

Board of Director's Meeting Agenda

Meeting Date/Time: January 16, 2020, 6:30-9:00pm

**Location: Ann Arbor District Library, 343 South Fifth Avenue, Lower Level Multipurpose Room,
Ann Arbor, MI 48104**

Meeting Chair: Eric Mahler

Agenda Item	Info Type	Details	Page #
1. OPENING ITEMS			
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1.2 Public Comment	O		
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2. CONSENT AGENDA			
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3. POLICY MONITORING & DEVELOPMENT			
3.1 Committee Reports			
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5. STRATEGY & OPERATIONAL UPDATES: CEO			
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6. EMERGENT BUSINESS			
7. CLOSING ITEMS			
7.1 Topics for Next Meeting: Annual Ends Monitoring Report, Treatment of the Traveling Public (Policy 2.1)		Thurs., Feb. 20, 2020	
7.2 Public Comment			
7.3 Board Assessment of Meeting			59
7.4 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?
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Board of Director's Meeting Summary

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

Location: Ann Arbor District Library, 343 South Fifth Avenue, **Lower Level Multi-Purpose Room**, Ann Arbor, MI 48104

Board Member Attendees: Mike Allemang, Raymond Hess, Eric Mahler (Chair), Jesse Miller, Kyra Sims, Sue Gott, Roger Hewitt, Rich Chang

AAATA Staff Attendees: Matt Carpenter (CEO), Bryan Smith, John Metzinger, Rosa-Maria Njuki

Guest Speaker: Steve Dolen (UofM)

Chairman Eric Mahler called the meeting to order at 6:30pm.

1. OPENING ITEMS
<p>1.1 Approve Agenda Mr. Hewitt moved to approve the agenda, seconded by Mr. Miller. The agenda was passed unanimously.</p>
<p>1.2 Public Comment Mr. Jim Mogensen discussed a map of where UofM staff live. He suggested a zip code map to understand where traffic is coming from. He would like to be able to see who is using the transit system via the different types of passes; this he explained would be helpful when discussing fare policy.</p> <p>Mr. Christopher Harris expressed that he has been riding TheRide since the 1990s. He described some recent same-day paratransit request experiences he has had where he was denied four times in a row. He requested that if there is a change in same-day service after 20 years, the public needs to be made aware.</p>
<p>1.3 General Announcements Chairman Mahler formally introduced new Board member Rich Chang.</p>
2. CONSENT AGENDA
<p>2.1 Minutes Mr. Hewitt moved to approve the minutes, seconded by Mr. Miller. The minutes were approved unanimously with one abstention from Ms. Sims.</p>
3. BOARD EDUCATION
<p>3.1 Presentation by UofM (30 min.) Ms. Gott and Mr. Steve Dolen presented on the U-M Land Use Planning and Transportation System. On a high level, they described UofM's land use, its transportation and parking systems around and within the UofM campus, and how AAATA and UofM's transit services intertwine. Ms. Gott highlighted some continued efforts that UofM is pursuing.</p> <p>Mr. Miller asked how UofM is going to accommodate the need for the increase of visitors and staff at the UofM. Ms. Gott described the continued movement of employee parking offsite. Mr. Dolen described that not all the trips are incremental.</p>

Mr. Hess described a missed opportunity if the UofM connector doesn't tie into other services in the future. He asked what the parking passes cost, as well as what a traffic ticket costs. Mr. Dolen described that the parking pass costs range from \$70/year to about \$1800/year and that citation rates may be increasing in 2020, benchmarked by those of the city.

Mr. Hewitt asked what the timeframe for further development is, but Mr. Dolen explained that the timeframe has not yet been developed. Mr. Dolen explained that the initial plan is connecting the internal sections of campus.

Mr. Allemang asked if there is an arrangement with the VA. Mr. Dolen explained that UofM faculty that work at the VA are eligible for parking passes and there is a UofM bus that connects them as well.

Mr. Miller began a discussion of creating incentives for new employees to use public transit.

Mr. Hess initiated discussion around 20% of UofM staff using public transit, describing that as an opportunity for more use of public transit by UofM staff.

Chairman Mahler asked how many parking spots have charging stations. Mr. Dolen reported that there are 14 stations.

4. POLICY MONITORING & DEVELOPMENT

4.1 Committee Reports

4.1.1 Governance Committee

Chairman Mahler highlighted the fare policy discussion that will come back around in January for more Board discussion with Rose Mercier's assistance.

4.1.1.1 Audit Task Force

Chairman Mahler reported that we will receive an audit report in March. He asked for one more Board member to join the audit task force.

4.1.2 Finance Committee

Mr. Allemang highlighted the favorable results for the year in the Q4 Financial Report. He also discussed the inclusion or exclusion of depreciation in next year's meeting. Regarding policy 2.7, Mr. Allemang reported that the Committee found the staff fully compliant and provided some input for improvements of the report. He expressed disappointment that only 3 Board members participated in the survey.

4.1.3 Service Committee

Mr. Hewitt expressed agreement with the Board's recommendations on the Construction Policy Executive Limitation. The Committee recommends leaving the first paragraph as it is and waiting for the CEO's interpretation. He described that any expense would also come up in the budget discussion.

Mr. Hewitt also described the preliminary discussion of the fare policy that began, starting with review of the fare study and brainstorming on the Board's fare philosophy.

He mentioned that the staff policy will be looked at in more depth with the assistance of Rose Mercier.

Chairman Mahler expressed that he would like for a copy of the one-page issue brief on fare policy to be sent to the rest of the Board.

4.1.3.1 Construction Policy Approval

Ms. Sims expressed her opinion that the language overall is flexible while also providing structure. She also described the phrase “esthetically displeasing” as being very subjective and possibly difficult to form a consensus on. Chairman Mahler expressed having similar concerns, suggesting the phrase be eliminated. He also pointed out that what is “environmentally responsible” could be subjective.

Mr. Hewitt, Chairman Mahler, and CEO Carpenter described that the end of the sentence on number 1 should end with “without Board permission”. Chairman Mahler would like it included.

Chairman Mahler asked why the phrase “strategic context” is needed, which Ms. Gott spoke to. Mr. Hewitt mentioned that this would also apply to the Long-Range Business Plan, with which Mr. Miller also agreed.

Section 3: Chairman Mahler asked why “architectural, engineering or construction services” were chosen specifically. Ms. Gott described these items as being of greater relevance and interest, that arose for special attention. Mr. Allemang agreed that there could be language in the policy that requires a contract be reviewed by a competent lawyer. Ms. Sims and Chairman Mahler agreed with Mr. Allemang’s suggestion, and Mr. Hewitt agreed to take that back to the Service Committee.

Mr. Hess expressed that he still has issue with a lack of definition of major renovations. Chairman Mahler suggested adding “Major renovation contracts that exceed \$250,000”. Mr. Hewitt pointed out that there is already a \$250,000 limit in place on contracts that must be approved by the Board. Discussion of what is considered a new facility ensued. CEO Carpenter described that a new bus station is in the budget under capital expense.

Ms. Sims expressed that without a new construction right around the corner, there is more time to continue fleshing out the executive limitation.

Mr. Hewitt and Chairman Mahler agreed that this should go back to the Committee. CEO Carpenter described that this is the first wholly new executive limitation that this Board has created, and the policy governance allows the Board to go to whatever level of detail they would like to go. He advised that the author of policy should go into as much detail as needed only until they get to where a reasonable interpretation can be made.

4.2 LAC Report

Ms. Weber described that several LAC staff in attendance were able to express having difficulties with the paratransit service, while understanding the benefits of shared ride. She expressed that she hopes to have more feedback on the Ends policies for the Board at the next Board meeting. She reported that she will continue to be the Chair, with the new second chair now being Janet Nutt. She thanked Mr. Larry Keeler for his service.

4.3 Ends Policies

4.3.1 LAC Input (Verbal)

Discussion of this was postponed until next Board meeting in the absence of Ms. Mozak-Betts.

<p>4.3.2 Proposed Ends Policies Discussion of 1.1 ensued with Chairman Mahler’s suggestion to amend the phrase “enable them to participate fully in society” to “enables full participation in society”. Mr. Hewitt agreed with this suggestion.</p> <p>Mr. Allemang moved for approval with the change of “enables full participation in society”, which was seconded by Mr. Hess. The motion was approved unanimously.</p>
<p>4.4 Monitoring Reports</p>
<p>4.4.1 Delegation to the CEO (Policy 4.3) Mr. Miller and Chairman Mahler expressed wanting to think about whether or not some outside feedback could be helpful, as the reports tend to be overly positive. Ms. Gott suggested asking the staff to critique the Board at a retreat.</p>
<p>4.4.2 Ends Focus of Contracts (Policy 2.7) Discussion ensued on 5310 (a formula-based grant for rural funding transit, aiding the elderly and disabled) and other pass through grants for which AAATA is responsible.</p> <p>Mr. Metzinger described how the coordinating council votes on who receives grants that pass through AAATA, following the FTA formulaic guidelines.</p> <p>Mr. Allemang moved to accept the report as fully compliant (A. Ms. Sims seconded this. The motion carried unanimously.</p>
<p>5. STRATEGY & OPERATIONAL UPDATES: CEO</p>
<p>5.1 Q4 Financial Report Mr. Metzinger explained the \$2 million operation surplus, accredited to:</p> <ul style="list-style-type: none"> • One-time utilization of expiring federal grants • Property tax revenue up \$840k from prior year • Higher advertising, interest, and other income. <p>He also highlighted the reserve balance going above target (2.91 months), as well as the declining fare revenue trend.</p> <p>Ms. Gott asked if the reserves are a place that can accumulate savings to assist with deficits. Mr. Metzinger explained that it is not.</p> <p>Mr. Metzinger explained that next month the staff will be bringing a presentation on innovative transit funding options.</p>
<p>5.2 Detroit-to-Ann Arbor Update (Verbal) CEO Carpenter described the project as coming along well and quickly with a targeted start-up date of February 10th. He reported that AAATA will be speaking with the UofM about their Detroit Connector in January.</p>
<p>5.3 RTA Update CEO Carpenter explained that Mr. Allemang and he will share details of the meeting had with Washtenaw and RTA at the Governance Committee meeting on December 20th. He reported that the new tri-county property tax may get out of the legislature in January.</p>
<p>5.4 CEO Report No follow-up discussion ensued from the written report.</p>



6. EMERGENT BUSINESS
7. CLOSING ITEMS
7.1 Topics for Next Meeting: Annual Ends Monitoring Report Construction Policy (added by Chairman Mahler)
7.2 Public Comment Mr. Mogensen discussed the carbon neutrality goal in Ann Arbor and how that might relate to the reasonable interpretations of the Ends Policies.
7.3 Board Assessment of Meeting
7.4 Adjournment Chairman Mahler adjourned the meeting at 9:12pm, after a motion by Ms. Gott, seconded by Mr. Allemang.

Respectfully Submitted by: Keith Everett Book

DRAFT

ISSUE BRIEF: FY 2021 State Funding Application

Meeting: Board of Directors

Meeting Date: January 16, 2020

INFORMATION TYPE:
Other
RECOMMENDED ACTION(S):
Recommend resolution for Board approval.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<ul style="list-style-type: none"> • FY 2020 Resolution to authorize state application (adopted in January 2019) • FY 2021 Forecasts presented with FY2020 Budget (adopted in September 2019)
ISSUE SUMMARY:
AAATA is required to apply to MDOT annually for state funding for transit. This is a routine application due by February 15, 2020. A Board resolution is required to authorize the application for financial assistance and the Michigan Department of Transportation (MDOT) has a required format for the resolution.
BACKGROUND:
<p>AAATA's FY 2021 application for state funding is a proposal for capital matching funds of federal dollars, as well as annual state operating assistance.</p> <p>The first element of the application is for capital funding. This portion of the application will consist of the FY 2021 Capital Plan that was presented for context with AAATA's adopted FY 2020 Budget. The state capital assistance AAATA will receive will be based ultimately on federal grant application project amounts determined by fall 2020 Board adoption of AAATA's FY 2021 Budget.</p> <p>The second element is an operating budget for FY 2021. This portion of the application will consist of the FY 2021 Operating Budget Forecast that was presented for context with AAATA's adopted FY 2020 Budget. A proposed budget is required to be submitted with the application, but it is an estimate subject to change before the beginning of the fiscal year with the Board's FY 2021 Budget adoption.</p> <p>The capital figures will be reconciled with AAATA's federal grant application due in June 2020. The state operating assistance AAATA will receive will be based on our actual expenses next year, rather than on the expenses in the application.</p>
IMPACTS OF RECOMMENDED ACTION(S):
<ul style="list-style-type: none"> • Budgetary/Fiscal: Approves request for approximately \$20 million in state revenue, including approximately \$16 million for operations and approximately \$4 million for capital investment. • Social: Supports access to transit service in the community. • Environmental: Funds low-emission diesel buses and sustainable transit service. • Governance: N/A.
ATTACHMENTS:
<ol style="list-style-type: none"> 1. Resolution of Intent to Apply for Financial Assistance for Fiscal Year 2021 under Act 51 of the Public Acts of 1951, as amended

RESOLUTION OF INTENT TO APPLY FOR FINANCIAL ASSISTANCE FOR FISCAL YEAR 2021 UNDER ACT 51 OF THE PUBLIC ACTS OF 1951, AS AMENDED

WHEREAS, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the Ann Arbor Area Transportation Authority (AAATA) established under Act 55 of 1955 to provide a local transportation program for the state fiscal year of 2021 and, therefore, apply for state financial assistance under provisions of Act 51; and

WHEREAS, it is necessary for the AAATA, to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51; and

WHEREAS, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and

WHEREAS, the performance indicators for this agency have been reviewed and approved by the AAATA; and

WHEREAS, the AAATA, has reviewed and approved the proposed balanced budget and funding sources of estimated federal funds \$11,417,909, estimated state funds \$20,478,381, estimated local funds \$18,020,476, estimated fare box funds \$7,552,590, estimated other funds \$2,498,317, with total estimated expenses of \$59,967,673.

NOW THEREFORE, be it resolved that the AAATA hereby makes its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51; and

HEREBY, appoints Matthew Carpenter as the Transportation Coordinator, for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2021.

Eric A. Mahler, Chair

January 16, 2020

Kyra Sims, Secretary

January 16, 2020

Governance Committee Meeting Summary

Meeting Date: December 20, 2019

Location: Blake Transit Center, 328 S. 5th Ave., Ann Arbor, MI 48104

Meeting Chair: Eric Mahler

Committee Meeting Attendees: Eric Mahler, Roger Hewitt, Mike Allemang, Kyra Sims

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

Chairman Mahler called the meeting to order at 9:17am.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) Mr. Hewitt added a discussion of the UofM presentation made at the December 19 th Board Meeting.
1.2 Communications Chairman Mahler discussed that Ryan Hunter will be assigned to the Service Committee, Jesse Miller will be moved from the Finance Committee to the Service Committee, and Rich Chang will be assigned to the Finance Committee.
2. STRATEGY & OPERATIONAL UPDATES: CEO
2.1 2021 Budget & Public Involvement CEO Carpenter expressed planning for additional cost control is still necessary, reminding the Committee that the 5 YTIP should be revisited as promised.
2.2 Regional Transit Update A brief discussion ensued, with CEO Carpenter reporting that the new tri-county property tax may get out of the legislature in January.
3. POLICY MANAGEMENT & DEVELOPMENT
3.1 Committee Agendas <u>Service Committee:</u> It was unanimous that the fare policy discussion would be moved to February. Discussion of the Detroit-to-Ann Arbor Update was removed from the agenda, and it was mentioned that discussion of the Construction Policy may be moved to further months. <u>Finance Committee:</u> Discussion of the Detroit-to-Ann Arbor Update was removed from the agenda. <u>Board Meeting:</u> Mr. Allemang asked for Ms. Sims to be the Finance Committee Acting Chair at the January 2020 Board meeting since he will not be in attendance. The Audit Task Force Update was also removed from the agenda.

Discussion Items
<p>3.2 Other Governance Issues (as assigned) Mr. Hewitt described that AAATA will not know much about the new UofM build until it happens, and AAATA may be asked to bring people to it.</p>
<p>3.2.1 Board Member Conflict Statements – It was discussed that these are due in January and AAATA will be rolling out the appropriate paper work.</p>
4. POLICY MANAGEMENT & DEVELOPMENT
<p>4.1 Adjournment Chairman Mahler adjourned the meeting at 10:50am.</p>

Respectfully submitted by: Keith Everett Book

Finance Committee Meeting Summary

Meeting Date/Time: January 6, 2020

Location: Blake Transit Center, 328 S. 5th Ave., Ann Arbor, MI 48104

Meeting Chair: Mike Allemang

Committee Meeting Attendees: Kyra Sims

AAATA Staff Attendees: Matt Carpenter, John Metzinger, LaTasha Thompson, Rosa-Maria Njuki

Chairman Allemang called the meeting to order at 9:00 am.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) Chairman Allemang expressed that he would like to add an update on the audit to the agenda.
1.2 Communications None.
2. POLICY MONITORING & DEVELOPMENT None
3. STRATEGY & OPERATIONAL UPDATES: CEO
3.1 2021 Budget & Public Involvement CEO Carpenter expressed planning for additional cost control is still necessary, reminding the Committee that the 5 YTIP should be revisited as promised.
3.2 Audit Update Ms. Thompson reported that the auditors are about 50% completed and that they have not proposed any adjustments or found any errors at this point. Ms. Thompson expressed that it is typical for a first year audit by new auditors to be an unusually deep analysis. Mr. Metzinger explained that the audit results would be presented to the Board in March rather than February to support this.
4. CLOSING ITEMS
4.1 Topics for Next Meeting: Q1 Financial Report Resource Allocation
4.2 Adjournment Chairman Allemang adjourned the meeting at 10:07am.

Respectfully submitted by: Keith Everett Book

Service Committee Meeting Summary

Meeting Date: January 8, 2020

Location: Blake Transit Center, 328 S. 5th Ave., Ann Arbor, MI 48104

Meeting Chair: Roger Hewitt

Committee Meeting Attendees: Kathleen Mozak-Betts, Jesse Miller, Rich Chang

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

Chairman Roger Hewitt called the meeting to order at 3:07pm.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) The agenda was unanimously approved.
1.2 Communications CEO Carpenter announced the RTA's public hearing today (Jan. 8) at 5:00pm at the AADL regarding the Detroit to Ann Arbor project.
2. STRATEGY & OPERATIONAL UPDATES: CEO
2.1 2021 Budget & Public Involvement CEO Carpenter led a broad discussion regarding 2021 Budget prep and the 5 Year Transit Improvement Plan (5YTIP), reminding everyone of the promise made to revisit the 5YTIP.
3. POLICY MONITORING & DEVELOPMENT
3.1 Construction Policy Discussion of the Construction Policy was postponed to future meetings.
4. CLOSING ITEMS
4.1 Topics for Next Meeting: Treatment of the Traveling Public Construction Policy
4.2 Adjournment Chairman Hewitt adjourned the meeting at 5:00pm.

Respectfully submitted by: Keith Everett Book

Local Advisory Council Meeting Summary (FINAL)

Meeting Date: December 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, Rebecca Burke, Clark Charnetski (Rep.A1B) Jody Slowins, Janet Nutt, Andrea Henry (CIL), Stephen McNutt

LAC General Members in attendance: Liz Aldridge

LAC Committee Members not in attendance: Mary Wells

AAATA Board Liason: Kathleen Mozak-Betts

AAATA Staff Liaison: Robert Williams, Michelle Willis, Tracy Byrd

Guests: Darryl Johnson (RideCorp), Pedro Baez (RideCorp), Romona Williams, Marlene (no last name given)

1. CALL TO ORDER
<ul style="list-style-type: none"> Chairperson Weber called the meeting to order at 1:33 p.m.
2. REVIEW & APPROVAL OF AGENDA
<ul style="list-style-type: none"> Chairperson Weber requested that the election of officers be added to agenda. Motion was seconded and passed with no objections
3. REVIEW & APPROVAL OF MINUTES
<ul style="list-style-type: none"> Minutes were approved with no corrections.
4. PUBLIC COMMENT
<ul style="list-style-type: none"> Mr. Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on December 18th at 7:00pm. Ms. Poster mentioned issues with acquiring a MyRide trip on Thanksgiving, and being told that Myride no longer had accessible vehicles Ms. Williams wanted clarification on the Nightride/HolidayRide Fare structure. Ms. Williams also wanted to know if AAATA could re-install bus stops along William after the installation of Bike lanes. Ms. Nutt and Mr. Keeler wanted clarification on the A-ride will-call Policy.
5. OWNERSHIP AND OUTREACH ITEMS
<ul style="list-style-type: none"> Chairperson Weber asked if anyone on the executive committee had any comments about the Board Ends policies. Ms. Nutt wondered if the wording “public transportation” in Section 9 appendix #1 was too broad a term to use. Ms. Mozak Betts provided some clarification for Ms. Nutt Chairperson Weber was nominated to continue serving as LAC Chair. Both Mr. Keeler and Ms. Nutt were nominated for LAC Co-Chair. The matter went to a silent vote, and Ms. Nutt was elected as the new LAC Co- Chair.

6. OPERATIONAL TOPICS
<ul style="list-style-type: none"> • Ms. Willis spoke briefly about the paratransit study and the plan for new vehicle acquisitions. • Mr. Williams presented a monthly report that could potential be used for the A-ride report card. • Mr. Keeler wanted to know if it was possible to look at the current A-ride service animal Policy, particularly the role drivers have in the handling of a service animal.
7. PUBLIC COMMENT TIME
<ul style="list-style-type: none"> • None
8. FUTURE NEW BUSINESS TEAMS
<ul style="list-style-type: none"> • AAATA Project Updates • A-ride Report Card • Rider / Customer Concerns
9. ADJOURNMENT
<ul style="list-style-type: none"> • Chairperson Weber adjourned the meeting at 3:25 p.m.

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

Local Advisory Council Meeting Summary (DRAFT)

Meeting Date: January 7, 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, Rebecca Burke, Clark Charnetski (Rep.A1B) Jody Slowins, Janet Nutt, Andrea Henry (CIL), Stephen McNutt, Mary Wells

LAC General Members in attendance: Liz Aldridge, Dana Greer

LAC Committee Members not in attendance:

AAATA Board Liaison: Kathleen Mozak-Betts

AAATA Staff Liaison: Robert Williams (AAATA), Michelle Willis (AAATA), Tracy Byrd (AAATA)

Guests: Darryl Johnson (RideCorp), Pedro Baez (RideCorp), Romona Williams

1. CALL TO ORDER
<ul style="list-style-type: none"> Chairperson Weber called the meeting to order at 1:30 p.m.
2. REVIEW & APPROVAL OF AGENDA
<ul style="list-style-type: none"> Chairperson Weber requested that the election of officers be added to agenda. Motion was seconded and passed with no objections.
3. REVIEW & APPROVAL OF MINUTES
<ul style="list-style-type: none"> Mrs. Slowins requested that grammatical errors be corrected. Ms. Aldridge requested that the "LAC member not in attendance" be changed to "LAC members in attendance".
4. PUBLIC COMMENT
<ul style="list-style-type: none"> Mr. Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on January 14th at 7:00pm. Ms. Charnetski also mentioned an upcoming meeting to discuss the Ann Arbor to Detroit shuttle at the Ann Arbor district Library Downtown at 5:00pm. Ms. Williams Mentioned issues boarding and de-boarding the new low floor vans. Ms. Williams also mentioned issues with how fixed route drivers were securing her wheelchair. Ms. Nutt and Mr. Keeler wanted clarification on the A-ride Will-call Policy.
5. OWNERSHIP AND OUTREACH ITEMS
<ul style="list-style-type: none"> Chairperson Weber asked if anyone on the executive committee had any comments about the Board Ends policies. Co-Chairperson Nutt wondered if there was an updated Board ends policy packet to review. Mr. Williams requested that the service animal policy topic be moved to next month.
6. OPERATIONAL TOPICS
<ul style="list-style-type: none"> Ms. Willis gave a brief presentation on the new vehicle acquisitions. Mr. Williams presented a monthly report A-ride report. Ms. Willis requested the removal of public comment from the end of the meeting.

7. PUBLIC COMMENT TIME

- Ms. Williams mentioned that there had been issues with the drivers having the incorrect address when taking trips to her Sunday church location.
- Ms. Williams and Ms. Burke had questions about the A-ride renewal policy.
- Mr. Charnetski wondered if there were considerations to reviewing current holiday service hours.

8. FUTURE NEW BUSINESS TEAMS

- Vehicle accessibility Plan 2020
- Paratransit Study Update (PASS MAP)
- Update Service Animal Policy

9. ADJOURNMENT

- Chairperson Weber adjourned the meeting at 3:15 p.m.

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

DRAFT

ISSUE BRIEF: Policy 4.4 Monitoring CEO Performance

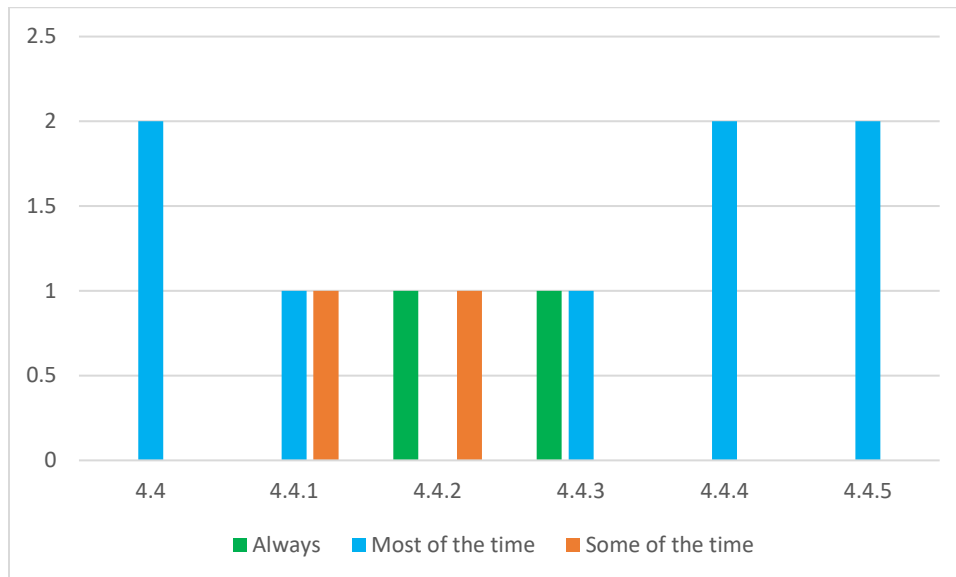
Governance Committee Review Date: December 20, 2019

Board of Directors Review Date: January 16, 2019

INFORMATION TYPE:
Decision
RECOMMENDED ACTION(S):
Review Governance Policy feedback
PRIOR RELEVANT BOARD ACTIONS & POLICIES
Board of directors has reviewed this governance policy and provided feedback on compliance.
ISSUE SUMMARY:
There were <i>two respondents</i> to this questionnaire with an overall favorable compliance response to the monitored governance policy.
IMPACTS OF RECOMMENDED ACTION(S):
Governance: Perform key Policy Governance process
ATTACHMENTS:
Governance Policy 4.4 Monitoring CEO Performance

COMPILATION REPORT:

4.4 Monitoring CEO Performance



2 participants

COMMENTS	
Policy Number	Policy / Board Member Comments
4.4	<p>Policy: Organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations shall be evaluated rigorously by the Board and its appointed committees.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • The continued work we do on our policies and ends • I think we are doing a pretty good job of monitoring executive limitations. We have just spent nearly a year revising the Ends Policy. We need to receive an executive interpretation of the new Ends before we can evaluate CEO performance on Ends.
4.4.1	<p>Policy: Monitoring is simply to determine the degree to which Board policies are being met. Data which do not do this will not be considered to be monitoring data.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • Rider survey employee surveys • I don't think that we have examined the monitoring data rigorously enough to be able to completely agree with this.

COMMENTS

Policy Number	Policy / Board Member Comments
4.4.2	<p>Policy: The Board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the CEO discloses compliance information to the Board, (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies, and (c) by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • Mostly CEO, sometimes third party, i.e audit • We use (a), which we receive on an annual schedule.
4.4.3	<p>Policy: In every case, the Board will judge the reasonableness of the CEO's interpretation and whether data demonstrate accomplishment of the interpretation</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • I think we have been responsible in reviewing the CEO's interpretations and reviewing the monitoring reports.
4.4.4	<p>Policy: The standard for compliance shall be any reasonable CEO interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness but will always judge with a "reasonable person" test rather than with an interpretation favored by Board members or by the Board as a whole.</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • I believe we are generally good about this, but I don't think we enough experience with policy governance to answer this with certainty.
4.4.5	<p>Policy: All policies which instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method but will ordinarily depend on a routine schedule (Appendix A).</p> <p>Board Member Comments:</p> <ul style="list-style-type: none"> • We tend to follow our schedule • I think we are pretty good in sticking to our monitoring schedule, with a few reasonable exceptions.

Providing Feedback on Draft Inter-County Transit Partnership

Meeting Date: January 16, 2020

RECOMMENDED ACTION(S)
Receive for information. Discuss as a Board. Provide feedback to Governance Committee to share with Washtenaw County.
ISSUE SUMMARY:
<p>Washtenaw County has joined with Wayne and Oakland counties, and the City of Detroit to announce their intent to create a new funding partnership for regional transit using the Municipal Partnerships Act (MPA). TheRide (AAATA) is assigned a specific role in the initial proposals for the partnership. This new approach has the potential to inject millions of dollars in new transit funding into Washtenaw County and the region. It also contains risks and challenges for TheRide and Washtenaw County.</p> <p>Washtenaw County has asked TheRide to provide feedback on an initial proposal for an inter-governmental agreement that would govern the proposed partnership. It may be possible to edit or change the agreement to resolve some or all of the challenges with the initial draft.</p>
BACKGROUND:
<p>Over the years TheRide has been an active supporter of regional transit, expending considerable time and resources to aid to regional efforts. This continuing commitment can be seen in the recently-announced D2A2 express bus service between Detroit and Ann Arbor. TheRide provided all initial planning, visioning, proposals, and built much of the support for the project. TheRide will be providing all administrative, procurement, and operational support and oversight for the program, as well as accepting some financial and reputational risk. This step towards regional service would simply not exist without TheRide. We look forward to continuing to support responsible means of achieving improved regional transit.</p> <p>Recently, Washtenaw County officials approached TheRide to ask for feedback on some initial ideas for an inter-governmental agreement for transit in Oakland, Washtenaw, and Wayne Counties, and the City of Detroit. The CEO and members of the Governance Committee have had two meeting with County officials regarding process. TheRide appreciates Washtenaw County’s commitment to regional transit, and for looking out for the interests of county residents, TheRide, and other local transit agencies.</p>

There are two relevant documents:

- **Municipal Partnership Act (MPA):** Changes being proposed to the Municipal Partnership Act allow municipalities to joint together to deliver transit services. The terms of any partnership are established locally.
- **Draft Joint Endeavor Agreement (Oct 21, 2019).** This is an initial agreement lays out of the terms of the partnership between the counties and Detroit.

IMPACTS OF RECOMMENDED ACTION(S):

- Washtenaw County has asked for TheRide's feedback. Only staff and Board time for discussions are necessary to provide this feedback.
- There are considerable risks and opportunities for TheRide and local partners regarding the content of the material under discussion.

ATTACHMENTS:

- 1 – Critique of Joint Endeavor Agreement (Oct 21, 2019.)
- 2 – Draft Joint Endeavor Agreement w/ CEO Comments (Oct 21, 2019.)
- 3 – Municipal Partnership Act - Proposed legislative changes

Attachment 1 – Critique of the Initial Draft Joint Endeavor Agreement

This critique is preliminary. There may be errors or misinterpretations that can be clarified.

To take advantage of an amended Municipal Partnership Act (MPA), the three counties and Detroit (“the Partners”) would need to agree to a legally-binding written contract documenting the details of the agreement – called the joint endeavor agreement (“the Agreement”). A draft of this Agreement was created in October 2019.

TheRide has developed a preliminary critique of the October draft of this Agreement. A subsequent draft (11/11/2019) was received but had few changes. The following notes outline initial opportunities and challenges with the initial draft Agreement.

Scope

The draft Agreement envisions a political partnership of Washtenaw, Oakland and Wayne Counties, and the City of Detroit. Using the MPA, these municipalities could propose a 1.4 mill property tax via to fund public transit. The Partnership would develop a plan for services and a ballot proposal. A referendum in November 2020 has been suggested. This Agreement would be voluntary for the signatories, unlike the RTA legislation which was imposed.

The Agreement could provide a substantial additional amount of funding for public transit in Washtenaw County and the metro Detroit region. However, the Agreement’s lack of clarity on: roles and governance, a technical plan (to date), how funds will be dispersed, and other matters creates uncertainty that will need to be resolved before the Agreement would likely be acceptable for TheRide, Washtenaw County, or the general public. Without changes there is significant risk of unintended consequences and disappointing results.

Control/Governance

Agreements of this sort often hinge on value of the new services, decision making, how much funding is collected and from whom, how that funding is distributed, and balancing local and regional autonomy. Roles and decision-making mechanisms are basic requirements. The draft Agreement contains too few details about how the board of the new Partnership will govern, or how Washtenaw County’s interests will be protected. These should be clarified before signing. Key areas of concern include:

1. Washtenaw County would be party to the agreement for 20 years and cannot leave unless Detroit, Wayne and Oakland Counties *allow* it to leave. Automatic renewal means this situation could continue in perpetuity.
2. The Agreement stipulates that 85% of property tax funds must be spent in the county in which they were raised, and 15% can be spent in other jurisdictions. This was drawn from the RTA’s original mandate and may be a reasonable threshold for contributions to a regional program.
 - The RTA’s 15% requirement was imposed by the Legislature. Washtenaw County would be *voluntarily agreeing to this new revenue-sharing arrangement*, making the County more accountable and suggesting it should have more control. Cost sharing on specific projects would be a more conservative approach.
 - The Agreement seems to suggest that it is the Board of the new Partnership, not County officials, that determines how *local* funding will be spent. The Partnership develops a regional plan and the funds may have to be spent on that plan. As of January 10, 2020, this plan has not been seen.

3. ~~The Agreement could lead a partnership dominated by the Mayor of the City of Detroit. The Mayor of the City of Detroit is to be the “initial chair” of the board, but there is no provision for ever rotating the chairmanship. (Note: This provision was removed in the Nov 11, 2019 update of the Agreement.)~~ The voting structure of the partnership is undefined.
4. The board will be comprised of elected, not appointed, officials. There are no technical staff. This is a major difference from the RTA. This suggests a political board (rather than technocratic), but also a more powerful one. This could be good or bad, and suggests that Washtenaw County will need assurances in writing to maintain its interests as decisions may be made for political reasons rather than technical ones.

Washtenaw County is at an inherent disadvantage relative to the other partners. It is the smallest, most politically fragmented, and least influential member. The County also lacks expertise in public transit and rotates its elected chairperson, creating unstable leadership vis a vi the other Partners. Getting clear terms regarding governance and control in a written agreement in advance will be essential.

Funding

The Partnership could raise property tax funds dedicated to public transit in the three-county area. The Agreement envisions a 1.4 mill, 20-year tax to be voted on in November 2020. The MPA allows a millage of up to 5 mills.

1. The Agreement stipulates that 1) the board of the partnership would develop a plan that would guide the allocation of funding, and 2) that 85% of the funding raised in each jurisdiction must be spent in that jurisdiction while 15% can be spent elsewhere.
2. In Washtenaw County alone, a 1.4 mill tax would raise about \$24 million – equivalent to about half of TheRide’s annual budget. 85% of \$24 million is about \$20.3 million annually. The tables below illustrate the magnitude of funding that would be generated in Washtenaw County.

Range of Property Tax Revenue			
	100% of Washtenaw County Tax Revenue (2019)	85% of Washtenaw County Tax Revenue	Regional Contribution (15%)
1 mill	\$ 17.1	\$ 14.5	\$ 2.6
1.4 mills	\$ 23.9	\$ 20.3	\$ 3.6
2 mills	\$ 34.2	\$ 29.1	\$ 5.1

Note: TheRide's annual budget is about \$47 million.

20-Year Revenue Forecast (Millions of \$)																					
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Annual Revenue (85%)	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3	20.3
Cumulative Revenue	20.3	40.7	61.0	81.4	101.7	122.1	142.4	162.8	183.1	203.5	223.8	244.2	264.5	284.9	305.2	325.6	345.9	366.3	386.6	407.0	427.3
* Assumes 85% of 1.5 mills, no inflation/Hedley.																					
** Grey indicates funding needed to build and operate commuter rail.																					

Despite the attractiveness of new funding, there are several questions that need to be addressed:

1. **Leaving State Funding on the Table?** Under Michigan law, expenses from transit agencies are eligible to be reimbursed by the state – recently about 30% - under a MDOT program call Local Bus Operating (LBO). Only eligible transit organizations can request reimbursement. It is unclear whether funding raised in by the Partnership would be eligible for the state LBO. If not, this approach would leave as much as 25%-30% of potential funding on the table. This seems like a missed opportunity.
 - a. **State-wide Impacts:** If it is eligible for state operating subsidy, then such a large draw from metro Detroit would take the same amount from other transit agencies across the state, creating a budgetary crisis in Lansing in 2021.
2. **Be Realistic about the other 15%:** Washtenaw is a generous community. However, without specific written assurances, we should expect that our 15% will always be spent elsewhere (Detroit, Wayne). This may be a politically acceptable solution, but local partners should be clear in advance.
3. **Bonding and Debt Financing:** The original version of the MPA revisions were silent on bonding (i.e. funding large capital projects with debt backed by years of millage revenue). We understand that a second draft now includes bonding language. Bonding is fundamental to delivering large debt-financed projects. That it was almost overlooked is concerning.
4. **What About the UM?** To be successful in Washtenaw County, any new service will need to carry large numbers of UM employees/faculty/staff. However, the UM does not pay property taxes and wouldn't be contributing to the funding for these services. This dynamic is unavoidable in Washtenaw County. Perhaps the Agreement can address this. To date, we have seen nothing suggesting the UM has been consulted on this Agreement. They should be.
5. **Federal Implications** – The interactions of this Agreement with federal transit laws and regulations is unknown.

RTA Impacts and Confusion

The draft Agreement is unclear on the future role of the RTA. There are two major interpretations that TheRide has heard – that the Partnership will merely become the source of funds for the RTA, and that the Partnership will become the new center of control, relegating the RTA to functionary/administrative roles with no real power. At this time TheRide cannot determine which interpretation is more accurate. The Agreement will need to be clarified in this regard. Other concerns related to the RTA include:

1. The RTA was supposed to create a consistent regional passenger experience, with a single uniform fare system, information system, customer service centers, etc. The new partnership may not be able to do this without the RTA's legislated powers. This approach may increase the amount of service, but not reduce fragmentation.
 - o *If Washtenaw County received none of the 15% regional funding (TBD), and there was not greater regional consistency, it is unclear what value County residents would derive for their contribution to the region.*
2. The RTA's is the region's legal "designated recipient" for federal and state transit funding. The RTA is legally responsible for creating the regional plan. It is not clear yet how this Partnership's role and actions would dovetail with the RTA legal and legislated

duties. Having two regional agencies with unclear or overlapping roles is a recipe for turf battles and further gridlock. Confusion could create dueling agendas, conflicting instructions to local transit agencies, or jeopardize state or federal funding. Clarification is necessary at the outset.

- The proposed arraignment is not very transparent as control and accountability are fragmented between numerous agencies in unclear ways.
3. Note: The Washtenaw County Board of Commissioners already appoint two voting representatives to the RTA's board, as do Wayne, Oakland, Macomb, and Detroit.

The RTA's enabling legislation is complex and not completely understood by TheRide. It may be best for the RTA itself to commission more work to better understand the interactions between that legislation and this new intergovernmental agreement.

Funding Transit Agencies Directly

The Agreement includes a curious new feature: directly passing the new tax revenue to the existing transit agencies (i.e. AAATA, DDOT, SMART) to expand services according to the Partnership's plan. There is some logic to this as it could speed implementation could be eligible to be reimbursed by State LBO. However, assuming the County Board of Commissioners can achieve an acceptable level of control at the new Partnership's Board, there are still several concerns with sending the resulting funds directly to TheRide:

1. It is unclear how this approach impacts or overlaps with the RTA (see above), and
2. Ensuring accountability and transparency at the local level gets confusing:
 - a. TheRide may not be willing or able to assume responsibility for implementing decisions made by a distant Partnership over which it has no control. This would make us accountable but without any real authority.
 - b. TheRide's Board is not presently accountable to county taxpayers or the Board of Commissioners. How would taxpayers outside our jurisdiction be represented? To whom do they direct concerns? TheRide may not want to accept funding under these terms.
 - c. There are other transit agencies beside TheRide in Washtenaw County. Would they receive any funding? There are many areas without any transit agencies. How would they be served? Who decides?
 - d. If the funds went to Washtenaw County, rather than TheRide, the County would need to administer a complex new program, hire more staff, and disperse funds – but taxpayers would be represented. This would duplicate TheRide's expertise and draw the County into a new line of work in which it has no experience. Also, it is not yet clear if the County would be eligible to receive state LBO and if this funding would be forfeit.

We should note that this approach should work well for Detroit where DDOT is a municipal department and responsible and control are vested in the same public officials. It just may not be workable for Washtenaw County. It is unclear whether it works for SMART.

Timing Concerns

This approach is rushed and there is not time to do proper due diligence. For a November 2020 referendum, ballot language is due in August 2020. An agreement and plan would need to be agreed on before that. Since there is not enough time to develop a 3-county technical plan from

scratch, a rushed technical proposal is already being cobbled together from earlier RTA work. TheRide and the County will not have the time to fully understand the contents or the implications before the vote. Public feedback will be compressed. The rush increases the likelihood of errors, misunderstandings, difficulties in implementation, and not meeting expectations. Combined with a lack of transparency and overlapping roles, the rushed implementation could lead to a lot of finger pointing later.

Commuter Rail

Previously, TheRide was not directly involved in plans for commuter rail between Detroit and Ann Arbor. The draft Agreement implies that TheRide *could* become the agency responsible for planning, building, and operating commuter rail. In light of this, TheRide may need to decide whether it would consider this new role. This forces us to raise some fundamental questions about the viability of commuter rail due to the possibility of a low return on investment, missed opportunities elsewhere in the county, and unintended political risks.

Years of engineering studies have asked *how* to build rail, not *whether we should*. TheRide has not been able to find any cost-effectiveness studies that truly compare rail with less-expensive alternatives. Based on information available, it seems that commuter rail will be very expensive and unlikely to attract enough riders to be seen as successful. Support for the north/south commuter rail project quietly fizzled for similar reasons. Concerns with east/west commuter rail include:

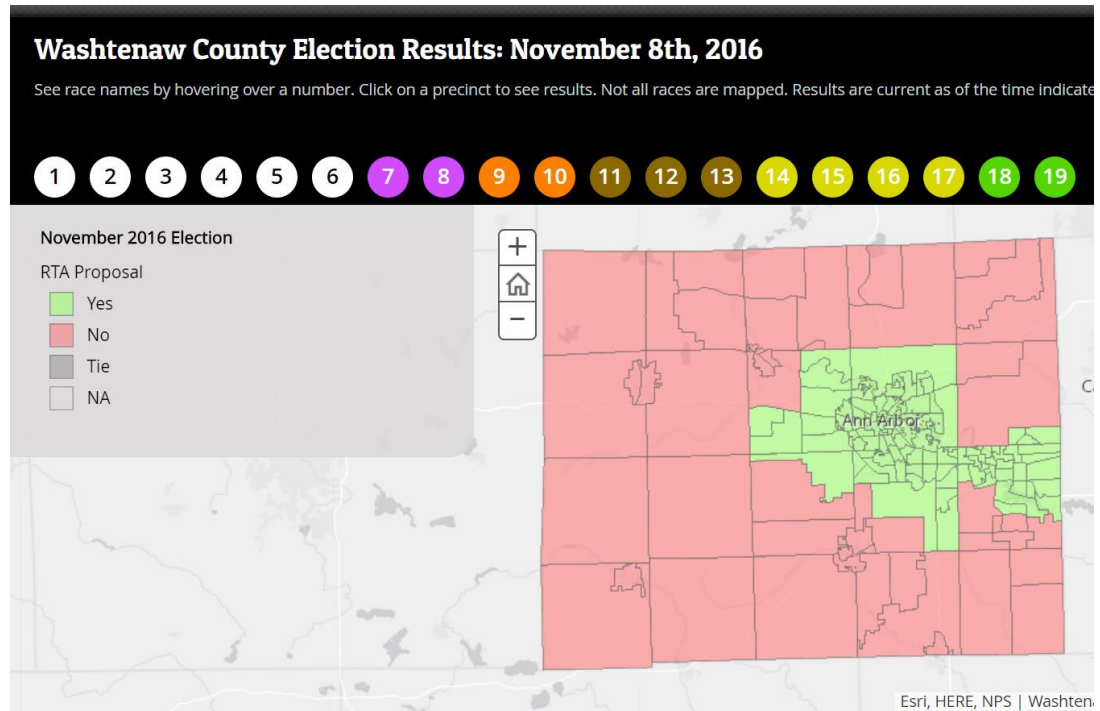
1. RTA studies from 2015 provide a baseline for a cost/benefit analysis. As noted below, daily ridership is expected to be less than 2,000 but at a very high cost. As the table below illustrates, commuter rail would require at least \$128 million to construct and \$10-\$19 million per year to operate. Operating costs alone could be equivalent to *all* of the 85% of new funds raised each year for the County. Tables above illustrate the possible impact on cash flow. Cost overruns for such projects are common. *Simply put there might not be much money left for any other services.*

Operating Cost Effectiveness				
	Cost*	Daily Riders	Annual Ridership (Trips)*	Cost/Rider
Commuter Rail				
Capital	\$ 128,000,000	1,150-1,750	290,000-440,000	\$280-\$430
Operating	\$10-\$19 million	1,150-1,750	290,000-440,000	\$22-\$68
Express Bus	\$ 2,500,000	\$ 500	127,500	\$ 20
AAATA (for context)				\$4.65
* All estimates are unproven at this time.				

2. Washtenaw County should attempt to secure specific cost-sharing details in advance if commuter rail is kept in the plan. If the other partners refuse to spend their 15% contributions on commuter rail, Washtenaw County's burden could increase.
3. The prospects for commuter rail to receive federal funding were estimated as "Low to Medium Low" by the RTA. This suggests years of uncertainty ahead and less federal funding if the project did move forward. The RTA's own timelines suggested years of additional planning, environmental clearance, etc. would be necessary.

4. It is unclear who would take the lead in planning and operating the commuter rail. The Agreement seems to suggest that the RTA would not operate any services, suggesting that TheRide might be asked to plan, build and operate commuter rail. TheRide does not have the expertise or capacity for such a project and may not want to be accountable for it in any event.
5. Commuter rail would concentrate benefits around 1-3 urban rail stations. Rural voters might see little value for their taxes (see map below on results of the 2016 RTA millage election).

Map: 2016 RTA Millage Election Results



6. Nationally, commuter rail ridership tends to be more affluent, professional, and white than other services. There would be little direct value for economically distressed areas or the western portions of the county. The primary beneficiary of commuter rail would likely be the UM.
7. Whoever is funding commuter rail will likely be drawn into ongoing discussion regarding new train stations in Ann Arbor and Ypsilanti (and possibly Chelsea). TheRide believes that costs for stations may not have been included in the RTA's earlier estimates. Stations are a significant cost.
8. Commuter rail is a long-term investment. Once implemented it cannot easily be changed, relocated, or shut down. High costs cannot easily be reduced. If federal funds are used, the federal government will insist on being reimbursed if operations cease early. For better or worse, the County would be making a long-term commitment.

Opportunity costs: The CEO believes, in his professional opinion, that Washtenaw County residents would likely be better served by a mixture of new bus services, new dial-a-ride service (like Uber), better bus terminals, dedicated lanes, seniors' services, park n ride services, etc. than by commuter rail. He also feels that the Board of TheRide should be wary of accepting

responsibility for project that is so likely to disappoint. Given the limited time available, TheRide has no detailed analysis on-hand to support this opinion. Reasons for this perspective include:

- Buses are less expensive, smaller and better suited to the levels of ridership that can reasonably be expected in an area with a population less than 400,000.
- Bussing costs are more flexible and can be scaled up or down, or relocated quickly and easily.
- Buses like the D2A2 service, can easily get directly to downtown Ann Arbor, Ypsilanti, and Detroit. Rail cannot.
- Buses can be spread throughout the County directly delivering services to taxpayers in rural and urban areas. Funding can be distributed to existing agencies and new start-up services.

Given the challenges, high costs and risks, uncertain benefits, and the existence of easier and less costly alternatives, TheRide should consider urging the County to not include commuter rail in a 20-year millage until bus services have built the ridership first. If rail is ultimately included and approved, TheRide may not wish to accept responsibility for the project.

Considerations for TheRide

While new funding would help advance TheRide's goals and regional services, the terms of accepting that funding under the draft Agreement include many challenging implications for TheRide. In addition to those outlined above we should add:

1. Broadly, \$20 million/year in new funding dedicated to transit could be a big help in advancing TheRide's initiatives in the County (new bus terminals, new garage, Washtenaw BRT).
2. TheRide may be the only organization with the capacity to help Washtenaw County quickly launch new services:
 - a. Fixed-route bus services – TheRide can easily extend contracted bus services.
 - b. Door-to-door services –TheRide is capable of scaling-up for county-wide demand response services.
3. Roles and responsibilities related to expending the new funding is a concern. Under the new Agreement, this may become at least partially TheRide's problem.
 - a. TheRide should not accept accountability for the decisions of others.
 - b. TheRide should not accept the funding without some mechanism for accountability to the taxpayers.
4. Accepting a role for county-wide services would be a major shift in focus for TheRide and would distract from ongoing efforts – but could also help advance some of those same efforts. Such a role would also draw TheRide into many politically-charged decisions across the county.
5. TheRide already has several property tax millages (4) and contracts with some townships (3). A new county-wide millage would overlap these existing arrangements – this could simplify some and complicate others. There is the risk that existing funding could be diverted to new purposes.
6. It is unclear how FTA regulations could impact TheRide if it assumed any county-wide responsibilities.

In closing, the proposed Agreement contains many new and creative ideas that could provide a significant amount of additional funding for public transit. There are also risks that could compromise the value of that additional investment, and the autonomy of TheRide. Washtenaw County has asked TheRide to provide feedback on the initial draft Agreement for the purposes of identifying and resolving concerns, and creating a workable final Agreement.

JOINT ENDEAVOR AGREEMENT

This joint endeavor agreement is between the COUNTY OF OAKLAND, a Michigan body politic and corporate (“**Oakland County**”), the COUNTY OF WASHTENAW, a Michigan body politic and corporate (“**Washtenaw County**”), the COUNTY OF WAYNE, a Michigan public body corporate (“**Wayne County**”), the CITY OF DETROIT, a Michigan public body corporate (the “**City**”), and the REGIONAL TRANSIT AUTHORITY OF SOUTHEAST MICHIGAN, a Michigan municipal public body corporate and metropolitan authority (the “**Authority**”).

Oakland County is a body politic and corporate that has adopted an optional unified form of county government under 1973 PA 139, as amended, MCL 45.551 to 45.573, and is a “**Local Government**” as that term is defined under section 2 of the Municipal Partnership Act, 2011 PA 258, MCL 124.111 to 124.123 (the “**Partnership Act**”).

Washtenaw County is a body politic and corporate organized under section 3 of chapter 13 of the Revised Statutes of 1846, as amended, MCL 45.3, and is a Local Government.

Wayne County is a body politic and corporate and a charter county organized under 1966 PA 293, as amended, MCL 45.501 to 45.521, and is a Local Government.

The City is a public body corporate organized under The Home Rule City Act, 1909 PA 279, as amended, MCL 117.1 to 117.38, and is a Local Government.

The Authority is Michigan municipal public body corporate and a metropolitan authority authorized by section 27 of article 7 of the Michigan Constitution of 1963, was created by the Regional Transit Authority Act, 2012 PA 387, as amended, MCL 124.541 to 124.558 (the “**Transit Act**”), and is a “**Public Agency**” as that term is defined in section 2 of the Partnership Act, MCL 124.112.

Under section 3 of the Partnership Act, MCL 124.113, two or more Local Governments or one or more Local Governments and a Public Agency may enter into a contract with each other to form a joint endeavor to perform or exercise any function, service, power, or privilege that each Local Government or the Public Agency could each exercise separately.

Each of the parties possess the power to perform or exercise functions, services, powers, or privilege of financing activities relating to “**Public Transportation**” (as defined in section 2 of the Transit Act, MCL 124.542).

The parties want to form a joint endeavor under the Partnership Act to be known as the “Oakland Washtenaw-Wayne Joint Endeavor for Regional Transit” to exercise functions, services, powers, and privileges relating to financing Public Transportation (the “**Public Transportation Functions**”) within service area that includes all property in Oakland County, Washtenaw County, and Wayne County.

The parties therefore agree as follows:

Commented [A1]: (k) “Public transportation” means the movement of individuals and goods by publicly owned bus, rapid transit vehicle, or other conveyance that provides general or special service to the public, but not including school buses or charter or sightseeing service or transportation that is used exclusively for school purposes. Public transportation includes the movement of individuals and goods by privately owned bus, railroad car, street railway vehicle, rapid transit vehicle, or other conveyance that, under a contract with an authority, provides general or special service to the public, but not including school buses or charter or sightseeing service or transportation that is used exclusively for school purposes. Public transportation is a transportation purpose within the meaning of section 9 of article IX of the state constitution of 1963.

1. **Purpose.** The purpose of this agreement is the formation by the parties of a joint endeavor under the Partnership Act, hereby designated as the "Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit" (the "**Joint Endeavor**"), to serve the electors of Oakland County, Wayne County, and Washtenaw County (the "**Electors Served**") by levying a tax within a service area that includes all property within Oakland County, Wayne County, and Washtenaw County (the "**Service Area**") to finance fund Public Transportation Functions, including the provision of financial support for Public Transportation Facilities, Public Transportation Providers, and Public Transportation Systems within the Service Area.

Commented [A2]: Probably meant fund, rather than finance.

2. **Manner of Exercise.** (a) The parties hereby form the Joint Endeavor.

(b) The manner in which the Joint Endeavor will be exercised includes all of the following:

- (1) the creation of a joint board to perform certain functions of the Joint Endeavor as provided in section 4;
- (2) the submission of a tax levy to the electors of Oakland County, Washtenaw County, and Wayne County as provided in section 6, and, if approved by a majority of the Electors Served at an election, the levying of the tax as provided in section 6;
- (3) the distribution of tax revenue as provided in section 7; and
- (4) the administration of functions of the Joint Endeavor by the Authority on behalf of the Joint Endeavor in a manner consistent with the this agreement, the Partnership Act and other applicable law as provided in section 8.

Commented [A3]: Very little on how this board will govern or function. Unresolved questions of control.

(c) The Joint Endeavor shall not do any of the following:

- (1) acquire personal or real property by purchase, lease, or other method;
- (2) sell, lease, or dispose of personal or real property;
- (3) operate, maintain, repair, replace, construct or improve personal or real property;
- (4) employ personnel; or
- (5) construct a tunnel, bridge, or other infrastructure that is part of or related to an international border crossing.

Commented [A4]: The RTA will be reduced to simple administration?

(d) The Joint Endeavor is subject to and must comply with the Budget Act.

(e) The Joint Endeavor will serve the electors of the following Local Governments:

- (1) Oakland County;
- (2) Washtenaw County; and
- (3) Wayne County.

Commented [A5]: The endeavor will not be a transit operator nor employ any staff.

(f) The parties acknowledge that the electors of Wayne County include the electors of the City.

(g) The Local Governments have the collective responsibility, authority, and right to manage and direct on behalf of the public the functions or services performed or exercised in connection with this agreement.

Commented [A6]: Individual Counties have no power.

(h) Each party acknowledges that the parties' authority to enter into this agreement is in addition to and may be exercised separately from any authorization to enter into a contract under any Michigan law other than that the Partnership Act.

3. **Duration and Withdrawal.** (a) The initial term of this agreement ends at midnight on December 31, 2040. The term of this agreement (consisting of the initial term and any extensions in accordance with this section 3(a)) will automatically be extended by consecutive 20-year terms unless on the date the extension otherwise would begin the Joint Endeavor is not authorized to levy a tax by the electors of the service area of the Joint Endeavor.

Commented [A7]: Automatically renewing 20-year terms.

(b) The Local Governments may terminate this agreement for any reason or no reason on a date other than the date of termination under section by mutual written agreement of the Local Governments with notice to the Authority.

(c) A Local Government may withdraw from participation in the Joint Endeavor only if both of the following apply:

- (1) the Local Governments agree to the withdrawal in writing; and
- (2) the Joint Endeavor is not authorized to levy a tax by the electors of the service area of the Joint Endeavor at the time of the requested withdrawal.

Commented [A8]: A county can only leave if the other counties allow it to leave.

(d) The Authority shall wind up the affairs of the Joint Endeavor when this agreement terminates.

4. **Joint Board.** (a) A joint board is hereby created and designated as the "Joint Board for the Oakland-Wayne-Washtenaw Regional Transit" (the "**Board**") to administer functions and responsibilities of the Joint Endeavor as provided in this section 4. The Board includes the following members:

- (1) the County Executive of Oakland County;
- (2) the Chairperson of the County Board of Commissioners of Washtenaw County;
- (3) the County Executive of Wayne County; and
- (4) the Mayor of the City.

(b) A member of the Board may by a written instrument signed by that member designate an employee of the Local Government of which that member serves as an officer to serve in place of the member when the member is absent or otherwise unavailable.

Commented [A9]: Political board with staff as back-ups. Does not include TheRide.

(c) The business of the Board must be conducted at a meeting held within the Service Area in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275 ("**OMA**"). Public notice of the date, time and place of the meeting must be provided in compliance with OMA. The participation by three members of the Board is required for a quorum of the Board. Action by the Board requires the unanimous approval by all four members of the Board.

(d) The Mayor of the City must convene the initial meeting of the Board and will serve as its initial chairperson. The Board must adopt bylaws governing the conduct of its affairs and elect a chairperson, vice-chairperson, and secretary at its initial meeting.

Commented [A10]: Delete in following draft.

(e) The Board shall do all of the following:

- (1) perform the functions and responsibilities vested in the Board under this section 4 and otherwise under this agreement;
- (2) approve a plan for the expenditure of Public Transportation tax revenue from any tax levied by the Joint Endeavor as required by
- (3) section 7, including any allocation of money to Public Transportation Providers;
- (4) function as the governing body of the Joint Endeavor for purposes of the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.421 to 141.440a (the "Budget Act");
- (5) approve any independent auditor selected to conduct the annual audit of the financial records, accounts, and procedures of the Joint Endeavor required by section 5 of the Budget Act, MCL 141.425;
- (6) adopt a chart of accounts for the Joint Endeavor that complies with the Budget Act;
- (7) adopt an investment policy for money of the Joint Endeavor that complies with 1943 PA 20, as amended, MCL 129.91 to 129.97a;
- (8) approve the designation by the Authority of an employee of the Authority to serve as the chief administrative officer of the Joint Endeavor, including for purposes of the Budget Act and as FOIA Coordinator for the Joint Endeavor;
- (9) adopt procedures and guidelines to implement FOIA and a written public summary of the procedures and guidelines in compliance with FOIA;
- (10) amend the Board's bylaws;
- (11) solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value to the Joint Endeavor;
- (12) indemnify and procure insurance indemnifying members of the Board;
- (13) approve and enter into contracts in the name of the Joint Endeavor;
- (14) sue and be sued in the name of the Joint Endeavor;
- (15) retain, as necessary, legal counsel for the Joint Endeavor and the Board; and
- (16) supervise the provision of administrative services to the Joint Endeavor by the Authority.

Commented [A11]: Conflicts with the RTA's legislated duty to develop the regional plan.

Commented [A12]: The Board decides if ANY money gets allocated? Ever?

Commented [A13]: Joint CEO with RTA? Or merely chief admin officer?

5. **Financing.** (a) The Joint Endeavor will be ~~financed~~-funded with revenue generated by a tax levy provided for in section 6.

(b) A Local Government is not required to pay money to the Joint Endeavor in relation to the purpose of the Joint Endeavor.

(c) The Authority shall pay the costs of administering the Joint Endeavor until the Joint Endeavor receives revenue from the tax provided for in section 6.

Commented [A14]: How can they force the RTA to pay these costs?

(d) The Board shall reimburse the Authority for costs incurred by the Authority under section 5(c) using revenue from the tax provided for in section 6.

6. **Tax Levy.** (a) The Joint Endeavor is hereby authorized to levy a tax on all taxable property located within the Service Area as permitted by section 7 of the Partnership Act, MCL 124.117, for the purpose of providing revenue to the Joint Endeavor.

(b) A proposal to levy a tax (a “Tax Proposal”) under this section 6s, including any renewal, must comply with all of the following:

- (1) be approved by the Governing Body of each Local Government;
- (2) be approved by the Board in a resolution that includes ballot language that complies with the requirements of section 7 of the Partnership Act and the Michigan Election Law, 1954 PA 116, as amended, MCL 168.1 to 168.992;
- (3) be submitted to a vote of the electors in the Service Area only on an date permitted under section 7 of the Partnership Act, MCL 124.117;
- (4) comply with the requirements of section 24f of The General Property Tax Act, 1893 PA 206, as amended, 211.24f, and state the manner in which the proposed tax levy will result in any reduction of taxes levied by each Local Government;
- (5) be certified to the county clerks of Oakland County, Washtenaw County, and Wayne County.

(c) Before 4:00 p.m. on Tuesday, August 11, 2020, the Board shall approve and certify to the county clerks of Oakland County, Washtenaw County, and Wayne County the tax proposal ballot language included as schedule 1 for submission to the Electors Served at the November 3, 2020 general election by adopting the resolution included as schedule 2.

(d) A tax levied by the Joint Endeavor will be levied and collected at same and in the same manner as provided by The General Property Tax Act, 1893 PA 206, as amended, MCL 211.1 to 211.155.

(e) If the Joint Endeavor levies a tax, each year the Joint Endeavor must reduce the number of mills levied by the Joint Endeavor if necessary comply with section 7(3) of the Partnership Act, MCL 124.117(3).

(f) The Board may submit to the Electors Served the question of renewing a tax levy authorized under this section 6 if the renewal is approved by the Governing Body of each Local Government. Any renewal also must be approved by a majority of the electors served by the Joint Endeavor voting at an election.

7. **Tax Revenue.** (a) All revenue the Joint Endeavor receives from a tax levy under section 6 must be disbursed to the Authority. Not less than 85% of the revenue from the tax levy in each Local Government must be expended for Public Transportation routes serving that Local Government.

Commented [A15]: From RTA.

(b) The Authority must expend the tax revenue for Public Transportation purposes, Public Transportation Facilities, and Public Transportation Systems within the Service Area pursuant to a

Public Transportation tax revenue plan approved by the Board (the "Plan"). The Plan may direct the Authority to disburse specified amounts of tax revenue to Public Transportation Providers within the Service Area, including one or more of the following:

- (1) the Ann Arbor Area Transportation Authority ("AAATA") in Washtenaw County;
- (2) the Detroit Department of Transportation ("DDOT") in the City;
- (3) and the Suburban Mobility Authority for Regional Transportation Authority (SMART) in Oakland County and Wayne County.

(c) Each Fiscal year, the Board shall allocate to the Authority sufficient money from the tax levied by the Joint Endeavor to pay expenses incurred by the Authority in performing functions and responsibilities under this agreement.

(d) Each of the following entities must receive at least the following percentage of the total revenue from a tax levied by the Joint Endeavor in 2020:

- (1) AAATA ___%;
- (2) DDOT ___%;
- (3) SMART ___%; and
- (4) the Authority ___%.

8. **Administration.** (a) The Authority shall administer the functions and responsibilities of the Joint Endeavor other than those vested in the Board under section 4 on behalf of the Joint Endeavor, including all of the following:

- (1) compliance with OMA by the Board;
- (2) compliance with FOIA by the Board, including designating an employee of the Authority to serve as FOIA coordinator for the Joint Endeavor;
- (3) maintaining the records of the Joint Endeavor;
- (4) compliance with the Budget Act by the Joint Endeavor; and
- (5) administration of a tax levied by the Joint Endeavor under section 7.

(b) The Authority shall assist the Board in performing the functions and responsibilities vested in the Board under section 4 as requested by the Board.

(c) The Authority shall function as the employer of personnel and staff needed for the Joint Endeavor.

9. **Definitions.** For purposes of this agreement, the following definitions apply:

"FOIA" means the Freedom of Information Act, 1976 PA 442, as amended, MCL 15.231 to 15.246.

"FOIA Coordinator" means the employee of the Authority designated by the Joint Endeavor to accept and process requests for public records under FOIA.

Commented [A16]: How to reconcile with 7a above? Redundant?

Commented [A17]: RTA merely administers?

“Governing Body” means that term as defined in section 2 of the Municipal Partnership Act, 2011 PA 25, MCL 124.112. For Oakland County, Governing Body means the County Board of Commissioners of Oakland County. For Washtenaw County, Governing Body means the County Board of Commissioners of Washtenaw County. For Wayne County, Governing Body means the County Commission of Wayne County. For the City, Governing Body means the City Council of the City of Detroit.

“Local Government” means that term as defined in section 2 of the Municipal Partnership Act, 2011 PA 25, MCL 124.112.

“Public Agency” means that term as defined in section 2 of the Municipal Partnership Act, 2011 PA 25, MCL 124.112.

“Public Transportation” and **“Public Transportation Facility”** means those terms as defined in section 2 of the Regional Transit Authority Act, 2012 PA 387, as amended, MCL 124.542.

“Public Transportation Provider” means a public or private entity that provides Public Transportation services, including a contractor providing services to a Public Transportation Provider. Public Transportation Provider includes an authority formed under any of the following:

- (1) 1951 PA 35, as amended, MCL 124.1 to 124.13;
- (2) the Partnership Act;
- (3) 1963 PA 55, as amended, MCL 124.351 to 124.359;
- (4) the Public Transportation Authority Act, 1986 PA 196, MCL 124.451 to 124.479;
- (5) the Urban Cooperation Act of 1967, 1967 (Ex Sess) PA 7, as amended, MCL 124.501 to 124.512;
- (6) 1967 (Ex Sess) PA 8, as amended, MCL 124.531 to 124.536; and
- (7) the Revenue Bond Act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

Commented [A18]: AAATA is under act 55.

Commented [A19]: Not sure this covers SMART.

“Public Transportation System” means that term as defined in section 2 of the Regional Transit Authority Act, 2012 PA 387, as amended, MCL 124.542.

10. **Non-assignment.** A party may not assign any of its rights or delegate any of its obligations under this agreement without the prior written consent of the other parties.

11. **Modification; Waiver.** No amendment of this agreement will be effective unless it is in writing and signed by the parties. No waiver of satisfaction of a condition or failure to comply with an obligation under this agreement will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute a waiver of satisfaction of any other condition or failure to comply with any other obligation. To be valid, any document signed by a party under this section 11 must be signed by an officer of the party authorized to do so by the party.**Notices.** (a) For a notice or other communication under this agreement to be valid, it must be in writing and delivered (1) by hand, (2) by a national transportation company with all fees prepaid, or (3) by registered or certified mail, return receipt requested and postage prepaid.

(b) Subject to section 12(d), a valid notice or other communication under this section will be effective when received by the party to which it was addressed. It will be deemed to have been received as follows:

- (1) if it is delivered by hand, delivered by a national transportation company with all fees prepaid, or delivered by registered or certified mail, return receipt requested and postage prepaid, upon receipt as indicated by the date on the signed receipt; and
- (2) if the party to which it is addressed rejects or otherwise refused to accept it, or if it cannot be delivered because of a change in address for which no notice was given, then upon that rejection, refusal, or inability to deliver; and

(c) For a notice or communication to a party under this agreement to be valid, it must be addressed using the information specified below for that party or any other information specified by that party in a notice to all other parties in accordance with this section

- To Oakland County: County Executive
Oakland County
2100 Pontiac Lake Road
Waterford Township, MI 48328
- To Washtenaw County: Chairperson of Board of County Commissioners
Washtenaw County
220 N. Main Street
Ann Arbor, MI 48104
- To Wayne County: County Executive
Wayne County
500 Griswold Street #1050
Detroit, MI 48226
- To City: Mayor
City of Detroit
2 Woodward Avenue #1126
Detroit, MI 48226
- To Authority: General Manager
Regional Transit Authority of Southeast Michigan
1001 Woodward Avenue, Suite 1400
Detroit, MI 48226

(d) If a notice or other communication addressed to a party is received after 5:00 p.m. on a business day at the location specified in the address for that party, or on a day that is not a business day, then the notice will be deemed received at 9:00 a.m. on the next business day

13. **Severability.** The parties acknowledge that if a dispute between the parties arises out of this agreement or the subject matter of this agreement, they would want a court to interpret this agreement as follows:

- (1) with respect a provision it holds unenforceable, by modifying that provision to the minimum extent necessary to make it enforceable or, if that modification is not permitted by law, by disregarding that provision;
- (2) if an unenforceable provision is modified or disregarded in accordance with this section 13, by holding that the rest of the agreement will remain in effect as written;

- (3) by holding that any unenforceable provision will remain as written in any circumstances other than those in which the provision is held to be unenforceable;
- (4) if modifying or disregarding the unenforceable provision would result in failure of an essential purpose of this agreement, by holding the entire agreement unenforceable.

14. **Counterparts.** If the parties sign this agreement in several counterparts, each will be deemed an original but all counterparts together will constitute one instrument.

15. **Governing law.** Michigan law governs all adversarial proceedings brought by one party against the other arising out of this agreement.

16. **Entire Agreement.** This agreement constitutes the entire understanding between the parties with respect to the subject matter of this agreement and supersedes all other agreements, whether written or oral, between the parties.

17. **Effectiveness; Date.** This agreement will become effective when (1) the Governing Body of each party has approved it (with the Local Governments using a resolution substantially similar to the resolution attached at schedule 3 and the Authority using a resolution substantially similar to the resolution attached at schedule 4), and (2) each party has signed it. The date of this agreement will be the date this agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature). If a party signs this agreement but fails to date the party's signature, the date the Authority receives the signing parties signature will be deemed to be the date the signing party signed this agreement.

Each party is signing this agreement on the date stated opposite that party's signature.

[signature pages follow]

110794.000002 4815-1200-4010.1

OAKLAND COUNTY

Commented [A20]: Only Partners and RTA as signatories. Not SMART or TheRide. Suggestions lack of understanding of those organizations.

Date: _____

By: _____
David Coulter
County Executive

CERTIFICATION

I, Lisa Brown, county clerk of Oakland County, hereby certify all of the following:

- (1) that this joint endeavor agreement was approved and the signing of the joint endeavor agreement by County Executive David Coulter was authorized on behalf of the County of Oakland by the Board of County Commissioners of Oakland County by a resolution adopted at a meeting of the Board of County Commissioners of Oakland County held on _____;
- (2) that the resolution also approved and adopted the ballot proposal attached as schedule 1 to the joint endeavor agreement;
- (3) that the resolution remains in effect;
- (4) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (5) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Date: _____

Lisa Brown
Oakland County Clerk

WASHTENAW COUNTY

Date: _____

By: _____

Jason Morgan
Chairperson of the Washtenaw County Board of
County Commissioners

CERTIFICATION

I, Lawrence Kestenbaum, county clerk of Washtenaw County, hereby certify all of the following:

- (1) that this joint endeavor agreement was approved and the signing of the joint endeavor agreement by Jason Morgan, the Chairperson of the Washtenaw County Board of County Commissioners, was authorized on behalf of the County of Washtenaw by the Board of County Commissioners of Washtenaw County by a resolution adopted at a meeting of the Board of County Commissioners of Washtenaw County held on _____;
- (2) that the resolution also approved and adopted the ballot proposal attached as schedule 1 to the joint endeavor agreement;
- (3) that the resolution remains in effect;
- (4) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (5) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Date: _____

Lawrence Kestenbaum
Washtenaw County Clerk

WAYNE COUNTY

Date: _____

By: _____
Warren C. Evans
County Executive

CERTIFICATION

I, Cathy M. Garrett, county clerk of Wayne County, hereby certify all of the following:

- (1) that this joint endeavor agreement was approved and the signing of the joint endeavor agreement by County Executive Warren C. Evans was authorized on behalf of the County of Wayne by the County Commissioners of Wayne County by a resolution adopted at a meeting of the County Commissioners of Wayne County held on _____;
- (2) that the resolution also approved and adopted the ballot proposal attached as schedule 1 to the joint endeavor agreement;
- (3) that the resolution remains in effect;
- (4) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (5) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Date: _____

Cathy M. Garrett
Wayne County Clerk

CITY OF DETROIT

Date: _____

By: _____
Michael E. Duggan
Mayor

CERTIFICATION

I, Janice M. Winfrey, clerk of Wayne County, hereby certify all of the following:

- (1) that this joint endeavor agreement was approved and the signing of the joint endeavor agreement by Mayor Michael E. Duggan was authorized on behalf of the City of Detroit by the City Council of the City of Detroit by a resolution adopted at a meeting of the City Council of the City of Detroit held on _____;
- (2) that the resolution also approved and adopted the ballot proposal attached as schedule 1 to the joint endeavor agreement;
- (3) that the resolution remains in effect;
- (4) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (5) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Date: _____

Janice M. Winfrey
Detroit City Clerk

REGIONAL TRANSIT AUTHORITY OF SOUTHEAST MICHIGAN

Date: _____

By: _____
Paul Hillegonds
Chairperson of the Board of Directors

CERTIFICATION

I, Virginia Lickliter, executive administrator of the Regional Transit Authority of Southeast Michigan, hereby certify all of the following:

- (1) that this joint endeavor agreement was approved and the signing of the joint endeavor agreement by Paul Hillegonds, Chairperson of the Board of Directors of the Regional Transit Authority of Southeast Michigan, was authorized on behalf of the Regional Transit Authority of Southeast Michigan by its board of directors by a resolution adopted at a meeting of Board of Directors of the Regional Transit Authority of Southeast Michigan held on _____;
- (2) that the resolution remains in effect;
- (3) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (4) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Date: _____

Virginia Lickliter
Executive Administrator

SCHEDULE 1
BALLOT LANGUAGE FOR PROPOSED TAX LEVY
NOVEMBER 3, 2020 GENERAL ELECTION

Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit

A Proposal Authorizing the Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit
to Levy an Assessment

The proposal would authorize the Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit (Joint Endeavor) to levy within Oakland, Washtenaw, and Wayne counties a property tax assessment:

- at a rate of 1.4 mills (\$1.40 per \$1,000 of taxable value);
- for 20 years beginning in 2020 and ending in 2040;
- that may not be increased, renewed, or used for other purposes without voter approval; and
- to be used for the purpose of constructing and operating public transportation system improvements connecting Oakland, Washtenaw, and Wayne counties, including express bus routes, specialized service for senior citizens and people with disabilities, commuter rail, airport express service, and other public transportation purposes permitted by law.

If this new additional assessment is approved and levied, revenue will be disbursed to the Regional Transit Authority for Southeast Michigan. Other taxes levied by Oakland County, Wayne Washtenaw County, Wayne County, or the City of Detroit will not be affected. It is estimated that \$177,400,000 will be collected in the first year.

Should this assessment be approved?

YES []

NO []

Sch. 1-1

SCHEDULE 2
JOINT BOARD RESOLUTION FOR AUTHORIZATION OF TAX LEVY

**JOINT BOARD OF THE
OAKLAND-WASHTENAW-WAYNE JOINT ENDEAVOR FOR REGIONAL TRANSIT**

Resolution No. _____ - _____

The Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit (the “**Joint Endeavor**”) was formed under the Municipal Partnership Act, 2011 PA 258, MCL 124.111 to 124.123 (the “**Partnership Act**”) by an agreement (the “**Agreement**”) between Oakland County, Washtenaw County, Wayne County, the City of Detroit (each a “**Local Government**” and together the “**Local Governments**”), and the Regional Transit Authority of Southeast Michigan (the “**Authority**”).

The purpose of the Joint Endeavor is the formation by the Local Governments and the Authority of a joint endeavor under the Partnership Act, to serve the electors of Oakland County, Wayne County, and Washtenaw County by levying a tax within a service area that includes all property within Oakland County, Wayne County, and Washtenaw (the “**Service Area**”) to finance public transportation functions, including the provision of financial support for public transportation facilities, public transportation providers, and public transportation systems within the Service Area.

To effectuate this purpose the governing bodies of the Local Governments have each approved a resolution authorizing the Joint Endeavor to levy a tax pursuant to section 7 of the Partnership Act, MCL 124.117, (the “**Tax**”);

Before the Joint Endeavor can levy the Tax, the Tax must be approved by (1) an unanimous vote of the members of the joint board created by section 4 of the Agreement (the “**Board**”), and (2) a majority of the electors of the Service Area.

The Board wants to levy an assessment of 1.4 mills on all taxable property within the Service Area for a period of 20 years under section 7 of the Partnership Act for the purpose of providing revenue to the Joint Endeavor and wants to submit the question of approving that levy to the electors served by the Joint Endeavor at the November 3, 2020 general election.

The Board therefore resolves as follows:

- that the levy under section 7 of the Partnership Act, MCL 124.117, of a 1.4 mill assessment on taxable property located within the counties of Oakland, Washtenaw, and Wayne for a period of 20 years beginning in 2020 and ending in 2040 for the purpose of providing revenue to the Joint Endeavor (the “**Proposed Assessment**”) is hereby approved by the Joint Endeavor;
- that the Proposed Assessment has been approved by the governing bodies of Oakland County, Washtenaw County, Oakland County, and the City of Detroit as the local governments participating in the Joint Endeavor;
- that the placement of the question of authorizing the levy of the Proposed Assessment on the ballot within the counties of Oakland, Washtenaw, and Wayne at the Tuesday, November 3, 2020 general election is hereby approved by the Joint Endeavor;

Sch. 2-1

- that the following ballot wording for submission by the Joint Endeavor as a ballot question to the electors of Oakland County, Washtenaw County, and Wayne County at the Tuesday, November 3, 2020 general election is hereby approved and certified to the clerks of the counties Oakland, Washtenaw, and Wayne:

“Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit

A Proposal Authorizing the Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit to Levy an Assessment

The proposal would authorize the Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit (Joint Endeavor) to levy within Oakland, Washtenaw, and Wayne counties a property tax assessment:

- at a rate of 1.4 mills (\$1.40 per \$1,000 of taxable value);
- for 20 years beginning in 2020 and ending in 2040;
- that may not be increased, renewed, or used for other purposes without voter approval; and
- to be used for the purpose of constructing and operating public transportation system improvements connecting Oakland, Washtenaw, and Wayne counties, including express bus routes, specialized service for senior citizens and people with disabilities, commuter rail, airport express service, and other public transportation purposes permitted by law.

If this new additional assessment is approved and levied, revenue will be disbursed to the Regional Transit Authority for Southeast Michigan. Other taxes levied by Oakland County, Wayne Washtenaw County, Wayne County, or the City of Detroit will not be affected. It is estimated that \$177,400,000 will be collected in the first year.

Should this assessment be approved?

YES []

NO []”; and

- that the general manager of the Authority is directed to transmit on behalf of the Joint Endeavor a certified copy of this resolution to the county clerk of Oakland County, the county clerk of Washtenaw County, and the county clerk of Wayne County before 4:00 p.m. on August 11, 2020.

CERTIFICATION

I, _____, secretary of the Joint Board of the Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit hereby certify all of the following:

- (1) that this resolution was approved by the Joint Board of the Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit at a properly noticed meeting held on _____, _____;

- (2) that the resolution was approved by a unanimous affirmative vote of all members of the Joint Board of the Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit;
- (3) that the resolution remains in effect;
- (4) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (5) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Dated: _____, _____, _____

By: _____

Name: _____

Its: _____

Sch. 2-3

SCHEDULE 3
LOCAL GOVERNING BODY RESOLUTION APPROVING JOINT ENDEAVOR
AND BALLOT PROPOSAL

[LOCAL GOVERNMENT]
[GOVERNING BODY NAME]

Resolution No. _____ - _____

Oakland County, Washtenaw County, Wayne County, the City of Detroit and the Regional Transit Authority of Southeast Michigan want to enter into an agreement under the Municipal Partnership Act, 2011 PA 258, MCL 124.111 to 124.123 (the "**Partnership Act**") to form the Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit (the "**Joint Endeavor**").

The purpose of the Joint Endeavor is to serve the electors of Oakland County, Wayne County, and Washtenaw County by levying a tax within a service area that includes all property within Oakland County, Wayne County, and Washtenaw (the "**Service Area**") to finance public transportation functions, including the provision of financial support for public transportation facilities, public transportation providers, and public transportation systems within the Service Area.

Under the Partnership Act, Oakland County, Washtenaw County, Wayne County, and the City of Detroit are each a "**Local Government**" (as defined in section 2 of the Partnership Act, MCL 124.113). The Regional Transit Authority of Southeast Michigan (the "**Authority**") is a "Public Agency" (as defined in section 2 of the Partnership Act, MCL 124.113).

Each Local Government and the Public Agency want the governing body of each Local Government and the board of directors of the Authority to approve the agreement forming the Joint Endeavor to assure that the Joint Endeavor is formed in compliance with the Partnership Act.

Each Local Government also wants the governing body of each Local Government to approve a ballot proposal seeking authorization to levy a tax for the purpose of providing revenue to the Joint Endeavor.

The [Name of Governing Board] of [Name of Local Government] therefore resolves as follows:

- that the attached joint endeavor agreement between the County of Oakland, the County of Washtenaw, the County of Wayne, the City of Detroit, and the Regional Transit Authority for Southeast Michigan, (the "**Joint Endeavor Agreement**") is hereby approved;
- that [Name of Chief Executive of Local Government], [Title of Chief Executive of Local Government] is hereby authorized to sign the Joint Endeavor Agreement on behalf of the [Name of Local Government];
- that the following ballot proposal is hereby approved by the [Name of Governing Board] of [Name of Local Government] for placement on the ballot at the Tuesday, November 3, 2020 general election:

"Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit

A Proposal Authorizing the Oakland-Wayne-Washtenaw Joint Endeavor for
Regional Transit to Levy an Assessment

Sch. 3-1

The proposal would authorize the Oakland-Wayne-Washtenaw Joint Endeavor for Regional Transit (Joint Endeavor) to levy within Oakland, Washtenaw, and Wayne counties a property tax assessment:

- at a rate of 1.4 mills (\$1.40 per \$1,000 of taxable value);
- for 20 years beginning in 2020 and ending in 2040;
- that may not be increased, renewed, or used for other purposes without voter approval; and
- to be used for the purpose of constructing and operating public transportation system improvements connecting Oakland, Washtenaw, and Wayne counties, including express bus routes, specialized service for senior citizens and people with disabilities, commuter rail, airport express service, and other public transportation purposes permitted by law.

If this new additional assessment is approved and levied, revenue will be disbursed to the Regional Transit Authority for Southeast Michigan. Other taxes levied by Oakland County, Wayne Washtenaw County, Wayne County, or the City of Detroit will not be affected. It is estimated that \$177,400,000 will be collected in the first year.

Should this assessment be approved?

YES []

NO []".

CERTIFICATION

I, _____, clerk of the [Name of Local Government] of [Name of Governing Board] of t
Transit hereby certify all of the following:

- (1) that this resolution was approved by the [Name of Governing Board] of [Name of Local Government] at a properly noticed meeting held on _____, _____;
- (2) that the resolution remains in effect;
- (3) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and
- (4) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Dated: _____, _____

By: _____

Name: _____
Clerk

Sch. 3-2

SCHEDULE 4
REGIONAL TRANSIT AUTHORITY OF SOUTHEAST MICHIGAN RESOLUTION
APPROVING JOINT ENDEAVOR AGREEMENT

**REGIONAL TRANSIT AUTHORITY OF SOUTHEAST MICHIGAN
BOARD OF DIRECTORS**

Resolution No. _____ - _____

Oakland County, Washtenaw County, Wayne County, the City of Detroit and the Regional Transit Authority of Southeast Michigan want to enter into an agreement under the Municipal Partnership Act, 2011 PA 258, MCL 124.111 to 124.123 (the "**Partnership Act**") to form the Oakland-Washtenaw-Wayne Joint Endeavor for Regional Transit (the "**Joint Endeavor**").

The purpose of the Joint Endeavor is to serve the electors of Oakland County, Wayne County, and Washtenaw County by levying a tax within a service area that includes all property within Oakland County, Wayne County, and Washtenaw County (the "**Service Area**") to finance public transportation functions, including the provision of financial support for public transportation facilities, public transportation providers, and public transportation systems within the Service Area.

Under the Partnership Act, Oakland County, Washtenaw County, Wayne County, and the City of Detroit are each a "**Local Government**" (as defined in section 2 of the Partnership Act, MCL 124.113). The Regional Transit Authority of Southeast Michigan (the "**Authority**") is a "Public Agency" (as defined in section 2 of the Partnership Act, MCL 124.113).

Each Local Government and the Public Agency want the governing body of each Local Government and the board of directors of the Authority to approve the agreement forming the Joint Endeavor to assure that the Joint Endeavor is formed in compliance with the Partnership Act.

The board of directors of the Regional Transit Authority of Southeast Michigan therefore resolves as follows:

- that the attached joint endeavor agreement between the County of Oakland, the County of Washtenaw, the County of Wayne, the City of Detroit, and the Regional Transit Authority for Southeast Michigan, (the "**Joint Endeavor Agreement**") is hereby approved; and
- that Paul Hillemonds, chairperson of the board of directors of the Regional Transit Authority of Southeast Michigan, is here by authorized to sign the Joint Endeavor Agreement on behalf of the Regional Transit Authority of Southeast Michigan.

CERTIFICATION

I, Virginia Lickliter, executive administrator of the Regional Transit Authority of Southeast Michigan, hereby certify all of the following hereby certify all of the following:

- (1) that this resolution was approved by the board of directors of the Regional Transit Authority of Southeast Michigan at a properly noticed meeting held on _____, _____;
- (2) that the resolution remains in effect;
- (3) that the meeting was held in compliance with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275; and

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(4) that the minutes of the meeting were kept and have been or will be made available as required by the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.

Dated: _____, _____

By: _____
Virginia Lickliter
Executive Administrator

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HOUSE BILL NO. 5229

November 07, 2019, Introduced by Rep. Sheppard and referred to the Committee on Transportation.

A bill to amend 2011 PA 258, entitled
"Municipal partnership act,"
by amending section 7 (MCL 124.117).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) Subject to subsection (3), the joint endeavor may
2 levy a tax of not more than 5 mills on all taxable property in the
3 areas served by the joint endeavor for the purpose of providing
4 revenue to the joint endeavor.

5 (2) A proposal for a tax ~~shall~~**must** not be placed on the



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1 ballot unless the proposal is adopted by a resolution of the
2 governing body of each ~~local government participating in the joint~~
3 ~~endeavor.~~**participant.**

4 (3) If a joint endeavor levies a millage under this section,
5 ~~each year the joint endeavor shall , as necessary, decrease the~~
6 ~~number of mills the joint endeavor levies to ensure that, with~~
7 ~~respect to each participating local government in the joint~~
8 ~~endeavor, the number of mills levied by a participating local~~
9 ~~government plus the~~ **not levy a** number of mills levied by the joint
10 endeavor will not exceed **exceeding** the maximum number of mills that
11 ~~the participating local government~~ **a participant** is
12 constitutionally and statutorily authorized to levy under each of
13 the following:

14 (a) Section 6 of article IX of the state constitution of 1963.

15 (b) The property tax limitation act, 1933 PA 62, MCL 211.201
16 to 211.217a.

17 (c) Section 14(1)(m) of 1966 PA 293, MCL 45.514.

18 (d) Section 3(g) of the home rule city act, 1909 PA 279, MCL
19 117.3.

20 (e) Section 27(2) of the charter township act, 1947 PA 359,
21 MCL 42.27.

22 (f) Section 26(1)(i) of the home rule village act, 1909 PA
23 278, MCL 78.26.

24 (g) Section 1(2) of chapter IX of the general law village act,
25 1895 PA 3, MCL 69.1.

26 (h) Any other applicable millage limit enacted after ~~the~~
27 ~~effective date of this act.~~**December 14, 2011.**

28 **(4) If a joint endeavor levies a millage under this section,**
29 **the number of mills levied by that joint endeavor does not count**



1 toward the constitutional or statutory number of mills limitation
2 for each participant.

3 (5) ~~(4)~~—If only a portion of a local government is located in
4 the service area of a joint endeavor, as described in the contract
5 for the joint endeavor, only those electors residing in that
6 portion of the local government located in the service area of the
7 joint endeavor are eligible to vote on the ballot proposal for a
8 tax and that tax ~~shall~~**must** only be levied against the property
9 within that service area.

10 (6) ~~(5)~~—The proposal for a tax under this act may be submitted
11 to a vote of the electors ~~served by~~**residing within the service**
12 **area of** the joint endeavor only at an even year general November
13 election.

14 (7) ~~(6)~~—A ballot proposal for a tax ~~shall~~**must** comply with the
15 requirements of section 24f of the general property tax act, 1893
16 PA 206, MCL 211.24f. In addition, **if the tax levy will result in**
17 **any reduction of taxes levied by a participant**, the ballot ~~shall~~
18 **proposal must also** state the manner in which the tax levy will
19 result in any reduction of taxes levied by ~~each local government~~
20 ~~participating in the joint endeavor.~~**that participant.**

21 (8) ~~(7)~~—The joint endeavor may levy a new tax or the increase
22 of an existing tax only if a majority of the electors in each ~~local~~
23 ~~government served by the joint endeavor~~**participant** voting on the
24 tax approve the tax. The joint endeavor may levy the renewal of an
25 existing tax only if a majority of the electors ~~served by the joint~~
26 ~~endeavor~~**within the service area of the joint endeavor** voting on
27 the renewal of the existing tax approve the tax.

28 (9) ~~(8)~~—A tax authorized to be levied by a joint endeavor
29 under this act ~~shall~~**must** be levied and collected at the same time



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1 and in the same manner as provided by the general property tax act,
2 1893 PA 206, MCL 211.1 to 211.155.

3 (10) A tax levied by a joint endeavor for transportation
4 purposes and any specific tax attributable to that tax must not be
5 attributed or transmitted to or retained or captured by any other
6 governmental entity for purposes not authorized by this act or the
7 contract providing for the joint endeavor.

8 (11) As used in this section, "participant" means a local
9 government that is a party to a contract providing for a joint
10 endeavor under this act.



ISSUE BRIEF: CEO Report

Meeting: Board of Directors

Meeting Date: January 16, 2020

INFORMATION TYPE:
Other
OPERATIONAL & PROJECT UPDATES
<ul style="list-style-type: none"> <li style="margin-bottom: 10px;"> <p>• DETROIT – ANN ARBOR EXPRESS BUS SERVICE The RTA held well-attended public hearing on the new service in Detroit and Ann Arbor on January 8, 2020. Generally, the service and its features were popular and there was positive press coverage. The RTA board still needs to formally approve the service at their January 16, 2020 meeting. Final details on the service will be available then, hopefully including a start date.</p> <li style="margin-bottom: 10px;"> <p>• 5YTIP SERVICE EVALUATION The evaluation of the 5YTIP service implementation is in its final stages and staff is preparing a proposal to adjust services that are underperforming along with other adjustments to improve on-time performance.</p> <li style="margin-bottom: 10px;"> <p>• WAYNE/OAKLAND/WASHTENAW/DETROIT TRANSIT ANNOUNCEMENT The CEO and Governance Committee members have had two meeting with County officials to better understand the nature of the recent announcement. Many details are still unclear.</p> <li style="margin-bottom: 10px;"> <p>• INTERIM DEPUTY CEO PLANNING & INNOVATION Bryan Smith, Deputy CEO Operation has taken over interim duties for the Planning and Innovation Division. The long-range plan will continue to move forward, along with all other projects in the pipeline.</p> <li style="margin-bottom: 10px;"> <p>• ANNUAL FINANCIAL AUDIT Work on the annual financial audit continues with representatives from UHY, LLP. The auditing firm requested additional time to orient themselves to TheRide’s financials. The Audit Task Force accepted their request to present results to the task force, Finance Committee, and full Board in March instead of February.</p> <li style="margin-bottom: 10px;"> <p>• BIKESHARE/ARBORBIKE We are waiting for final permitting agreement from the City of Ann Arbor to begin operations.</p> <li style="margin-bottom: 10px;"> <p>• BUS OPERATIONS MCO Operations Class graduates at the end of the month, adding much needed drivers to our ranks.</p>

- **MOBILITY SERVICES**

We added six new vehicles to our paratransit fleet, and will be retiring the same, giving our contractor more options for service and an updated fleet (as recommended by the paratransit study). The fleet purchase was approved by the Board in the 2020 budget. We continue to work on implementing the other recommendations and will have plans for the Board and public coming in the following months.

- **FLEET SERVICES**

We took delivery of the final eight 40-foot Gillig buses from the current contract for fixed route buses. They are in service now, and easily identifiable as the only buses in the fleet with a four-digit bus number. Our first prototype NovaBus is expected in mid-2020.

- **WATS POLICY COMMITTEE UPDATE**

In December, the committee approved the FY 2021 Unified Planning Work Program (UPWP) for Washtenaw County. The UPWP describes projected WATS and AAATA transit planning activities, identifying anticipated funding sources and opportunities for collaboration with regional partners. SEMCOG will integrate the Washtenaw program into a regional UPWP for submission to MDOT and FHWA.

- **TRANSPORTATION COMMISSION**

The Transportation Commission received an update to the City's 2019 Transportation Projects, requests for traffic calming submittals, speed reduction recommendations, road diets, sidewalk gaps and crosswalk improvements and an update on the City's Transportation Plan.

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