

Board of Director's Meeting Summary

Meeting Date/Time: June 17, 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, Ryan Hunter (arrived at 7:28pm), Eric Mahler (Chair)

AAATA Staff Attendees: Matt Carpenter (CEO), Bryan Smith, Forest Yang, Dina Reed, LaTasha Thompson, Rosa-Maria Njuki, Gwyn Newsome, Sue Fickau

Meeting Chair: Eric Mahler

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

Discussion Items
1. OPENING ITEMS
<p>1.1 Approve Agenda Chairman Mahler proposed moving agenda item 3.2 Bylaw Task Force Update into the Closed Session at agenda item 5.1. He asked the Board members to approve the agenda with this amendment while stating their name and the location from which they joined this virtual meeting: Ms. Kathleen Mozak moved to approve the agenda as amended, seconded by Ms. Kyra Sims. In support of the motion: Mr. Mike Allemang (reporting in from Ann Arbor, Washtenaw County): Yes Mr. Rich Chang (reporting in from Genesee County): Yes Mr. Raymond Hess (reporting in from Ann Arbor, Washtenaw County): Yes Mr. Roger Hewitt: Mr. Hewitt was having technical issues at the start of the meeting. He was unable to announce from where he was reporting or vote on the agenda during this roll call. Mr. Jesse Miller (reporting in from Ypsilanti, Washtenaw County): Yes Ms. Kathleen Mozak (reporting in from Ann Arbor, Washtenaw County): Yes Ms. Kyra Sims (reporting in from Ann Arbor, Washtenaw County): Yes Chairman Mahler (reporting in from Ann Arbor, Washtenaw County): Yes</p> <p>The motion passed unanimously.</p>
<p>1.2 Public Comment Mr. Robert Pawlowski called in from Southgate, Wayne County, MI to thank TheRide's staff for all the hard work they have done throughout the Service Recovery Proposal. He also shared that he was at the most recent LAC meeting and would like to know when the July LAC meeting is being held. Mr. Smith confirmed that the LAC meeting will be held on July 13th, 1:30-3pm.</p> <p>Ms. Michelle Barney asked planning to consider making the evening hours of operations (at least for Ypsilanti) later than they are currently, noting that theatres and restaurants are opening up, which she needs to access via ARide.</p>
1.3 General Announcements

1.3.1 Introductions: Dina Reed (new Deputy CEO, Finance & Administration) and Sue Fickau (new Mobility Manager)
CEO Carpenter introduced Dina Reed, who comes to AAATA with a long history of successful senior level positions in finance functions of the transportation industry, most recently from The Rapid in Grand Rapids.

Mr. Smith introduced Sue Fickau, who comes to AAATA with a background in both municipality and senior housing work.

2. CONSENT AGENDA

2.1 Minutes & Committee Meeting Reports

Mr. Miller moved to approve the consent agenda, seconded by Ms. Mozak.

In support of the motion:

Mr. Mike Allemang: Yes

Mr. Rich Chang: Yes

Mr. Raymond Hess: Yes

Mr. Roger Hewitt: Mr. Hewitt was having technical issues at the start of the meeting. He was unable to vote on the consent agenda during this roll call.

Mr. Jesse Miller: Yes

Ms. Kathleen Mozak: Yes

Ms. Kyra Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3. POLICY MONITORING & DEVELOPMENT

3.1 Committee Meeting Discussion

None.

3.2 Bylaw Task Force Update

This topic was moved into the Closed Session at Agenda Item 5.1.

3.3 Ownership Linkage Task Force (OLTF) Update (Verbal)

Mr. Allemang described that the OLTF had a fairly long and complicated meeting on June 9th. The OLTF concluded that their approach in the past seemed to have some problems and so alternatives were discussed, as previously shared with the Board. They decided to look at the legal owners in terms of what public information is available from the actual governing bodies. This way, the OLTF may be able to better understand what their objectives are and which of those might relate to AAATA. As a starting point, Ms. Rosa-Maria Njuki is going to help gather public information in regard to Ann Arbor, to be discussed at the next OLTF meeting.

3.4 Monitoring: Treatment of Staff (Policy 2.2)

Ms. Mozak asked what the 38% staff response percentage equates to as the actual number of staff that responded. Ms. Njuki confirmed that the number of employees that responded was 97.

Mr. Hess expressed finding this monitoring report to be troubling. He described that treatment of staff is an important consideration, especially during the time of a pandemic, and expressed his perception that shifting a lot of the compliance descriptions to "cannot be determined" feels like a sugar coating of non-compliance. He recommended that the policy should be voted as non-compliant and not making reasonable progress. He suggested that if staff were not satisfied with survey responses, they might have taken extra measures to engage employees more effectively. Mr. Chang expressed agreement with Mr. Hess.

Ms. Sims expressed agreeance with Mr. Hess as well, adding that if there were additional data points aside from the employee engagement survey, she might understand that compliance could not be determined but that there was additional evidence that staff were trying to gather. She suggested that staff indicate additional evidence or metrix being considered in the report to make it more compelling with a wider variety of tools used in ascertaining the treatment of staff.

Mr. Allemang expressed his agreeance with Mr. Hess. He described that his issue with the report is not that during a pandemic and very stressful period where there were layoffs that ratings would be down, but more so he had a problem with the interpretation. He noted that employee surveys of attitude and feelings rely on perceptions.

Mr. Miller expressed leaning toward a vote of non-compliance. He described that the proportion of responses from the given departments seems to reflect the organization overall. He also expressed an issue with similar response rates in the past having been interpreted as in compliance when the comments were more positive, but now that the comments are less positive, compliance is not able to be determined. He reported that the Service Committee discussed how this could be addressed, perhaps with town hall meetings and finding other ways of getting a fuller sense of how employees in the organization feel. He also described a discussion of a timeframe for when another monitoring report might be requested by the Board within the next year, before it would normally be due.

Ms. Mozak described that she was highly disappointed in the report and sad because she is concerned about the AAATA employees. She also shared concern that the employee engagement survey seemed to be the only tool to give evidence as to what was happening with the treatment of staff. She would like to see some sort of follow-up on this report before the next report is due.

Chairman Mahler described that it might be a challenge to show where any employee engagement survey results went up at any organization during this time. He expressed full sympathy that the past year was probably the most stressful year that could possibly be imagined. He described that it may be unrealistic to have expected the scores to go up given the circumstances. He shared his disappointment that the scores went down but noted that this may reflect everyone's sense of discomfort, isolation, and stress during the pandemic. He asked that CEO Carpenter have an opportunity to explain why he interpreted compliance with some of the policies as unable to be determined, as well as what might be done to get things back on track to where AAATA was before pre-pandemic levels, in addition to discussing a follow-up monitoring report after that.

CEO Carpenter's response:

"Thank you, Mr. Chair, and thank you Board members. This is a disappointing monitoring report for those of us in leadership, as well as for you. I am not the least bit surprised to hear that some of you would like to think of this as non-compliant. I can understand why you might do that. I have been thinking a lot about this report obviously since it came in, and I think our path forward, whether you accept it as cannot be determined or not in compliance, that my response is roughly the same. It really gets to what I think I have heard a couple of you saying in terms of turning it around, making sure our employees do feel value, making sure that these scores begin to come back into the area we are more comfortable with. However you accept this report, my response is going to be the same in that regard.

We are going to continue to conduct the surveys. We are going to continue to push to get a better response rate. I think it was really hard to do that this time. We had a much higher response rate at 52% a year and half ago, that also included executive team members asking staff almost daily to complete their survey. I would walk through the operator's lounge asking how people were and asking if they had taken their survey. We just could not do that this year. This was an extraordinary year. There was a lot of stress and anxiety. I do not

point to that in any way to try to say I am not accountable for it. That is not the case. I am quite confident that as those things begin to fade away, a lot of this anxiety will begin to fade as well. Getting to the heart of why we see these scores the way we do is one of my big priorities going forward, whether it is through focus groups or some other means, to try to understand why.

Part of the reason I put this down as cannot be determined, and I did not share this with the Committee because I struggle for a way to articulate this: When I walk through the organization, whether staff know I am there or not, it does not feel like the kind of organization that you see these scores in. Like many of you, I have worked in deeply dysfunctional organizations, toxic workplaces. I know what they feel like. I do not think our office feels that way. I struggle to reconcile that perception I have of the organization with the scores on this survey. That is part of the reason I said cannot be determined. To me, there is a cognitive dissonance, some sort of disconnect going on. I am fully aware that a lot of people do not tell the CEO when they do not like something. Trying to push passed that to get to genuine feelings is really an important thing that we need to do this year. We cannot fix something if we do not know exactly what it is we are trying to work on.

My commitment to you, however you accept this monitoring report or do not, is that we are going to keep working on that. We are going to continue to do the work, continue the surveys. We are going to try to get to the bottom of it, and when we can identify what is going on, we are going to fix it. I am not too concerned about that.

For every organization I have ever worked in, this is an endless opportunity. It never stops, to find a way to engage your staff on new levels. It is a challenge; it is a real challenge when you cannot be in the office. It is a real challenge when people feel unsafe doing their very jobs simply because they have to interact with the public. I think we did everything we could do, but there is no way I can look at you and tell you we were prepared for a global pandemic. I do not want to suggest we were. But we have all come through this a bit burned out and stressed. I am hopeful that as that alleviates, we will be able to talk to our staff and find out a little bit more about if there are things that we can control beneath these numbers, and if so, what can we do about it.

In closing, however you accept this is fine with me. My response is going to be the same: Let's do the right thing for our staff. Let's find a way to turn the numbers around, not just the numbers but also genuinely with the staff on the ground. I do think there are some methodological challenges that that this monitoring report brought to my attention. Perhaps it overly relies on a perceptual survey. I never thought that would be a challenge, but I do think we need to go back and add things like attrition rates to mix the data a little bit more. That will not be replacing survey information; that will just be complimenting survey information.

In terms of another report, I could understand why you would want that. That makes sense. One thing we did hear was a little bit of survey fatigue. I would ask if you are going to go down that road to give us some time, at least a half a year, if not more, because some of these things will take time to turn around. We want to give time so that people can be willing to take another survey.

If there are specific questions, we are happy to try to answer them. But I hope that gives some confidence to the Board that this is something that can be addressed."

Chairman Mahler asked if formal complaints were tracked year over year, pre-pandemic, during pandemic, i.e., number of grievances filed, OSHA complaints, formal complaints in another way, whistle blowers, anything like that? He asked if a trend was seen there that would lead one to indicate that these results should have been expected. In terms of formal complaints that were lodged with Human Resource or otherwise, he asked what was seen.

CEO Carpenter described that question to be a good example of going a little bit beyond an anonymous survey to an actual reported incident, which is what HR can do something about. He described anonymous surveys as a little more difficult to grapple with. CEO Carpenter noted that all the data points that Chairman Mahler mentioned are looked at, but they have not been incorporated directly into the monitoring report, which could be an opportunity going forward.

Ms. Gwyn Newsome reported that she did not recall in 2020 getting any formal complaints from anyone, and there have not been any regulatory complaints (EEOC, MIOSHA). She would say that the union grievances have been steady year after year. She described that nothing popped out that would say there is something else going on here, at least from that perspective.

Mr. Miller described not looking for more survey results, but rather a response from executive staff on what sort of steps they are making toward compliance.

Mr. Hess moved to accept the CEO as not in compliance and not making reasonable progress (D), seconded by Mr. Miller.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: No

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: No

The motion passed.

Ms. Sims suggested an issue brief or CEO report instead of a full monitoring report at a date to be determined detailing what steps have been taken to make sure that the next time this monitoring report is seen that the evidence has improved, or the Board is informed about what methodology senior staff is thinking needs to be altered for the next monitoring report.

Mr. Hewitt suggested a full monitoring report would need 8-9 months but supported waiting 12 months for the monitoring report with an issue brief before then describing new or additional procedures for the monitoring report.

Mr. Hess agreed with Ms. Sims' suggestion and described an interim form of a report as suggested by Ms. Sims no later than 6 months from now, with a monitoring report following in its regular 12-month cycle.

Mr. Miller agreed that he would not like to wait more than 6 months for a report on what progress is being made.

Mr. Chang described developing a plan as soon as possible for how staff is going to figure out what needs to be done to improve overall employee evidence; he suggested that 6 months is too long to wait for that plan. He also described organizations that have been successful at keeping staff happy even during difficult times.

Chairman Mahler described that it is not clear to him what the Board means by not in compliance, that the Board has not determined what success looks like in terms of reasonable compliance with this policy. He agreed that perhaps by the end of the fiscal year an action plan could be described and put in place by the staff.

Chairman Mahler suggested receiving a progress report on this issue from the staff by the October Board meeting, which was supported by the Board.

Mr. Ryan Hunter joined at 7:28pm.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 Final Aug Service Plan

Mr. Yang walked the Board through the Issue Brief, Final August Service Plan Summary, and Equity Analysis Report ([starting on page 50 of the June 17, 2021 Board Meeting Packet](#)) along with highlights of the [Final August Service Plan](#) which will be implemented on August 29, 2021. He noted that the five guiding principles for the final service plan were:

1. Recover 100% of service hours.
2. Maintain a similar service coverage.
3. Address on-time performance and make service more reliable.
4. Improve efficiency.
5. Make the branching structure simpler / easier to understand.

Mr. Yang explained to Mr. Miller how all the routes except one are identified as low-income based on a system average. He noted that a different approach is being looked into to improve the whole methodology in the future. Mr. Miller described that perhaps useful demographic data is not being pulled, which may have affects in determining where resources need to be allocated.

Mr. Hewitt pointed out that some of the low-income statistics is due to the large number of students in both Ann Arbor and Ypsilanti whose incomes may be low, although their family income may be very high.

4.1.1 GoldRide Updates: Forthcoming Fares and Contract Authorizations (July)

Mr. Smith shared that staff will be coming back to the Board next month for an approval to give the CEO signing authority for the contract extension.

Mr. Hewitt asked how low income is determined for seniors. Mr. Smith described the reduced fare program AAATA has been using for years: Anybody who qualifies for service at 150% of the poverty level would qualify as low income for this service. AAATA has a list of over 100 agencies that are certified to provide them with those names. Those names are reviewed, approved, and passed on to the contractor.

4.2 Fare Proposal Introduction

Ms. Thompson presented the 2022 Proposed Fare Adjustments ([starting on page 83 of the June 17, 2021 Board Meeting Packet](#)).

Ms. Mozak shared her appreciation for the proposal to remove the surcharge for Ypsilanti / Ypsilanti Township. She offered her support for all that was presented.

Mr. Miller shared his support for the reduced fares. He asked if there are any plans to make the day pass and 30-day pass easier to purchase. Ms. Thompson described the implementation of mobile ticketing via EZFare where the passes can be purchased. CEO Carpenter described that passes currently can be purchased in person at the Blake Transit Center and Dawn Gabay Operations Center. There are hopes in the future for them to be able to be purchased at the Ypsilanti Transit Center as well. Mr. Miller described that it may be unlikely to see an increase in utilization if the availability cannot be increased.

Mr. Hewitt described the importance of determining how accurate the projected increases in ridership and cost actually are over time. Ms. Reed described some potential challenges in how the increase in ridership is attributed given that service is being increased significantly in

August at the same time as some fare changes, but efforts will certainly be made to overcome that challenge.

Mr. Hess described some concern with the loss on fare box as a result of the proposal, considering potential budget deficits. He expressed feeling mixed as to whether he will support the fare proposal. Chairman Mahler shared a similar concern, describing that even if all the targets are hit, AAATA will be losing money. He would be more comfortable with a projection showing a breakeven scenario somewhere down the road. He also described potential increases in inflation, fuel, and labor while revenue may stay flat or go down. He expressed not being sure if he is informed enough to support the fare proposal without the context of the fully developed budget.

4.3 RTA Update (Verbal)

CEO Carpenter described that the RTA had their monthly Board meeting this afternoon, during which they announced they will be working with the provider agencies including AAATA, DDOT, and SMART to figure out the best disposition of the American Rescue Plan funds. He noted that the RTA has momentarily stopped moving forward with their public discussion of the carve out that was mentioned. He shared that the RTA has committed to speaking with the provider agencies as part of that decision. He thanked the RTA for listening to some concerns that were raised and expressed looking forward to hearing from them to schedule a meeting sometime soon for the three transit operators to have some coordination about the use of these funds.

4.4 CEO Report

CEO Carpenter described recent challenges for the broader economy and AAATA with labor availability. Mr. Smith reported that of the 80 motor coach operator applications garnered by the AAATA advertisement, they only had 6 in the first class. They had intended on having 10. Interviews are now taking place for the second class, and there are only 8 to interview. The goal was to hire 20, so staffing is falling short. Mr. Smith described that a third class is being planned this year, but they will not be ready for August. He shared that staff are working with the run cut for this Fall to see what can be done with allocating more hours per run. He noted another shortage with technicians (currently down by 3), for which finding qualified applicants is even harder. Staff are working to understand what can be done to avoid a cut in the runs, continuing to strive toward full service.

CEO Carpenter described that the contractor for the restart of the Detroit to Ann Arbor bus service is also suffering the same labor availability problems, making the best they can do to get that service up and running to be October.

5. BOARD EDUCATION

5.1 Closed Session (as per OMA)

Chairman Mahler requested a motion to go into closed session pursuant to section 8(h) of the Open Meetings Act to consider material exempt from discussion or disclosure under state and federal law. This was motioned by Mr. Allemang and seconded by Mr. Chang. 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. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes
Chairman Mahler: Yes

The Board went into the closed session at 8:20 pm.

Mr. Allemang motioned to go out of closed session, seconded by Ms. Mozak. 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. Hunter: Yes
Mr. Miller: Yes
Ms. Mozak: Yes
Ms. Sims: Yes
Chairman Mahler: Yes

At 9:29pm, the Board voted unanimously to come out of the closed session.

5.2 Collective Bargaining Policy (Decision)

Mr. Miller motioned to adopt the Collective Bargaining Policy as drafted, seconded by Ms. Mozak. Chairman Mahler took a roll call vote.

In support of the motion:

Mr. Allemang: Yes
Mr. Chang: Yes
Mr. Hess: Yes
Mr. Hewitt: Yes
Mr. Hunter: Yes
Mr. Miller: Yes
Ms. Mozak: Yes
Ms. Sims: Yes
Chairman Mahler: Yes

The motion passed unanimously.

6. EMERGENT ITEMS

None.

7. CLOSING ITEMS

7.1 Topics for Next Meeting:
Budget Preview

7.2 Public Comment

Mr. Jim Mogensen described the importance of fare media in the conversation of fare policy proposal. He also described his understanding that some of the route modifications that were done during last and this year need to be evaluated in regard to Title VI.

Mr. Robert Pawlowski asked when AAATA might begin having Board Meetings in person. He suggested making both virtual and in-person attendance available when possible going forward. Chairman Mahler noted that all options are still on the table and being worked through.

Ms. Michelle Barney described her understanding that some drivers and those that might apply for such a position are worried about passengers getting into an argument regarding

masks. She also described asking employees about concerns they may have about work schedules and issues that may not be obvious. Lastly, she cautioned against expecting low-income citizens to have smart phones.

7.3 Adjournment

Mr. Miller moved to adjourn, seconded by Ms. Mozak.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

Chairman Mahler adjourned the meeting at 9:45pm.

Respectfully submitted by: Keith Everett Book

Approved July 22, 2021