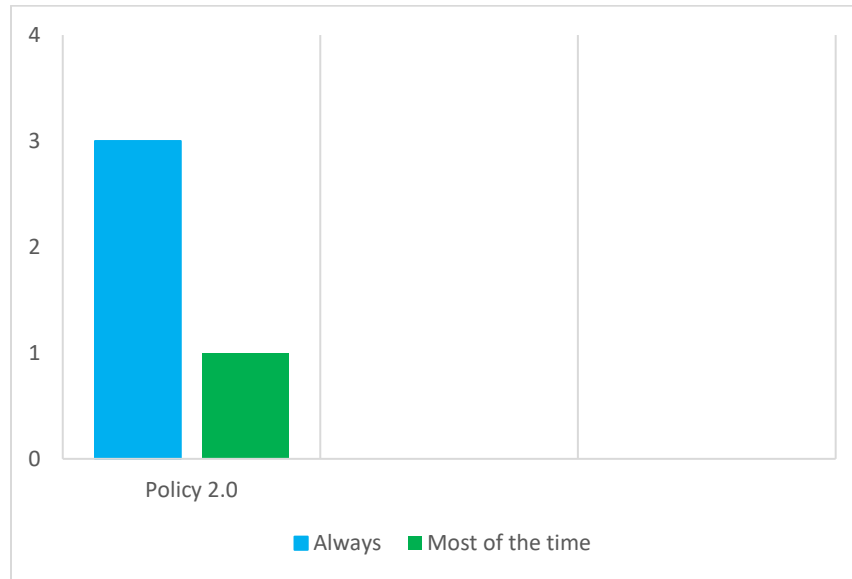
**Board Meeting Review Date: October 17, 2019**

<b>INFORMATION TYPE:</b>
Decision
<b>RECOMMENDED ACTION(S):</b>
Review Governance Policy feedback
<b>ALTERNATIVE OPTION(S):</b>
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Board of directors have reviewed this governance policy and provided feedback on compliance as well as additional comments on compliance.
<b>ISSUE SUMMARY:</b>
There were <i>four respondents</i> to this questionnaire with an overall favorable compliance response to this governance policy.
<b>IMPACTS OF RECOMMENDED ACTION(S):</b>
Governance: Perform key Policy Governance process
<b>ATTACHMENTS:</b>
Governance Policy: 2.0 Global Executive Constraint– Feedback



## COMPILATION REPORT:

### Policy 2.0: Global Executive Constraint



4 participants

COMMENTS	
Policy Number	Policy / Board Member Comments
<b>2.0</b>	<p>The CEO shall not cause, allow or fail to address any practice, activity, decision, or organizational circumstance that is either unlawful, imprudent, or in violation of commonly accepted business practices or professional ethics.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> <li>I have not seen, nor could I imagine, Matt violating (or getting close to violating) any of these proscriptions.</li> <li>I have found Mr. Carpenter to be exceedingly professional in all interactions I have observed. I also observe no evidence to the contrary.</li> </ul>

## Local Advisory Council Meeting Summary

**Meeting Date: September 3, 2019**

**Location:** Dawn Gabay Operations Center, 2700 S. Industrial Highway, Ann Arbor, MI 48104

**LAC Committee Member Attendees:** Cheryl Weber (Chair), Larry Keeler (Co-Chair), Debra Poster, Stephen McNutt, Mary Wells, Janet Nutt, Rebecca Burke, Clark Charnetski (Rep. A1B), Andrea Henry (CIL)

**LAC Committee Members not in attendance:** Jody Slowins

**LAC General Members:** Liz Aldridge

**AAATA Board Liason:** Kathleen Mozak-Betts (Not in Attendance)

**AAATA Staff Liaison:** Matt Carpenter, William De Groot, Robert Williams, Tracy Byrd

**Guests:** Darryl Johnson (RideCorp)

<b>1. CALL TO ORDER</b>
<ul style="list-style-type: none"> <li>Chairperson Weber called the meeting to order at 1:30 p.m.</li> </ul>
<b>2. REVIEW &amp; APPROVAL OF AGENDA</b>
<ul style="list-style-type: none"> <li>Mr. Carpenter suggested removing item C from section 6 of the agenda. Chairperson Weber agreed to the change.</li> </ul>
<b>3. REVIEW &amp; APPROVAL OF MINUTES</b>
<ul style="list-style-type: none"> <li>The minutes were approved with no additions.</li> </ul>
<b>4. PUBLIC COMMENT</b>
<ul style="list-style-type: none"> <li>Clark Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on September 18th at 7:00pm.</li> <li>Janet Nutt mentioned that several members of the senior citizen community wanted to express their gratitude for the Gold-ride service.</li> <li>Mr. DeGroot announced that he would be stepping away from his position at TheRide and will be accepting another governmental position.</li> </ul>
<b>5. OWNERSHIP AND OUTREACH ITEMS</b>
<ul style="list-style-type: none"> <li>Mr. Carpenter presented the Board Retreat Report for the LAC to review in order to help begin the discussion of how the LAC can assist the Board with Policy Governance.</li> </ul>
<b>6. OPERATIONAL TOPICS</b>
<ul style="list-style-type: none"> <li>Mr. DeGroot gave a brief update on some of TheRide's ongoing Mobility Projects</li> <li>Janet Nutt inquired about the width of the wheelchair ramps on the A-ride vehicles. As she spoke with several clients who complained of their wheelchairs having a difficult time boarding A-ride vehicles.</li> </ul>
<b>7. PUBLIC COMMENT TIME</b>
<ul style="list-style-type: none"> <li>Mr. Charnetski mentioned that he noticed that one of the boarding locations for route 21 did not appear to have an updated schedule reflecting route 21's new time points.</li> <li>Mr. Keeler wanted to ensure that there weren't continued issues w/Ridecorp receiving the proper trip information.</li> </ul>
<b>8. FUTURE NEW BUSINESS TEAMS</b>
<ul style="list-style-type: none"> <li>Ends Policy Feedback</li> <li>CEO Monitoring Report</li> <li>Introduction of Michelle Willis</li> <li>Paratransit Study Update</li> </ul>

<b>9. ADJOURNMENT</b>
<ul style="list-style-type: none"><li>• Chairperson Weber adjourned the meeting at 3:07 p.m.</li></ul>



**Respectfully Submitted by:** Robert Williams, LAC Liaison / AAATA  
Paratransit Supervisor

## ISSUE BRIEF: Ends Task Force Report

**Meeting: Board of Directors**

**Meeting Date: October 17, 2019**

<b>INFORMATION TYPE:</b>
Decision Preparation
<b>RECOMMENDED ACTION(S):</b>
Receive for information and consider adoption of revised Ends policies.
<b>ALTERNATIVE OPTION(S):</b>
Defer approval, ask Task Force to do more work on policies, or seek further information.
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
Board last updated the Ends policies in November 2018.
<b>ISSUE SUMMARY:</b>
<p>The Board held a retreat in June 2019 where updates to the Ends policies were discussed. A full report from Rose Mercier was later circulated, which included suggested changes to Ends policies based on the retreat discussions. A Task Force was struck to consider the suggested edits to the Ends policies. The Task Force included Mike Allemang, Jesse Miller, and Roger Hewitt. The CEO also participated. The Task Force met in September 2019. Consensus on edits to the retreat’s suggested Ends were achieved and sent to Ms. Mercier for further comment.</p> <p>Ideally, any changes to the Ends policies could be considered in October or November of 2019 to align with the draft Ends Monitoring Report being prepared by the CEO.</p>
<b>BACKGROUND:</b>
Why is this being brought forward?
<b>IMPACTS OF RECOMMENDED ACTION(S):</b>
<ul style="list-style-type: none"> <li>• Budgetary/Fiscal: N/A</li> <li>• Social: Important to social outcomes.</li> <li>• Environmental: Important to environmental outcomes.</li> <li>• Governance: Ends policies are the Board’s direction for outcomes to the organization.</li> </ul>
<b>ATTACHMENTS:</b>
1 – Edited Ends policy suggestions, with comments from Task Force and Rose Mercier.

**Attachment 1 – Edited Ends Policies with Comments from Task Force and Rose Mercier**

The Board establishes its Ends policies within its Vision for public transportation:

A robust public transportation system that adapts to the evolving needs of a globalized world and positively impacts the area’s environment and quality of life.

**Commented [MC1]:** Unclear about the purpose of this reference to a globalized world.

**Commented [RM2R1]:** This was wording from the workshop. I think "system that adapts to the area’s evolving needs and positively impacts..." would work.

**Ends Policies**

1. AAATA exists so that an increasing proportion of residents, workers and visitors in the Ann Arbor-Ypsilanti Area utilize public transportation options that contribute to the Area’s social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.

1.1. Residents in the area have equitable access to public transportation services that enable them to participate fully in society.

**Commented [MC3]:** Workers and visitors are addressed in detail below. This section can focus on residents.

1.1.1. People with economic challenges have affordable public transportation options.

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

**Commented [RM4R3]:** Agree. If this section focuses on residents, I would be inclined to use "residents" instead of "People" in 1.1.1 and 1.1.2

**Commented [MC5]:** We anticipate the LAC having comments on this section.

1.2. Public transportation positively impacts our environment.

1.2.1. Public transportation options are increasingly chosen over use of a personal car.

1.2.2. Public transportation options minimize energy use and pollution, and conserve natural resources.

**Commented [RM6]:** Editorial change

1.2.3. Public transportation options produce conditions favorable to more compact and walkable land development.

1.2.4. Community stakeholders and those who influence municipal policy have compelling data about transit-oriented land use development and its contribution to a more sustainable environment.

**Commented [MC7]:** The federal and state governments have little to do with local land development.

Also, some discussion about the outcome here, as we do not control the ultimate outcome. Is our goal influence? Encouragement? Advocacy?

**Commented [RM8R7]:** Agree you do not control the actions of the 'influencers' so the outcome is that they have data that is accurate, timely, relevant etc. and compellingly presents the perspective you wish to be considered

**Commented [MC9]:** Moved the two land use policies together.

**Commented [RM10R9]:**

- 1.3. Public transportation positively impacts the economic prosperity of the area.
  - 1.3.1. Public transportation facilitates labor mobility.
  - 1.3.2. Students can access education opportunities without need of a personal vehicle.
  - 1.3.3. Visitors have access to transit services in the area.
  - 1.3.4. The area is connected to the Metro Detroit region.
  - 1.3.5. Residents of the area recognize the positive contributions of public transportation to the area's quality of life.
- 1.4. Passengers are highly satisfied with public transportation services.

**Commented [MC11]:** As soon as students take a job, they are covered under 1.31., meanwhile education is a economic activity of value.

Some discussion about whether this should apply to only post-secondary or also to high schools, and would high schools be a economic or social outcome.

**Commented [RM12R11]:** Interesting question – it might be that high school students are captured by 1.1. However, the board could leave this to the CEO's reasonable interpretation

**Commented [MC13]:** Redundant with 1.3.1 re: labor mobility. Consider deletion.

**Commented [RM14R13]:** Agree

**Commented [MC15]:** Task Force wanted more clarity to align with CEO draft interpretation.

**Commented [RM16R15]:** Good clarification

**Commented [MC17]:** Some discussion about how accountable the CEO of the AAATA can be for the role of others (Washtenaw County, RTA). Is our outcome action or influence?

**Commented [RM18R17]:** This is a good point – What about "Transit services connect the area to the Metro Detroit region"?

**Commented [MC19]:** Preference for the 2<sup>nd</sup> statement. In this case, I would probably move this statement to 1.4.1

**Commented [MC20]:** While this is probably better suited as an Executive Limitation policies, there is recognition of earlier feeling that having a statement about customers in the Ends was an important signal or priority.

## ISSUE BRIEF: Preliminary Ends Monitoring Report (Mock-up)

**Meeting: Board of Directors**

**Meeting Date: October 17, 2019**

<b>INFORMATION TYPE:</b>
Monitoring
<b>RECOMMENDED ACTION(S):</b>
Receive for information and provide feedback to the CEO. Consider implications for updates to written Ends policies.
<b>PRIOR RELEVANT BOARD ACTIONS &amp; POLICIES</b>
The Board is considering changes to the Ends policies based on the Board retreat in June of 2019.
<b>ISSUE SUMMARY:</b>
The formal End Monitoring Report is scheduled for December. The CEO is providing a preliminary mock-up of the report in advance and hopes that the Board will provide feedback about the interpretations and evidence therein. The preliminary report is incomplete in many areas but hopefully gets the ideas across. Seeing how the written policies are being interpreted and evidenced may also influence the Board's discussion on the written policies themselves. There is no decision at this time.
<b>BACKGROUND:</b>
<p>The International Policy Governance Association has developed the following guidance for Board members to use in deciding whether a CEO's interpretation is "reasonable":</p> <p><i>An interpretation is deemed to be reasonable when it provides an operational definition which includes defensible measures and standards against which policy achievement can be assessed...</i></p> <p><i>Defensible measures and standards are those that:</i></p> <ol style="list-style-type: none"> <li>1.) <i>Are objectively verifiable (e.g., through research, testing, and/or credible confirmation of observable phenomena.)</i></li> <li>2.) <i>Are relevant and conceptually aligned with the policy criteria and the board's policy set.</i></li> <li>3.) <i>Represent an appropriate level of fulfillment within the scope of the policy.</i></li> </ol>
<b>IMPACTS OF RECOMMENDED ACTION(S):</b>
<ul style="list-style-type: none"> <li>• Budgetary/Fiscal: N/A</li> <li>• Social: N/A</li> <li>• Environmental: N/A</li> <li>• Governance: Monitoring ensure transparency and accountability for achieving the Board's Ends.</li> </ul>
<b>ATTACHMENTS:</b>
1 - Preliminary Ends Monitoring Report Mock-Up



## ISSUE BRIEF: CEO Report

**Meeting: Board of Directors**

**Meeting Date: October 17, 2019**

### INFORMATION TYPE:

Other

### OPERATIONAL & PROJECT UPDATES

- **LONG RANGE PLAN - PUBLIC ENGAGEMENT**  
The Long-Range Plan public engagement period is set to begin October 1 – November 11. Public Input Sessions will be held from 5:30-7:30pm at the Ypsilanti Township Hall on October 16, at the Ann Arbor District Library-Downtown Branch on October 23, and at SPARK-East in Ypsilanti on October 30. Pop-Up input sessions will be held at the Blake and Ypsilanti Transit Centers in October and November. More information and to comment online, community members can visit [TheRide.org/TransitForTomorrow](http://TheRide.org/TransitForTomorrow).
- **STATE BUDGET**  
In spite of some alarming moments during the budget development, State-wide, transit saw no real cuts and did get some increases to offset inflation. All regular transit funding categories were restored to where they should have been, including transit capital funds which are important to our Ypsilanti Transit Center project. Local Bus Operating (LBO) funds were also brought back up to their designated amounts.
- **DETROIT – ANN ARBOR EXPRESS SERVICE**  
This proposed service was partially funded by the State. Additional grants are being pursued by the RTA.
- **TRANSIT-SUPPORTIVE ZONING CONSIDERED IN ANN ARBOR**  
The City of Ann Arbor Planning Commission is considering a proposed ordinance to create a new zoning designation to encourage higher-density development outside of downtown along transit corridors.
- **CAPITAL PROJECT UPDATE (BUS REPLACEMENTS)**  
Senior staff traveled to upstate New York to the factory where the next generation of AAATA buses will be built. A three-day discussion on details of designs for the buses was held with NovaBus staff. The meeting was successful, and staff left excited about the next buses, the first on which is expected to arrive in by August 2020.
- **WATS POLICY COMMITTEE UPDATE**  
In September, the committee voted to approve the prioritization of FY 2021-2023 Congestion Mitigation and Air Quality (CMAQ) projects proposed for Washtenaw County. Staff supported this action, and AAATA's proposals to replace up to four buses per year using CMAQ funds will be selected for award by SEMCOG as the highest priorities in the transit category.
- **TRANSPORTATION COMMISSION**  
The Transportation commission met on September 18, 2019. The commission received an update on the Comprehensive Transportation Plan and a presentation from the DDA.

## OPERATIONAL & PROJECT UPDATES *(continued)*

- **BIKESHARE/ARBORBIKE**

We are waiting for final permitting agreement from the City of Ann Arbor to begin operations.

- **PERSONNEL UPDATE**

Manager of Purchasing Michelle Whitlow was selected to receive the **2019 Manager of the Year** by the **Michigan Public Procurement Officers Association (MPPOA)**. The award was presented September 18th at the association's annual meeting on Mackinac Island. Congratulations to Michelle for this distinguished recognition.

The Planning and Innovation Division is pleased to welcome Elyse Osterday as our new Services and Data Coordinator. Elyse joins us from the Toledo Area Regional Transit Authority, where she worked in a similar role.

The Purchasing Department welcomed Miriam Flagler as a Buyer. Miriam previously worked for Zingermans, where she was facilities manager and purchasing manager.

We welcome Kevin Zelazny as the new Administrative Assistant for the Fleet and Facilities Department. Kevin graduated from Central Michigan University with a Bachelor of Science degree in Public and Nonprofit Administration. Prior to accepting this position, he served as District Executive with the Boy Scouts of America and a Mobility Coordinator at Thunder Bay Transportation Authority.

---

## Board Self-Monitoring Questionnaire

Name:

Date of Board Meeting:

**Instructions:**

This form will be used to monitor our performance as a Board. Please respond to each question by selecting Yes or No and providing additional information where necessary.

**Questions:**

1. Were the issues covered in the Board meeting significant to AAATA? Yes or no? If no, please explain.

2. Did the materials you received prior to the meeting adequately prepare you to participate in the discussion? Yes or no? If no, please explain.

3. Did the board conduct oversight of management or policy? If yes, please indicate which management or policy matters were discussed. If no, please provide reasons for the lack of discussion on oversight of management or policy.

4. Overall, was the meeting worth your time? Yes or no? If no, please explain

## Preliminary Ends Monitoring Report Mock-Up

(Suggested Ends from June 2019 Retreat)

The Board establishes its Ends policies within its Vision for public transportation:

A robust public transportation system that adapts to the evolving needs of a globalized world and positively impacts the area's environment and quality of life.

1. AAATA exists so that an increasing proportion of residents, workers and visitors in the Ann Arbor-Ypsilanti Area utilize public transportation options that contribute to the Area's social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.
  - 1.1. Residents, workers and visitors in the area have equitable access to public transportation services that enable them to participate fully in society.
    - 1.1.1. People with economic challenges have affordable public transportation options.
    - 1.1.2. People with disabilities or mobility impairments, seniors, minors, and non-English speakers have equitable access to opportunities and destinations in the area.
    - 1.1.3. People use public transportation options to access to destinations in the area where they want and need to go.
  - 1.2. Public transportation positively impacts our environment.
    - 1.2.1. Public transportation options are increasingly chosen over use of a personal car.
    - 1.2.2. Public transportation options produce conditions favorable to more compact and walkable land development.
    - 1.2.3. Public transportation options minimize energy use, pollution and conserve natural resources.
    - 1.2.4. Community stakeholders and those who influence federal, state and municipal policy have compelling data about transit oriented land use development and its contribution to a more sustainable environment.
  - 1.3. Public transportation positively impacts the economic prosperity of the area.
    - 1.3.1. Public transportation facilitates labor mobility.
      - 1.3.1.1. Workers and students can access employment and education opportunities without need of a personal vehicle.
      - 1.3.1.2. Employers have access to a diverse labor pool.
    - 1.3.2. Visitors have access within the area.
    - 1.3.3. The area is connected to the Metro Detroit region.
    - 1.3.4. Residents of the area recognize the positive contributions that public transportation makes to the community economy. [OR as End #4 if you broaden the statement as follows.] Residents of the area recognize the positive contributions of public transportation to the area's quality of life.
  - 1.4. Passengers are highly satisfied with public transportation services.

### Preliminary CEO Interpretations and Evidence

1. AAATA exists so that an increasing proportion of residents, workers and visitors in the Ann Arbor-Ypsilanti Area utilize public transportation options that contribute to the Area's social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.

#### Interpretation

Compliance with this policy will be demonstrated during this period when ridership on fixed-route services increases *faster* than population growth. This should indicate that the community is increasingly relying on transit. This can be measured by **Total Annual Ridership** (Unlinked Trips), **Ridership per Capita** (Total Annual Trips/Service Area Population) for the fixed-route bus service and benchmarking with other peer transit agencies for context. Fixed-route ridership is a good proxy for overall benefit as it makes up 90% of all riders of all AAATA services. Paratransit, vanpool and other services are addressed in other sub-policies below.

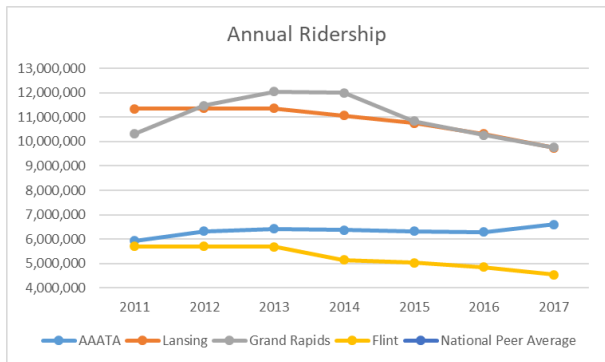
Value and stewardship will be demonstrated when our cost-effectiveness remains within the norms of the public transit industry via benchmarking with peer transit agencies. This can be measured by **Operating Expense per Hour of Service (efficiency)** and **Passenger Trips per Hour of Service (Effectiveness)**.

Public transit is an intentionally subsidized public good and financial measures must take this into account. No transit service is expected to financially break-even. The value transit creates can be dispersed, subjective and hard to measure. Providing an alternative for those who cannot drive, and the value of impacts on external factors like the environment and traffic congestion are examples. All of these benefits are driven by the number of people riding, therefore if we are cost-effective and carry as many people as possible, we are likely maximizing the value we create. Our responsibility as stewards is to ensure that the funding we are entrusted with is well spent and creates the largest benefit possible. Our specific metrics, targets and results for this period are outlined below.

Further compliance with this policy is demonstrated by compliance with the sub-policies 1.1, 1.2 and 1.3.

**Commented [MC1]:** I believe that the Board has answered the ridership/coverage debate by expressing a desire for increased ridership, enviro and economic benefits. There is still a coverage need in policy 1.1.

**Evidence**  
**Annual Ridership**

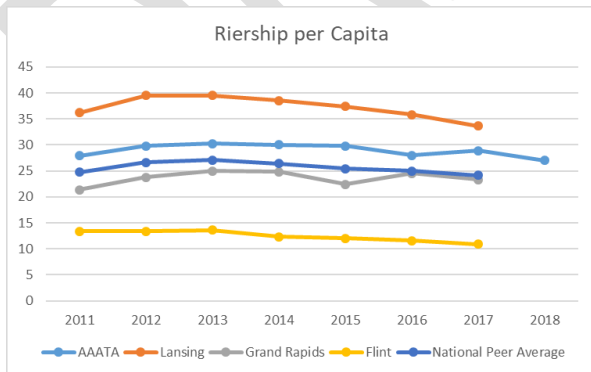


Source: Federal Transit Administration, National Transit Database.<sup>1</sup>

Annual fixed-route ridership peaked in 2017, with 6.9 million rides. This is likely the delayed ridership gain of service increases implemented in 2016, at the end of the most recent service expansion (5-YTIP). TheRide’s ridership has held steady in the face of national trends of declining ridership in most other communities. Numerous factors are influencing this trend, including; high employment, ride hailing, and low fuel prices. Our target is XXX total annual trips.

**Ridership (Trips) per Capita**

(Graph showing 5 years of fixed route with other cities for benchmarking)



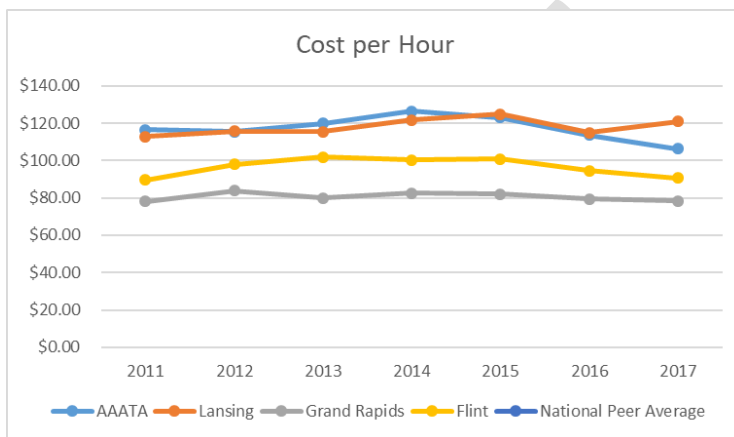
Source: Federal Transit Administration, National Transit Database.

<sup>1</sup> Data from the National Transit Database are known to be somewhat unreliable and are two years out of date. However, better benchmarking data are not presently available. We suggest using these data for broad comparisons and trends, not specific calculations.

Ridership/Capita peaked in 2013. A gentle decline since then mirrors national trends of declining ridership. TheRide's ridership/capita has not declined as fast as some other agencies. However, TheRide's 5-YTIP also increased service in many areas between 2014-2016. Our target is XXX rides/capita.

**Cost per Hour (not adjusted for inflation)**

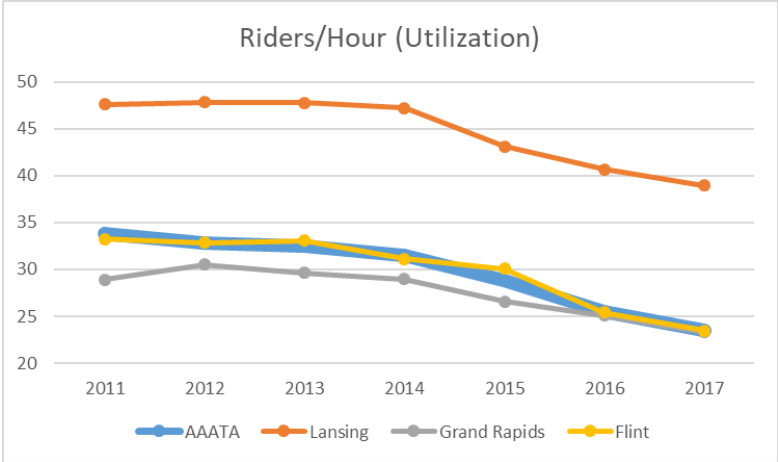
(Graph showing 5 years of fixed route with other cities for benchmarking)



Source: Federal Transit Administration, National Transit Database.

TheRide's cost/hour has declined since 2014, likely because the 5-YTIP caused the number of in-service hours to increase much faster than costs. Generally, TheRide's costs compare reasonably with similar agencies. Our target is XXX.

**Passenger per Hour**



Source: Federal Transit Administration, National Transit Database.

TheRide has a very similar utilization rate with local peer agencies, with the notable exception of Lansing, where the peer agency also carries all MSU students. Our target is XXX.

DRAFT



**1.1. Residents, workers and visitors in the area have equitable access to public transportation services that enable them to participate fully in society.**

**Interpretation**

Compliance with this policy will be demonstrated when the opportunity to access destinations is distributed a reasonably fair way for **low-income populations, and people without a car** compared with the total population. This can be measured by comparing the distribution of fixed-route transit services (coverage and frequency) with the location of targeted populations. Our specific metrics, targets and results for this period are outlined below.

While transit is often cited as a means of increasing equity in the broader, auto-oriented transportation system<sup>2</sup>, this policy is specific to the AAATA footprint and services.

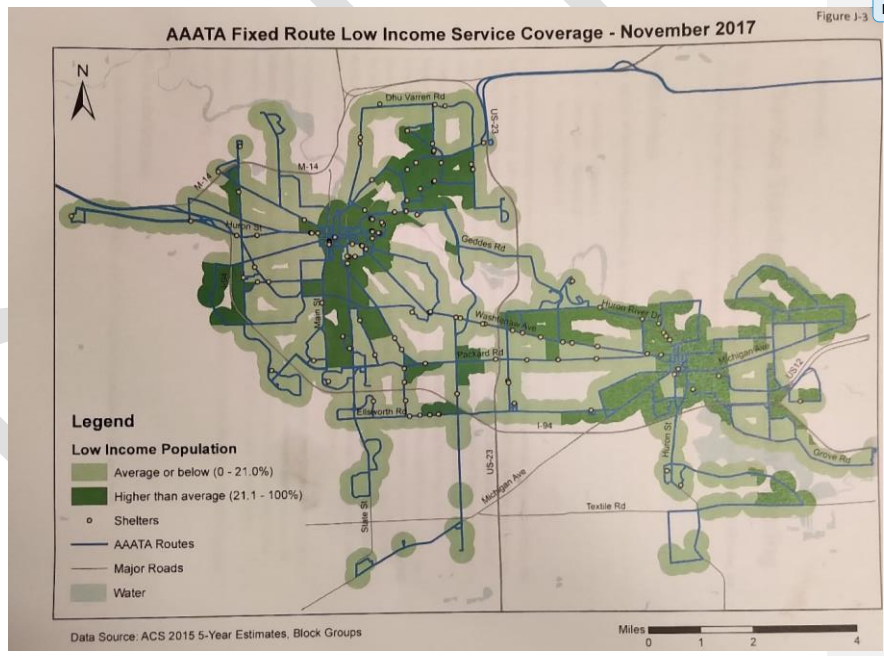
**Evidence**

[TITAL VI Map and TABLE]

**Commented [MC2]:** Workers and visitors are addressed in more detail in policy 1.3. It seems redundant to also address them here. Should we delete them in this policy?

**Commented [MC3]:** This definition implies a distribution of resources based on need independent from contribution.

**Commented [MC4]:** This approach parallels the mandatory Title VI reports we do every few years, with the exception that I have not included racial minorities and instead used people with a car. This is a debatable approach. My rationale is that capturing low-income and no-car households OF ALL RACES is more directly relevant to our mission and this policy. This is a stricter interpretation. This may be a good test of a reasonable interpretation that may cause the board to revisit the wording of the policy.



<sup>2</sup> "Evaluating Transportation Equity" Victoria Transport Policy Institute, 2019.

### Demographic and Service Profile: Summary Table

Figure J-4

Title VI Population percentage within a quarter mile of AAATA local fixed service bus stops

	Minority	Low-Income
Population*	27,830	46,956
Total population*	180,714	223,600
Average Percent	15.4%	21.0%

	Minority	Non-Minority
Low-Income	13	12
Non-Low-Income	3	6

Total Minority Routes: 16 (48%)  
Total Low-Income Routes: 25 (76%)

\*based on 2015 ACS 5-Year Block Group estimates from separate tables with different total population estimates

Route #	Minority* Route	Low-Income* Route	Both
3	no	yes	no
4	yes	yes	yes
5	yes	yes	yes
6	yes	yes	yes
21	no	yes	no
22	no	yes	no
23	no	yes	no
24	no	yes	no
25	no	no	neither
26	no	yes	no
27	no	no	neither
28	yes	yes	yes
29	yes	yes	yes
30	no	no	neither
31	yes	yes	yes
32	yes	yes	yes
33	no	no	neither
41	yes	yes	yes
42	yes	yes	yes
43	yes	yes	yes
44	yes	yes	yes
45	yes	yes	yes
46	yes	no	no
47	yes	yes	yes
60	yes	no	no
61	no	no	neither
62	no	yes	no
63	yes	no	no
64	no	yes	no
65	no	yes	no
66	no	yes	no
67	no	no	neither
68	no	yes	no

Routes in which at least one-third of the revenue miles are located on a Block Group, where minority and/or low-income population percentage is higher than average for the service area.

yes-no-neither    16-17    25-8    13-14-6

Our target is XXX.

OR...

**Commented [MC5]:** This is a second and very different way of responding to policy 1.1. I am interested in feedback about both.

### Interpretation

Compliance with this policy will be demonstrated when:

- At least 85% of residences in the membership area are within 0.25 miles of a bus stop. This is lower than our traditional goal of 90% and reflects intentionally lower expectations for coverage.
- There is a bus stop within 0.25 mile walk of all municipal council chambers, hospitals, and high schools. (Job and educational sites are addressed in later policy.)
- There is a bus stop within 0.25 mile walk of at least 80% of all community health/urgent care facilities, grocery stores, libraries, and local parks<sup>3</sup>.
- Compliance with sub-policies serves as additional compliance with this policy.

This is as much coverage as available resources allow and reflects a conscious decision to shift a greater proportion of resources into higher density area in order to assist more people. Paratransit must serve all destinations with ¾ miles of a bus route, so these measures also encompass paratransit access. Our specific metrics, targets and results for this period are outlined below.

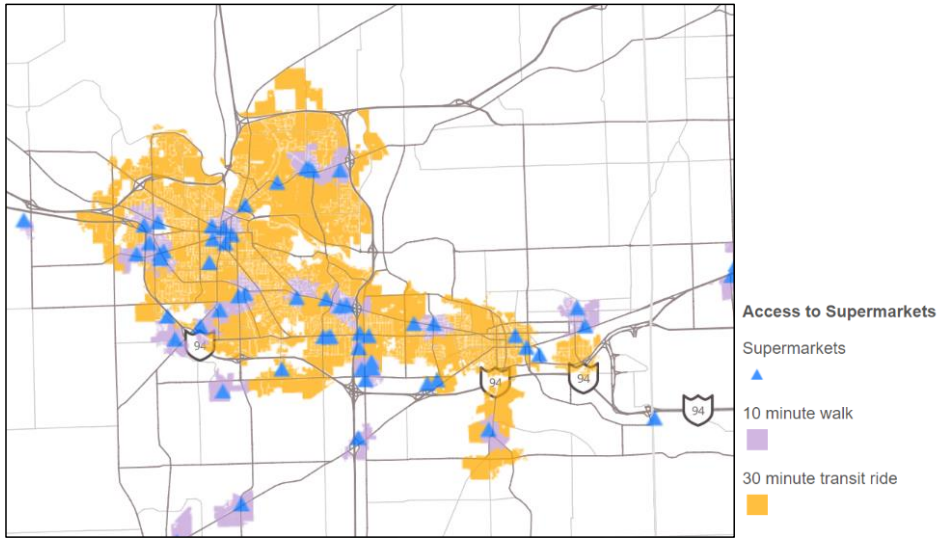
### Evidence

#### Service Coverage

Within 0.25 mile of a bus stop	FY2018	FY 2019	FY 2020	Target
Residences				100%
Council Chambers				100%
Hospitals				100%
High Schools				100%
Health Facilities				85%
Grocery Stores				85%
Libraries				85%
Local Parks				85%

- GIS maps of bus stop coverages? Example below...

<sup>3</sup> For additional information see: "Access to Core Services in Southeast Michigan". SEMCOG, 2016.



1.1.1. People with economic challenges can afford public transportation.

**Interpretation**

Compliance with this policy will be demonstrated when low-income residents of member jurisdictions have access to a reasonably discounted passenger fare for the fixed-route service. For the purposes of this interpretation a "reasonable discount" is defined as a discount of **XXX** for qualified low-income residents. "Low income" is defined as **XXX**.

A "reasonable" fare discount is subjective. Elements considered often include: federal law, what the agency can afford, what the rider can afford, equity with other user fees and taxpayers, treating everyone the same, and the relative priority of low-income discounts.

Furthermore, compliance will be demonstrated when a reasonable proportion of the low-income population utilize this discounted fare. This can be demonstrated by **XXXXXX**.  
*[How to prove the discount is being used by those who qualify?]*

This is as much as a discount as we can offer given existing resources and the need to use passenger revenue to help fund services. Our specific metrics, targets and results for this period are outlined below.

**Evidence:**

	FY 2019	FY 2020	Target
# of Fare Deal registrants			None
# of discounted trips			None
Utilization rate			

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

Compliance with this policy will be demonstrated when the fixed-route service is available to the groups listed above, and the paratransit service (A Ride) complies with minimum legal requirements.

For the fixed-route service, compliance is demonstrated when we meet the following expectations:

- Anyone using an ADA-compliant wheelchair is able to access all buses and passenger terminals. If a wheelchair can be accommodated, most other physical mobility limitations can be accommodated, regardless of age.
- We make annual progress towards making 100% of viable bus stops wheelchair accessible. (Stops without adjoining municipal sidewalks cannot be made accessible and are not included.)
- The AAATA complies with legal requirements for accommodating anyone with sight, hearing or cognitive disabilities.
- Residents and visitors who are not physically able to use the fixed-route service due to a mobility limitation have access to a **door-to-door** paratransit service that at least meets ADA requirements.

**Commented [MC6]:** This policy is largely redundant with policy 2.1.1 and 2.1.2 under Treatment of the Traveling Public.

**Commented [MC7]:** This is a debatable assertion and could be challenged as to its reasonableness.

- Youth over the age of XX are allowed to use the service without an adult, and are accountable for their behaviour.
- Passenger information is available in Spanish and Chinese (Mandarin), the two most common non-English languages in the area.
- Anyone seeking special assistance to use our services is treated respectfully and feels welcome.

For paratransit services, compliance will be demonstrate when we comply with the minimum expectations of the Americans with Disabilities Act (ADA). The ADA lays out requirements for paratransit which define the minimum legal definition of equitable service for persons with a disability that prevents them from using the fixed-route service. As resources allow, we may also exceed these requirements. Compliance with this policy requires us to meet the standards for paratransit service from the ADA. These requirements are:

**INSERT NEW TABLE RE ADA MINIMUMS HERE**

When these barriers to using transit have been removed, the transit service will be reasonably *available* to most passengers, regardless of ability, age or language. Therefore, the same destinations and opportunities will be accessible to all.

These goals are within our control and financial reach and mirror legal requirements for our services. While there will always be specific needs we cannot meet (e.g. extra large wheelchairs, etc), the above goals are within our resources to achieve. Should resources permit, we may strive to exceed these requirements. Our specific metrics, targets and results for this period are outlined below.

**Commented [MC8]:** Which destinations are served is a function of the number or riders. We can't try to serve every groups' particular destinations equitably.

**Evidence**

Specific measures and targets are outlined below:

Measure	Current Status	Target
% of Buses Accessible to Wheelchairs	100%	100%
% of terminals accessible to wheelchairs	100%	100%
% of bus stops accessible (that can be made accessible)	59% (623 out of 1,061 are accessible. There are another 188 stops that cannot be made accessible.)	100%
% of buses with audio and visual stop announcements	100%	100%
% of terminals with visual departure announcements	Both terminals	Both terminals
Paratransit compliance with ADA (determined by FTA)	Complies with ADA (2018 FTA Review)	Complies with ADA
Availability of Spanish and Mandarin	Ride Guides published. On-line translation	Ride Guides published
% of staff receiving inclusivity training within 2 years	0%	100%

1.1.3. People use public transportation options to access to destinations in the area where they want and need to go.  
TBD

Commented [MC9]: I am not sure what I could add for reporting that isn't already evidenced elsewhere in this report.

## 1.2. Public transportation positively impacts our environment.

Compliance with this policy is fully demonstrated in compliance with the sub-policies below.

1.2.1. Public transportation options are increasingly chosen over use of a personal car.

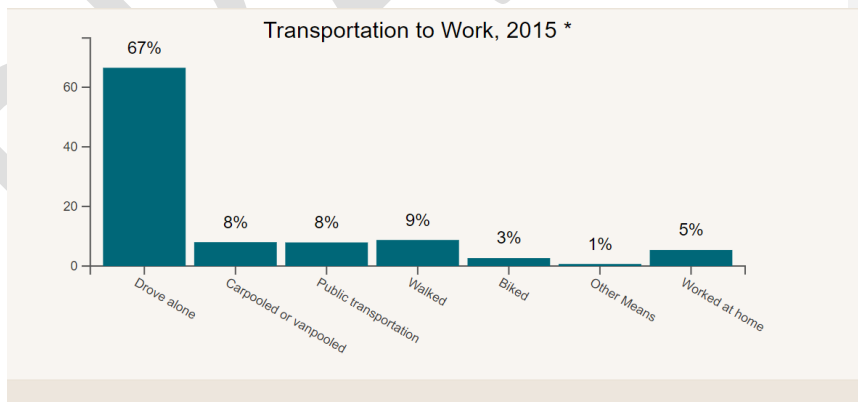
### Interpretation

Compliance with this policy will be demonstrated during this period when the share of all trips using non-automobile modes increases. This is similar to rides/capita but measures the market penetration for each type of mode. This measure is known as "mode share" and is only directly measured every few years. If the percentage of trips taken on non-automobile modes (i.e. vehicles) increases, then our market share is growing.

Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements. These targets also reflect conscious decision to prioritize intensification of services into dense areas.

### Evidence

#### Overall Mode Share (Ann Arbor, Ypsilanti, Ypsi Twp, Pittsfeild Twp)



\* Resident workers age 16 and over

*(Note: This is the wrong dataset and is used here only to illustrate how the data may appear when finalized.)*

Our targets are a public transportation mode share of X% by 2025, and a carpool/vanpool mode share of X%. We also wish to see increases in mode shares for pedestrians and biking, even at the expense of public transit's mode share.

1.2.2. Public transportation options produce conditions favorable to more compact and walkable land development.

**Interpretation**

Compliance with this policy during this period will be demonstrated when the frequency of fixed-route services in suitable corridors is high enough to support high-density land development. While TheRide can provide the transit service, the market and municipalities make specific land-development decisions. Targets also reflect conscious decision to prioritize intensification of services into dense areas. These standards do not apply to other corridors. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

**Evidence**

Suitable corridors area defined as:

Corridor	Current Frequencies (rush-off peak-Evening)	Targets (rush-off peak-Evening)
Washtenaw Ave		10-30-60
Plymouth Road		

Presently, we do not have enough resources to meet these targets for frequency. For these reasons, I report non-compliance with this policy. Compliance will require additional buses, staff, funding, and a larger garage. If planning currently underway leads to more resources by 2022, higher frequencies could occur between 2023-2025. Increasing frequencies may reduce passenger per hour performance until land-develop occurs.



1.2.3. Public transportation options minimize energy use, pollution and conserve natural resources.

**Commented [MC10]:** This might be better as an Executive Limitation. Possibly in Asset Protection.

**Interpretation**

Compliance with this policy during this period will be demonstrated when TheRide’s own energy use and greenhouse gas emissions (GHG) per passenger trip decreases for major service and facilities. The greatest environmental benefit of public transit is as an alternative to private automobiles. In this regard, energy use and pollution should be compared with ridership and market share reported elsewhere in this document.

A more exhaustive detailing of other types of pollution (carbon, particulate matter) and waste diversion is possible, but the metrics below are suitable proxies and the additional measurements requires more resources to document. Use of metrics normalized by the number of passengers also encourages ridership growth and align with a conscious decision to prioritize intensification of services.

Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

**Evidence**

**Fuel Use/Passenger Trip**

	2019	2020	Target
Fixed-Route			
Paratransit			
Vanpool			
Carpool			

**GHG Emissions/Passenger Trip**

	2019	2020	Target
Fixed-Route			
Paratransit			
Vanpool			
Carpool			

**Energy Used per Hours of Operation (Facilities, Cumulative)**

	2019	2020	Target
Electricity			
Natural Gas			
Water			

1.2.4. Community stakeholders and those who influence federal, state and municipal policy have compelling data about transit-oriented land use development and its contribution to a more sustainable environment.

**Commented [MC11]:** The federal and state governments have little to do with land development. Perhaps we should focus on municipalities.

**Interpretation**

Compliance with this policy will be demonstrated when the municipalities of Ann Arbor, Ypsilanti, Ypsilanti Township and Pittsfield Township adopt adequate transit-supportive land development regulations.

A major factor in how well the community can access destinations is determined by land-use decisions and how well coordinated those are with fixed-route transit. Local municipal governments control these decisions. A “compelling” argument should result in transit-supportive land-use regulations.

Elements of transit-supportive land development include:

- Higher densities in appropriate locations
- Mixed uses
- Lower parking requirements
- Pedestrian accessibility
- Preferential treatment of transit riders (bus stops, terminals, priority measures, etc)

The most the AAATA can accomplish in this area is to seek to influence regulation and decisions, because we do not directly control local municipal decisions. Any regulatory framework will need to be locally contextualized and can best be described by degree of support for transit. The impact of those policies will take years to become visible and can be seen in changes in average population and employment densities. Our specific metrics, targets and results for this period are outlined below.

**Evidence**

**Commented [MC12]:** Can we get an independent group to evaluate the municipal laws?

Presence of adequate transit-supportive elements in local zoning and land development ordinances:

	Adequate? (Low, Mid, High)	Notes
Ann Arbor		
Ypsilanti		
Ypsilanti Twp		
Pittsfield Twp		

**Population & employment densities (Within 0.25 miles of fixed-routes)**

	2000	2010	2020	Target
Population Density				TBD
Employment Density				TBD

**1.3. Public transportation positively impacts the economic prosperity of the area.**

**Interpretation**

Compliance with this policy during the period will be demonstrated when the sub-policies below are in compliance. It is through access to employment and education destinations that public transit services create positive economic impacts for individuals, employers, institutions, and society.

**Evidence**

The evidence of compliance with sub-policies below demonstrates compliance with this policy.

1.3.1. Public transportation facilitates labor mobility.

**Interpretation**

Compliance with this policy during this period will be demonstrated when:

1. riders can access 80% of jobs in the membership area within a reasonable walk from a bus stop (0.25 miles),
2. Market share of work trips (i.e. commute to work mode shares) for non-car options hold steady or improve, and
3. vanpool and car share options are available outside the fixed-route service area.

This are reasonable measures considering that TheRide does not have timely data regarding *why* our riders are traveling, and therefore cannot document how many passengers are travelling to work.

This is as much coverage as available resources allow and reflects a conscious decision to prioritize intensification of services into job-dense area ahead of covering all employment sites. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

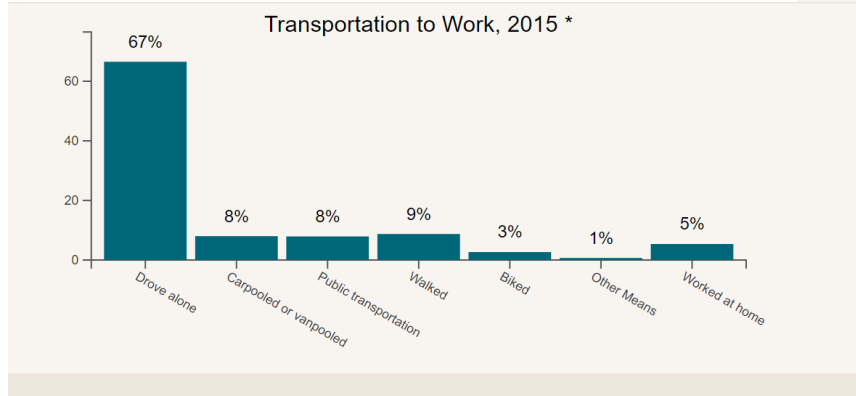
**Evidence**

**Employment Access**

	2010	2020	Target
% of Jobs within 0.25 miles of a bus stop			80%
% of jobs within access of paratransit services			90%
Vanpool and carpool available			100% of jobs

**Commented [MC13]:** Policies 1.3.1, and 1.3.1.1 and 1.3.1.2 appear to cover similar territory. Would the board consider consolidating policies like this:  
 1.3.1 Labor Mobility  
 1.3.2 Student Mobility  
 1.3.3 Visitor mobility...

**Commute to Work Mode Share (Ann Arbor, Ypsi, Ypsi Twp, Pittsfield Twp)**



\* Resident workers age 16 and over

Source: SEMCOG, Community Profiles. 2019.

**Commute to Work, Changes Over Time  
(Ann Arbor, Ypsi, Ypsi Twp, Pittsfield Twp)**

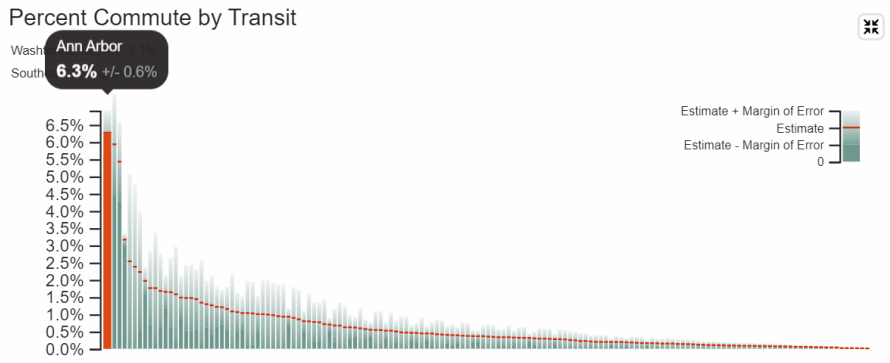
Transportation to Work	ACS 2010	% of Total (ACS 2010)	ACS 2015	% of Total (ACS 2015)	% Point Chg 2010-2015
<b>Drove alone</b>	72,861	68.7%	74,216	66.5%	-2.2%
<b>Carpooled or vanpooled</b>	8,778	8.3%	8,949	8%	-0.3%
<b>Public transportation</b>	6,097	5.8%	8,840	7.9%	2.1%
<b>Walked</b>	10,194	9.6%	9,764	8.8%	-0.8%
<b>Biked</b>	2,073	2%	2,987	2.7%	0.7%
<b>Other Means</b>	831	0.8%	786	0.7%	-0.1%
<b>Worked at home</b>	5,164	4.9%	6,017	5.4%	0.5%
<b>Resident workers age 16 and over</b>	105,998	100.0%	111,559	100.0%	0.0%

Source: U.S. Census Bureau, 2006-2010 and 2011-2015 American Community Survey 5-Year Estimates

Source: SEMCOG, Community Profiles. 2019.

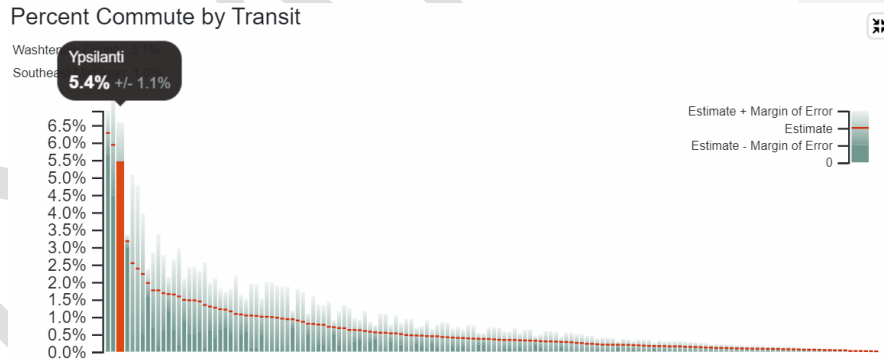
Note: Although dated, these figures are the most up-to-date available. These data are collected every five years. Also, these figures group all transit users together (TheRide, UM buses, WAVE, etc) so it is difficult to assess the impact of TheRide.

Commute to Work, Southeast Michigan Region



Source: SEMCOG, Community Explorer, 2019.

The City of Ann Arbor had the highest average transit mode share (commute to work) rate of all the municipalities in the Southeast Michigan Region.



Source: SEMCOG, Community Explorer, 2019.

The City of Ypsilanti had the third highest commute-to-work rate in the region (after Highland Park).

Our targets are a public transportation mode share of X% by 2025, and a carpool/vanpool mode share of X%. We also wish to see increases in mode shares for pedestrians and biking, even at the expense of public transit's mode share.

Van Pool & Carpool Availability

[Insert Vanpool utilization data from Chris]

Our target is XXX.

1.3.1.1. ~~Workers and students can access employment and education opportunities without need of a personal vehicle.~~

(Interpretation and evidence for workers would likely be the same as above for labor mobility.)

**Interpretation**

Compliance with this policy during this period will be demonstrated when riders can access all post-secondary educational campuses in the membership area within a reasonable walk from a bus stop (0.25 miles). While the campus is accessible, walks to some buildings will be longer.) This is as much coverage as available resources allow and reflects a conscious decision to prioritize intensification of services into high-density areas. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

**Evidence**

**Campus Access**

	<b>Target Within 0.25 miles? Y/N</b>	<b>Adjacent Routes</b>
UM Main Campus	Yes	4, 6, 62, 63, 64, 23, 48, 60, 65, 81
UM North Campus	Yes	22, 66
EMU	Yes	3, 4, 41
WCCC	Yes	3, 24
Concordia	Yes	3

The Ride Guide can provide additional evidence of how the above routes serve each campus. Specific bus stop locations can be provided on the Board's request.

Note: There is no mode share data available for sub areas, like campuses or downtowns. SEMCOG may be able to make estimates, but at a cost.

1.3.1.2. ~~Employers have access to a diverse labor pool.~~

**Commented [MC14]:** I would give the same interpretation and evidence as 1.3.1 above. Is this redundant? If so, can we delete?

1.3.2. Visitors have access within the area.

**Interpretation**

Compliance with this policy during this period will be demonstrated when people arriving in the membership area via inter-city carrier (i.e. Detroit Metro Airport, intercity rail or bus) have reasonable access to fixed-route and paratransit services, and temporary eligibility for paratransit is available. Compliance also includes fixed-route service between Ann Arbor and Metro Detroit Airport. This is a reasonable level of service given the relatively low volumes of visitor traffic. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

**Evidence**

**Connections with Inter-City Carriers**

	<b>Currently Served by</b>	<b>Target</b>
Amtrak (Ann Arbor on Fueller Street)	Fixed-route (Rt 21) and paratransit.	Accessible via fixed-route, paratransit.
Greyhound (Ann Arbor on Fueller Street)	Fixed-route (Rt 21) and paratransit.	Accessible via fixed-route, paratransit.
Greyhound & other bus (Ypsilanti Twp on Huron Road)	Fixed-route (Rt 46) and paratransit.	Accessible via fixed-route, paratransit.
Detroit Metro Airport	AirRide (wheelchair accessible)	Accessible via AirRide.
Park n Ride Lots	Several Rts...	Accessible for non-commuters.

TheRide's paratransit service, ARide, does allow temporary eligibility for visitors with disabilities that are eligible for ADA paratransit in another jurisdiction.

1.3.3. The area is connected to the Metro Detroit region.

**Interpretation**

Compliance with this policy during this policy will be demonstrated when a scheduled, fixed-route service of at least once and hour during weekdays exists between Ann Arbor and Metro Detroit. The AAATA's resources and legal mandate make it difficult for us to provide this service. Our specific results for this period are outlined below.

**Evidence**

Not in compliance. No such service exists, however, some riders do use Amtrak to make this trip.

**Commented [MC15]:** CEO suggests deletion. The state legislature has given this responsibility to the RTA and the AAATA has little ability to control this outcome.

Our target is to help the RTA be successful so that they can implemented inter-county service by 2022. Should the RTA's 2020 referendum fail, there is no foreseeable opportunity to comply with this policy.

1.3.4. Residents of the area recognize the positive contributions that public transportation makes to the community economy. [OR as End #4 if you broaden the statement as follows.] Residents of the area recognize the positive contributions of public transportation to the area's quality of life.

**Interpretation**

Compliance with this policy during this period will be demonstrated when people who live in the membership service area (riders and non-riders) have generally positive impressions of the AAATA, and vote to support millages dedicated to the AAATA. Such surveying adds expense but is the only way to directly measure public sentiment. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements.

**Evidence**

	<b>2014</b>	<b>2017</b>	<b>2021</b>	<b>Target</b>
Telephone Survey – Non Riders				
Telephone Survey – Riders				
Referendum Results	83%	NA	NA	>51% success



1.4. **Passengers are highly satisfied with public transportation services.**

**Commented [MC16]:** Probably an Executive Limitation.

Compliance with this policy during this period will be demonstrated when the quality of the services provided are relatively high, complaints are relatively low, and customers self-report high levels of satisfaction all compared with historical context. Our specific metrics, targets and results for this period are outlined below. The targets are realistic within our existing resources. Should resources permit, we may strive to exceed these requirements. Additional surveying to every year (from every two years) will increase costs but is necessary for reporting.

**Evidence**

**Service Quality Composite Index Score**

			Target
Fixed Route			
Paratransit			
Other Services			

This composite score combines several service quality metrics into a single number. Inputs include on-time performance, crowding, safety, comfort, and courtesy.

**Complaint Rate**

	2018	2019	2020	Target
Fixed-Route (Complaints per 100,000 Boardings)				
Paratransit				
Other Services				

With over 6,000 daily trips, there will be some complaints. This ratio puts those into a broader context and illustrates the rate of complaints over time.

**Annual Customer Satisfaction Scores**

	2018	2019	2020	Target
Fixed Route				
Paratransit				
Other Services				

Annual on-board survey directly ask customers to rate their own level of satisfaction. Large-scale surveys are done every two years, with smaller surveys in other years.

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

The International Policy Governance Association has developed the following guidance for Board members to use in deciding whether a CEO’s interpretation is “reasonable”:

*An interpretation is deemed to be reasonable when it provides an operational definition which includes defensible measures and standards against which policy achievement can be assessed...*

*Defensible measures and standards are those that:*

- 1.) Are objectively verifiable (e.g., through research, testing, and/or credible confirmation of observable phenomena.)*
- 2.) Are relevant and conceptually aligned with the policy criteria and the board’s policy set.*
- 3.) Represent an appropriate level of fulfillment within the scope of the policy.*

*-“What makes an Interpretation Reasonable and What are the Expectations for the Operational Definition: Policy Governance Consistency Framework Report Number 2”. International Policy Governance Association. June 11, 2016. Available on the IPGA website.*

DRAFT