

Board of Director’s Meeting Minutes

Meeting Date/Time: March 16, 2023 - 6:30 – 9:00pm

Members: Kathleen Mozak (Chair), Mike Allemang (Treasurer), Jesse Miller (Secretary), Chris Allen, Simi Barr, Rich Chang, Susan Pollay

Location: Ann Arbor District Library (4th Floor)
Virtual attendance available via Zoom

Chairwoman Mozak called the meeting to order at 6:30pm

Agenda Item
<p>1. OPENING ITEMS</p> <p>1.1 Approve Agenda</p> <p>Mr. Carpenter shared that under item 1.3 Mr. Brooks would be providing an update on I-94 operational challenges and an addition under section 7 of an update about recent advocacy trips to Lansing and Washington, DC.</p> <p>Ms. Pollay motioned to approve the agenda with changes noted, seconded by Mr. Barr.</p> <p>All in favor of approving the agenda:</p> <ul style="list-style-type: none"> Mr. Mike Allemang: Yes (Attending Virtually) Mr. Chris Allen: Yes Mr. Simi Barr: Yes Mr. Rich Chang: Yes Mr. Jesse Miller: Yes Ms. Susan Pollay: Yes Chairwoman Kathleen Mozak: Yes <p>The approval of the agenda passed unanimously.</p> <p>1.2 Public Comment</p> <p>No Public Commenters.</p> <p>1.3 General Announcement</p> <p>Mr. Brooks provides the board with an operational update related to the I-94 / Liberty Road bridge accident and temporary route detours. Mr. Miller asked if any real time updates on this temporary route change could be provided to customers – Mr. Brooks will be looking into that inquiry.</p>
<p>2. CONSENT AGENDA</p> <p>2.1 Board Meeting Minutes February 16, 2023</p> <p>2.2 Committee Meeting Summaries</p>

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

All in favor of approving the Consent Agenda:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Chairwoman Kathleen Mozak: Yes

The approval of Consent Agenda passed unanimously.

3. OWNERSHIP LINKAGE

3.1 OLTF Updates

Mr. Chang shared with the board that each committee would be receiving an email of the draft correspondence for input / suggestions.

4. MONITORING

4.1 Monitoring Report Task Force Update

Ms. Mozak briefly shared that the Legal Procurement Task Force has been formed and two more volunteers are needed for the Governance Procurement Task Force.

Mr. Allemang shared that the task force has been working on recommended changes to Appendix A as outlined in the board packet ([pg.17](#)). The proposed changes involve monitoring frequency / review month for several policies and reports as well as splitting up the review of policy 4.0-4.8. The topic of reviewing policies is next on the task force agenda.

Mr. Allemang motioned to adopt the changes to Appendix A of the Board Policy Manual, seconded by Mr. Chang.

All in favor of adopting the recommended changes to Appendix A of the Board Policy Manual:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Chairwoman Kathleen Mozak: Yes

The motion to adopt the changes to Appendix A of the Board Policy Manual was passed unanimously.

Adopted changes will be added to the Policy Governance Manual.

4.2 Board Management Delegation Policies

Chairwoman Mozak introduced the Management Delegation policies survey results for discussion. She noted that the survey was an annual self-monitoring for the board as they reflect on the work they've done and if there are areas of improvement needed.

Board members discussed how more clarifying language would be helpful when reviewing this self-monitoring policy. Chairwoman Mozak suggested that language clarification might be addressed by the monitoring task force. They also discussed areas of improvement and overall felt the board was working and growing well together.

4.3 Audit Update

Ms. Reed provided an update on the timeline for the completion of the FY 2022 audit report. The auditors are working to finish the final review in time for the end of March state submission deadline. The state does not require board approval of the audit, therefore the audit findings will be presented at the end of the month to the Audit Task Force, at the April Finance Committee meeting and then the April Board Meeting.

5. POLICY

5.1 Recommended Changes to Construction Policy

Mr. Allemang shared proposed changes to wording in Policy 2.10.1 (formerly 2.11.1) – removing the word “grant” and replacing with “funding” and 3.7.2a which deleted existing language and replaced with clearer parameters of emergent time-sensitive decisions by Executive Committee ([pg.24](#)) that may occasionally occur between board meetings.

Mr. Allemang motioned to adopt the recommended changes to Policies 2.10.1 and 3.7.2a, seconded by Mr. Barr.

All in favor of adopting the recommended changes to Policies 2.10.1 and 3.7.2a:

Mr. Mike Allemang: Yes (Attending Virtually)
Mr. Chris Allen: Yes
Mr. Simi Barr: Yes
Mr. Rich Chang: Yes
Mr. Jesse Miller: Yes
Ms. Susan Pollay: Yes
Chairwoman Kathleen Mozak: Yes

The motion to adopt the recommended changes to Policies 2.10.1 and 3.7.2a was accepted unanimously.

Adopted changes will be added to the Policy Governance Manual.

6. BOARD EDUCATION/DISCUSSION

6.1 Feedback on Ends Monitoring Policy Discussion

Governance Coach Rose Mercier provided the board with feedback from the February Board Meeting discussion of Ends monitoring. That discussion had been focused on verifiable evidence and the interpretation of reasonableness as it specifically related to Policy 1.1.1. She was able to review the board meeting video and provided coaching advice for more productive monitoring discussions. The board was able to discuss areas of reasonableness in the CEO’s interpretations and determined the Service Committee will review the policy wording to see if changes need to be made.

7. OPERATIONAL UPDATES

7.1 Advocacy Trips

Mr. Carpenter provided an overview of two transit advocacy conferences he and several board members attended in March. He and Chairwoman Mozak and Mr. Chang attended the MPTA Legislative Conference in Lansing March 7th and 8th and he and Ms. Reed, Ms. Pollay and Mr. Miller attended the APTA Conference in Washington DC March 12th-15th. Conference attendees shared positive experiences meeting with other transit authorities and government officials. Mr. Carpenter concluded the discussion by saying both trips were successful and he hopes to continue to include board members in future advocacy trips.

7.2 Business Plan

Ms. Njuki presented a draft of the FY 2024 Corporate Business Plan. The CBP provides an operating work plan and capital project plan with projects/initiatives that assist to guide the budget formation process. She finished her presentation and stated that the public could use the website address to provide feedback while board members were encouraged to email her directly.

7.3 Propulsion Follow-Up

Mr. Carpenter shared that Propulsion work is being transitioned to the Fleet Manager, Mr. Lundquist. He noted that the next phase will include discussions about building codes and safety related to propulsion technologies. He also stated that he has made a commitment to fleet staff that he will not make a recommendation without their input as any changes have the greatest impact to fleet services staff. He also noted that the recent ice storms and power outages highlighted energy vulnerabilities and had reinforced his decision to take additional time with this process.

7.4 CEO Report

Mr. Carpenter provided updates from the report and highlighted that ridership continues to recover and noted that March 18th is National Transit Employee Appreciation Day. He also shared that earlier in the day he had participated in the Washtenaw County Healthy Aging Collaborative Senior Transportation Summit which allowed for collaborative discussions between area residents and local agencies.

7.3.1 Financial Consulting Services Contracts

Ms. Reed shared developments in the hiring process for several key positions within the finance department. Due to reduced staffing contractual services have been used to support the finance department. The filling of those positions has taken longer than anticipated and Ms. Reed is requesting board approval to authorize the use of those contractual services should they extend beyond the originally budgeted amount of \$250k.

Board members requested clarification of the extent of time it will take to fill the positions and the expected amount of overage for the contractual services. While Ms. Reed does not have exact details she shared that any overages would not negatively impact the budget and anticipates the services will only be needed through FY 2023. Board members expressed support in taking the time to hire the right staff.

Mr. Miller motioned to authorize contractual expenses for financial services beyond the CEO's authority of \$250k to maintain financial operations for the remainder of FY23 with a report to be given as a part of quarterly financials, seconded by Ms. Pollay:

All in favor of authorizing contractual expenses for financial services beyond the CEO's authority of \$250k to maintain financial operations for the remainder of FY23 with a report to be given as a part of quarterly financials:

Mr. Mike Allemang: Yes (Attending Virtually)

Mr. Chris Allen: Yes

Mr. Rich Chang: Yes

Mr. Jesse Miller: Yes

Ms. Susan Pollay: Yes

Chairwoman Kathleen Mozak: Yes

The motion to authorize contractual expenses for financial services beyond the CEO's authority of \$250k to maintain financial operations for the remainder of FY23 with a report to be given as a part of quarterly financials was accepted unanimously.

Mr. Barr did not participate in the vote – he had briefly stepped out of the room

8. EMERGENT ITEMS

No emergent items were noted.

9. CLOSING ITEMS

9.1 Action Item Recap

Mr. Chang will be emailing a draft of the Ownership Linkage letter, two additional participants are needed for the Governance Procurement Task Force, the Board Policy Manual will be updated, board members will receive an updated copy in April, Policy 1.1.1 will be reviewed at the April Service Committee meeting and Corporate Business Plan feedback to be emailed by April 6th.

9.2 Topics for Next Meetings

Governance Process Policies (3.4-3.8)

Financial Conditions (2.5)

Cash & Investments (2.6)

Communications & Support to the Board (2.10)

Audit presentation

9.3 Public Comment

No Public Commenters

9.4 Adjournment

Chairwoman Mozak adjourned the meeting at 9:07pm.

Respectfully Submitted by Deborah Holt