

Board of Director's Meeting Minutes

Meeting Date/Time: March 17, 6:30-9:00pm

Members: Eric Mahler (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Rich Chang, Raymond Hess, Ryan Hunter, Kathleen Mozak, Susan Pollay

AAATA Staff Attendees: Matt Carpenter, Bryan Smith, Dina Reed, Forest Yang, LaTasha Thompson, Deborah Holt

Location: Ann Arbor District Library
Virtual attendance available [via Zoom](#)
Passcode: 983308

Chair Eric Mahler called the meeting to order at 6:38 pm.

Agenda Item
1. OPENING ITEMS
1.1 Approve Agenda
Mr. Mahler opened the meeting with the suggestion to move Item 5.1 Labor Negotiations to Closed Session after 6.2 Public Comment. No other changes were made.
All in favor of accepting the change to the agenda with no other changes noted:
Mr. Mike Allemang: Yes (attending virtually)
Mr. Rich Chang: Yes
Mr. Raymond Hess: Yes
Mr. Ryan Hunter: Yes
Mr. Jesse Miller: Yes
Ms. Mozak: Yes
Ms. Pollay: Yes
Chairman Mahler: Yes
The vote passed unanimously.
1.2 Public Comment
Jim Mogensen shared his concerns with the millage proposal rate being presented. He suggested the timeline is moving too quickly for thorough consideration and long term Impacts.
Tim Hull shared he had been surprised to learn there was a deficit that required a significant millage increase and wondered if it was due to the pandemic. Wanted the organization to provide more details to the public before a vote was made.

Robert Pawlowski shared that he would like to see the utilization of more state funding for ridership services instead of relying on property taxes. He's concerned about communities cutting transit services due to tax increase proposals.

1.3 General Announcements

Mr. Mahler announced that it was Transit Employee Appreciation Day and he and the board thanked the transit workers for their dedication and service, especially during the pandemic.

2. CONSENT AGENDA

2.1 Board Meeting Minutes February 24, 2022 (Rescheduled)

2.2 Committee Meeting Summaries

2.3 Public Transportation Agency Safety Plan

2.4 RAISE Grant Application Authorization (by Motion)

Mr. Mahler noted items 2.1 – 2.4 on the Consent Agenda.

Mr. Miller moved to approve the Consent Agenda, seconded by Mr. Chang.

In support of the motion:

Mr. Mike Allemang: Yes (attending virtually)

Mr. Rich Chang: Yes

Mr. Raymond Hess: Yes

Mr. Ryan Hunter: Yes

Mr. Jesse Miller: Yes

Ms. Mozak: Yes

Ms. Pollay: Yes

Chairman Mahler: Yes

The Consent Agenda was accepted as presented.

3. STRATEGY UPDATES: CEO

3.1 Long-Range Plan Presentation

Mr. Yang told the Board that the long-range planning work has been in progress since the beginning of 2021. Through a variety of public engagement opportunities and feedback they were able to develop the final recommendation to be presented. There will be additional public engagement this spring.

Mr. Yuval Grinspun, consultant from Left Turn, Right Turn, presented to the board the draft final plan of the Long Range ([3/17/22 AAATA Board Meeting Packet pg. 23](#))

Mr. Hunter asked for clarification on the planning being based on 5-year blocks in which structural elements were outlined but the specifics were left open.

Mr. Grinspun responded that those were left open to accommodate for flexibility to shifting needs and technology changes that may come about in the future.

Ms. Pollay asked how Covid has impacted planning. Mr. Grinspun shared that in the context of long-range planning, covid wasn't factored in and with rising gas prices, people are returning to public transportation faster than had previously been expected.

Mr. Hess asked questions pertaining to specific routes and planned new transit hubs. Mr. Grinspun outlined the ways in which these transit hubs would be major focal points for connections.

Ms. Mozak sought clarification on what "transit hub" would entail structurally – Mr. Grinspun discussed various options but emphasized that there were many options, an important one being centered on integrating the hub into the neighborhood/environment around it.

Mr. Chang noted that there are areas outside of the city of Ann Arbor that are likely to attract new business and wondered how the LRP might support growth and the needs of both employers and employees. Mr. Yang and Mr. Carpenter responded that that alongside the LRP, there are plans ongoing engagement discussions with surrounding townships and municipalities to better understand their economic growth planning.

Board members praised the work that had gone into the planning and presentation. Mr. Grinspun also thanked the Public Advisory Group that had represented the community and provided valuable input in the planning.

3.2 Millage Proposal Introduction

Mr. Carpenter provided the Board with a millage proposal presentation ([3/17/22 AAATA Board Meeting Packet pg.115](#)) that is the first stage of implementing the LRP.

Mr. Hess expressed support for the proposal, as did Mr. Allemang who followed up with requesting more info on property tax increasing vs. other revenue sources. Mr. Carpenter outlined operating and capital funding sources and the utilization of state/federal/grant funding and referred Mr. Allemang to Ms. Reed for follow up questions after the meeting.

Mr. Miller shared his support of the proposal and highlighted that he was glad to see a plan that included customer service amenities at the Ypsilanti Transit Center.

Mr. Hunter thanked Mr. Carpenter and staff for their work in putting together the proposal and expressed concerns about the cost considering current economic struggles in communities such as Ypsilanti Township.

Ms. Mozak added that she too had some concerns regarding the mill rate and the economic impact during these times. She holds a favorable view of the expansion plans in the proposal yet is curious about an alternative plan with a slightly lower mill rate.

Ms. Pollay and Mr. Chang both felt that a deeper discussion regarding service enhancement options in the plan might be beneficial.

Mr. Mahler reminded the board that the options presented were based on community input and encouraged boldness in going forward. He expressed his support of the plan and thanked Mr. Carpenter and staff for their work.

Mr. Miller shared his perspective that the value of the freedom of car dependency is greater than the cost of the millage increase.

Ms. Pollay asked Mr. Carpenter the process for receiving and reviewing ballot language at the April Meeting. Mr. Carpenter responded that the ballot language brought forth would be able to be edited by the board depending on their final decision.

Mr. Hunter asked for clarification on the public involvement process for surveys and Mr. Carpenter shared the methods in which information was gathered. Mr. Hunter's concern was that the input was given by those who have resources and means to participate. His concern is that the people who need to be reached regarding the millage may not have given input. He would like more time and community education before pressing forward.

Mr. Chang said that the discussion occurring shows that education around millage needs to be provided to the community. He said he is in support of the proposal but is aware that it may be a hardship for some communities.

Mr. Miller reminded the board that in the Board Ends one of the primary goals is to enable people to live without a car – this proposal speaks the board's primary function in helping the community.

Mr. Mahler stated that the fear of economic impact to some should not be a deterrent to providing expanded service for the larger community. Many who responded to surveys aren't riders, but are willing to pay additional for continued service.

Mr. Hunter reiterated his concern that these costs will still impact the disadvantaged.

Ms. Mozak thanked the members for their input and passion as the conversations allow for a meaningful decision. Members then discussed being able to perhaps edit the millage proposal during the April meeting should a majority decide the mill rate is too high. The emphasis again was placed on educating the community regarding the value that is received for those who are in need.

Mr. Carpenter thanked the Board for their thoughtful discussion and comments and thanked his staff for their input and assistance in putting together the proposal. He will be providing additional information on some of the questions raised by the board.

Board discussed the advantages of the millage being in August as opposed to November as there are more issues on the November ballot. Mr. Hunter pointed out that a November ballot would draw more voters and allow for more discussion and awareness of millage.

4.1 Audit Report

Ms. Reed introduced the UHY auditors, Marlene Beach and Michael Santicchia, from UHY who provided a presentation outlining highlights from the report. The auditors found no material weaknesses or significant deficiencies and stated it was a clean audit.

Mr. Hess praised staff and the auditors for their work on the audit report and the difficulties that the agency faced with the cyber-attack last fall.

Ms. Reed noted that the Board needed to make no recommendation or decision on the audit.

Mr. Hunter moved to accept the report, Ms. Mozak seconded.

All in favor of accepting the audit as presented:

Mr. Mike Allemang: Yes (attending virtually)
Mr. Rich Chang: Yes
Mr. Raymond Hess: Yes
Mr. Ryan Hunter: Yes
Mr. Jesse Miller: Yes
Ms. Mozak: Yes
Ms. Pollay: Yes
Chairman Mahler: Yes

The audit was accepted unanimously as presented.

4.2 2.5 Financial Conditions

Ms. Reed presented the monitoring report for Policy 2.5 Financial Conditions. She shared that the Finance Committee discussed accepting the report as “compliant except for items noted”. The item noted was 2.5.4.1 as it related to not notifying the board in a timely manner of a check forgery that had occurred around the time of the Fall cyber-attack. She explained the situation and how it was resolved and that ultimately is just wasn't passed along to the board in a timely manner.

Mr. Allemang thanked Ms. Reed for the report and confirmed that the Finance Committee recommended in compliance except as noted. He also shared that the committee had no issue with the oversight and were understanding of the situation.

Mr. Allemang moved to accept Monitoring Report 2.5 Financial Conditions as in compliance except for item 2.5.4.1, Mr. Chang seconded.

All in favor of accepting the audit as presented:

Mr. Mike Allemang: Yes (attending virtually)
Mr. Rich Chang: Yes
Mr. Raymond Hess: Yes
Mr. Ryan Hunter: Yes
Mr. Jesse Miller: Yes
Ms. Mozak: Yes
Ms. Pollay: Yes
Chairman Mahler: Yes

The Monitoring Report 2.5 was accepted unanimously as presented.

4.3 Monitoring Improvements

Mr. Allemang shared that the monitoring task force has put together a proposal option for revisions to monitoring reports. The board were given the revisions separately (to be later added to the public packet). The purpose of the revisions was to make monitoring easier for the board. The task force will be meeting again in April

5. OPERATIONAL UPDATES

Mr. Mahler noted that 5.1 Labor Negotiations would be moved to after 6.2 Public Comment.

5.2 FY 2022 Q1 Financial Report

Ms. Reed walked the Board through the FY 2022 Q1 Financial Report noting everything is close to on budget. Last year ended with a slightly higher reserve which is helping with this year's slightly higher budgeted expenses as had been planned. There are no new changes with investments which will be discussed next month in a monitoring report.

5.3 FY2022 Q1 Service Report

Mr. Smith presented the FY 2022 Q1 Service Report to the Board and highlighted the new format of the report. He also shared that ridership is starting increase from lowered pandemic levels which drives down the cost per boarding.

5.4 CEO Report

Mr. Carpenter referred to the CEO report and had no additional comments to add beyond what was shared in his report. The board had no questions for him.

5. EMERGENT ITEMS

No new emergent items.

6. CLOSING ITEMS

6.1 Topics for Next Meetings

Millage
2.1 Monitoring Report (return)
2.10 Monitoring Report
LRP

6.2 Public Comment

Tim Hull had questions regarding the possibility for splitting millage between continued services and expansion of services. He feels that there needs to be a priority of service on weekends and holidays. He also noted that with remote work on the rise, some services could be shifted to off-peak hours and a community input meeting should be considered.

Jim Mogensen asked the board to consider a special meeting to discuss the millage instead of discussing it at the April meeting. He discussed AirRide and the potential for public confusion on funding and decisions related to it. Shared his concern that with FlexRide, ADA service isn't required and could be subject to a Title 6 complaint.

Robert Pawlowski shared his full support of the millage proposal.

5.1 Labor Negotiations: TA Approval Request

5.1.1 Closed Session (Pursuant to 8(c) of OMA)

Mr. Mahler took a roll call to vote to go into closed session for discussion related to the Labor Negotiations TA Approval Request pursuant to Section 8(c) of the Open Meetings Act.

Vote to go into Closed Session

Mr. Allemang – Yes (Participating virtually)
Mr. Chang - Yes
Mr. Hess – Yes
Mr. Hunter - Yes
Mr. Miller - Yes
Ms. Mozak - Yes
Ms. Pollay - Yes
Chairman Mahler – Yes

Board voted unanimously to go into closed session.

Board voted unanimously to move out of Closed Session at 11pm

Mr. Allemang – Yes (Participating virtually)
Mr. Chang - Yes
Mr. Hess – Yes
Mr. Hunter - Yes
Mr. Miller - Yes
Ms. Mozak - Yes
Ms. Pollay - Yes
Chairman Mahler – Yes

Mr. Mahler asked for someone to move to accept the Tentative Agreement Resolution signing of the contract between AAATA and TWU.

Ms. Mozak moved to accept the TA Resolution, seconded by Mr. Chang.

All in favor of accepting the TA Resolution:

Mr. Allemang – Yes (Participating virtually)
Mr. Chang - Yes
Mr. Hess – Yes
Mr. Hunter - Yes
Mr. Miller - Yes
Ms. Mozak - Yes
Ms. Pollay - Yes
Chairman Mahler – Yes

6.3 Adjournment

Mr. Chang motioned to adjourn, seconded by Ms. Pollay.

Meeting adjourned at 11:05 pm.

Respectfully submitted by Deborah Holt