

Board of Director's Meeting Summary

Meeting Date/Time: May 20, 2021, 6:30-9:00pm

Location: Remote via Zoom

Board Member Attendees: Jesse Miller, Roger Hewitt, Kathleen Mozak, Richard Chang, Mike Allemang, Kyra Sims, Raymond Hess, Eric Mahler (Chair)

AAATA Staff Attendees: Matt Carpenter (CEO), Bryan Smith, Forest Yang, LaTasha Thompson, Rosa-Maria Njuki

Guest Attendees: Rose Mercier (Governance Coach)

Meeting Chair: Eric Mahler

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

Discussion Items
1. OPENING ITEMS
<p>1.1 Approve Agenda Mr. Rich Chang moved to approve the agenda, seconded by Mr. Jesse Miller. In support of the motion: Mr. Mike Allemang: Yes Mr. Chang: Yes Mr. Raymond Hess: Yes Mr. Roger Hewitt: Yes Mr. Miller: Yes Ms. Kathleen Mozak: Yes Ms. Kyra Sims: Yes Chairman Mahler: Yes</p> <p style="text-align: center;">The motion passed unanimously.</p>
<p>1.2 Public Comment</p> <p>Mr. Robert Pawlowski asked for the June public engagement dates regarding the August Service Restoration Plan to be posted to the AAATA website as soon as possible. He also expressed thanks for the restoration of the AirRide service and hopes for D2A2 to be back up and running again soon.</p> <p>Mr. Jim Mogensen described his perception of how GoldRide came to only be offered in Ann Arbor. He described that Chris White was attending a meeting of the then City of Ann Arbor Community Development Group and some senior advocates had done some strategic planning to find extra ways for senior citizens to get around. Eventually it was incorporated into TheRide's service and was essentially a fare subsidy for taxis in Ann Arbor. He noted that the reason it was in Ann Arbor was due to Ann Arbor having the 1973 transit millage and the overlay. The City of Ypsilanti and Ypsilanti Township only had the overlay (.7 mills), whereas Ann Arbor initially had 2.5 mills. This was a special service for people in Ann Arbor because there was more property tax money for transit collected that was needed to run the fixed route bus service. He also suggested that if paratransit is tightened up, some seniors may not qualify.</p>
<p>1.3 General Announcements None.</p>

2. CONSENT AGENDA

2.1 Minutes & Committee Meeting Reports

Mr. Chang moved to approve the consent agenda, seconded by Ms. Sims.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Abstained due to his absence at the April 22nd Board meeting.

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3. POLICY MONITORING & DEVELOPMENT

3.1 Committee Meeting Discussion

None.

3.2 Monitoring: External Relations (Policy 2.9)

Per a new law, Chairman Mahler asked the Board members to state their name and the location from which they joined this virtual meeting:

Mr. Mike Allemang reported in from Ann Arbor, Washtenaw County.

Mr. Rich Chang reported in from Pittsfield Township, Washtenaw County.

Mr. Raymond Hess reported in from Ann Arbor, Washtenaw County.

Mr. Roger Hewitt reported in from Onekama Township, Manistee County.

Mr. Jesse Miller reported in from Ypsilanti, Washtenaw County.

Ms. Kathleen Mozak reported in from Ann Arbor, Washtenaw County.

Ms. Kyra Sims reported in from Ann Arbor, Washtenaw County.

Chairman Mahler reported in from Ann Arbor, Washtenaw County.

Chairman Mahler noted that the monitoring report indicates that the staff's interpretation was compliant with all of the policies and sub policies. He described that there were a number of comments from Board members about difficulties deciphering and interpreting the applicability of some of the policies.

Mr. Hewitt described policies 2.9.3 and 2.9.4 as prescriptive and pretty subjective, making it difficult to find objective evidence to show compliance. He reported that the suggestion of the Service Committee was that these policies go back to the Governance Committee involving Governance Coach Rose Mercier to rewrite several of the policies so that they can be objectively verified.

Mr. Miller expressed issues with the interpretation of 2.9.3. He described that the threshold of a public figure calling for the disillusion of the Authority as too extreme. He also expressed his perception that the interpretation only includes elected officials and not community stakeholders and is not reasonable. He agreed that it is a flawed policy that requires development, however, expressed that if the Board is to vote on it, they may need to vote on it as it was written and presented to them. In this case, he would recommend voting not in compliance on policy 2.9.3. In regard to 2.9.4, Mr. Miller described the amended text in red on page 35 of the monitoring report as a fair recollection of what happened, which is understandable, but that it is evidence of not being fully in compliance with the policy.

Mr. Allemang expressed that many of the policies in 2.9 cannot be measured or proved and should be rewritten.

Mr. Hewitt moved to accept the CEO as in compliance except for items noted (B). Those items will be reviewed by the Governance Committee for possible rewriting, seconded by Ms. Mozak.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3.3 Ownership Linkage Task Force

Ms. Rose Mercier presented on ownership linkage ([page 72 of the May 20, 2021 Board Meeting Packet](#)).

Mr. Allemang described the next round of meetings with the legal owners as focusing on the Ends. Ms. Mercier noted that in addition to discussing alignment of the Ends with legal owners, the Board may wish to follow-up with a question of what the legal owners might see as the challenges in the next decade to address.

Mr. Chang described that Board members have a responsibility to help be a bridge between the legal / moral owners and the staff. Ms. Mercier encouraged the Board not to completely delegate ownership linkage to staff.

Mr. Miller and Ms. Mercier discussed aggregating the range of priorities and values from the governing bodies, identifying common themes that come out of those conversations, to then adding the Board's wisdom to that. Ms. Mercier described the public advisory group being formed as a management tool to achieve the Ends, but not ownership linkage.

Ms. Mozak described that the Ownership Linkage Task Force (OLTF) might arrange meetings with owners and then invite Board members to attend those. Mr. Allemang confirmed that plan of action.

Mr. Allemang walked the Board through the summary of OLTF's recommended 3-year plan to conduct linkage on [page 31 of the May 20, 2021 Board packet](#).

Chairman Mahler suggested that the Board may want to be directly involved in all of the transit-oriented development talk that the City is engaging in right now, the climate control office, as well as the regional planning of transit in the area (RTA).

Mr. Allemang agreed that Board members could be involved in transit-oriented development discussions, though it may be difficult to know where to draw the line with involvement in the details of those.

Ms. Sims described the first step as having meetings with legal owners and getting the momentum going that had been started pre-pandemic. Those meetings could begin as a

follow-up to the Ends discussion, followed by other big picture topics that may naturally come up in discussions of how to accomplish the Ends.

Chairman Mahler asked if the Board members are looking for the approval, a different direction, just some input, or all of the above from the legal owners. He noted that legal owners many times look to AAATA for their expertise and posed the question of whether the Board should be more proactive or reactive in the meetings.

Mr. Allemang suggested that the Board is being proactive by having the legal owners focus on AAATA's Ends, and then should be reactive to their input on that.

CEO Carpenter and Mr. Miller described that discussions with legal owners oftentimes start with an operational ask from the legal owners that then broadens to a discussion of values and priorities affiliated with that ask. Mr. Miller encouraged allowing Board members to drive the conversations.

Ms. Mercier described determining the specific meetings the Board might want to have in year 1. She also noted that discussions may also inform executive limitations and the risk tolerance of legal owners.

Mr. Chang walked the Board through the draft Ownership 3-year Linkage Plan on [pages 32-34 of the May 20th 2021 Board packet](#), highlighting that the majority of the focus would be in year 1 because years 2 and 3 will actually be the result of the outcomes from year 1.

Mr. Hewitt suggested that meeting in small groups is probably most effective, starting with anyone that already has a working relationship with specific legal owners.

Mr. Hess and Chairman Mahler shared their appreciation for all the work that the OLTF has done thus far and complimented the draft plan as a good framework from which to start.

Mr. Allemang reported that the OLTF will be having another meeting again to develop some additional, more specific proposed actions before the next Board meeting.

Chairman Mahler asked the OLTF to continue focusing on the balance of discussing both the Ends as well as the secondary issues with the legal owners. He also asked them to think specifically about who those legal owners are and perhaps expanding that circle to include others that can be influential for and to AAATA.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 Federal Advocacy Update

CEO Carpenter reported on his attendance at the recent virtual APTA Legislative Conference, along with Mr. Miller and Mr. Allemang. They met virtually with the staff of Congresswoman Debbie Dingell, Senator Peters, and Senator Stabenow. He described the meetings as successful overall, gathering some good information and more contacts, specifically who to call about future earmarking and legislative opportunities.

Mr. Miller described that he has become more involved with APTA on their Transit Board Member's Committee. He expressed his perspective that the legislative staff were actively involved and asking questions. He noted that having CEO Carpenter as a lead in all three of the meetings was helpful as he was able to clearly state the asks and communicate how important reverting to the pre-2012 formula would be. Mr. Miller also expressed his confidence in the relationships formed that will serve locally going forward.

Mr. Allemang agreed with Mr. Miller and described the meetings as quite productive. He complimented CEO Carpenter as the lead in the meetings, highlighting that CEO Carpenter knew the details of what bills were in front of Congress and what role transportation might play in them. He shared that attending the meetings gave him a better understanding of the CEO's role and the operations of AAATA.

Mr. Miller described looking forward to doing more public outreach like this as a Board member and telling the story of where money is going and how it is benefiting the community.

4.2 Long-Range Plan / Board Retreat Follow-up / GoldRide

Mr. Smith presented a new proposal for the future of GoldRide for the Board's consideration. This presentation can be found [on page 77 of the May 20th, 2021 Board meeting packet](#).

Mr. Smith shared that the proposal for GoldRide is from Golden Limousine (who provides TheRide's current FlexRide, HolidayRide, and NightRide services). The new contract with Golden Limousine for GoldRide would be proposed for a 12-month or a maximum of 2 years agreement. With the probable 12–18-month agreement period, Mr. Smith explained to Mr. Chang that the cost would stay the same throughout that time frame. He emphasized that although there may be alternate ways of providing this service that might not be quite so costly, AAATA could not get any of those alternate ways up and running by August 2021. Mr. Chang expressed his appreciation for the expansion of the service area.

Mr. Miller and Mr. Smith discussed the proposed GoldRide full fare cost of \$20. Mr. Smith described that the \$20 rate was initially set such that it would not be in competition with private vendors, but that Uber and Lyft have dramatically raised their prices in the last two weeks due to hiring problems, making this rate a potential bargain for a senior that has the means. Anyone that would qualify for a low-income program (via multiple agencies that AAATA has certified as low-income representatives) would be able to ride for \$5.

Ms. Mozak shared her appreciation for GoldRide being brought back online, the low-income fare being reduced to \$5, and the expanded service area. She expressed concern about the \$20 full fare. She described her preference to hear what the public has to say about the GoldRide proposal during the June public engagement meetings before the Board makes a decision on the proposal.

Mr. Smith explained to Mr. Chang that capacity denials for GoldRide are permissible since it would be no longer affiliated with the ADA paratransit service ARide. He also explained that AAATA is on the hook to pay the cost of a trip (variable, but around \$42 depending on the demand) whether the passenger pays \$20 or \$5. He noted that the vendor has proposed a floor amount due from AAATA of about 20% of AAATA's highest estimated ridership.

Chairman Mahler deduced that a decision on the proposal will be postponed until the July Board meeting, after the June public engagement feedback.

4.3 August Service Recovery Plan Update

Mr. Yang thanked all who provided their feedback on the plan. He reported that over 300 comments have been reviewed and adjustments have been made to the proposed service plan. Staff are in the process of finalizing the materials for the public communication. The public town hall meetings will happen in mid-late June regarding

both fare proposals and the service plan. These details will be posted to the AAATA website and in the Newsletter.

He emphasized that feedback received in June will not be incorporated into the August service plan but will be taken into consideration for the future planning cycle, like January 2022 or later.

4.4 Q2 Service Report

The Q2 Service Report can be found [here](#) on the website.

4.5 Q2 Finance Report

The Q2 Finance Report can be found [here](#) on the website. Ms. Thompson's presentation can be found on [page 96 of the May 20th, 2021 Board meeting packet](#).

Ms. Thompson confirmed to me Mr. Hewitt that AAATA is pulling federal funds to cover any revenue loss, when expenses exceed the revenue. Chairman Mahler expressed looking forward to the reflected amended budget next quarter.

4.6 CEO Report

CEO Carpenter's report can be found on [page 70 of the May 20th, 2021 Board meeting packet](#).

CEO Carpenter highlighted that staff are starting discussions of how and when to bring staff back into the office buildings. He highlighted that one challenge is staff parking. Before the pandemic, due to the expansions of 2013 and 2014 increasing the number of bus drivers and office staff, there was not enough staff parking. As a result, staff were parking within the bus garage. Once the pandemic hit, the paratransit fleet began operating in-house, and now there is not enough space for the fixed route fleet, the paratransit fleet, and staff parking in the bus garage. There will be a new paratransit contractor on board in August, which will move the paratransit fleet back out, making space for the fixed route fleet and staff parking. The earliest that office staff can be brought back into the office will be September, logistically speaking. He also noted that there is a discussion ensuing about hybrid work, staff working from both the office and home, considering that productivity has been excellent with staff working from home over the past year.

In regard to the LAC, he shared that he is putting a lot of focus on their annual report to the Board regarding policy matters, particularly the Ends.

CEO Carpenter reported that the RTA who sat down with the WATS Policy Committee again to try to get input from elected officials across the county into the update to their regional transit plan. In the next couple of months, the public may start seeing communication from the RTA about public input on transit's future in the region.

In regard to the D2A2 service, CEO Carpenter reported that the RTA staff may begin presenting options for restarting the service to their Board this and next month.

5. EMERGENT BUSINESS

None.

6. CLOSING ITEMS

6.1 Topics for Next Meeting:

Monitoring: Treatment of Staff (Policy 2.2)

6.2 Public Comment

Mr. Jim Mogensen described ownership linkage as incredibly complicated. He also described envisioning a situation in which people come to AAATA wanting them to use the capital money that is set aside on electric buses rather than the Ypsilanti Transit Center. He suggested that AAATA may get a lot more input in the coming year than they have in the past.

6.3 Closed Session Briefing (as per OMA)

Mr. Allemang motioned to go into closed session pursuant to section 8(h) of the Open Meetings Act in order to discuss a written attorney-client privileged communication, which is material that is exempt from disclosure under state and federal law. This was seconded by Ms. Sims.

Chairman Mahler conducted a roll call vote for this.

In support of the closed session:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The Board went into the closed session at 9:00 pm.

Ms. Mozak motioned to go out of closed session, seconded by Mr. Hewitt. Chairman Mahler took a roll call vote.

In support of going out of closed session:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

At 9:22pm, the Board voted unanimously to come out of the closed session.

6.4 Adjournment

Mr. Miller moved to adjourn, seconded by Mr. Chang.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

Chairman Mahler adjourned the meeting at 9:25pm.

Respectfully submitted by: Keith Everett Book

Approved June 17, 2021