

Board of Director's Meeting Agenda

Meeting Date/Time: July 23, 2020, 6:30-9:00pm

Location: REMOTE – Via Zoom

To join by computer: (You will be able to use your computer audio.)

1. Click on this link: [Zoom](#) (If you are using an Ipad, you must download Zoom first.)
2. You will be prompted to register with your name and e-mail address, then go directly into the meeting.

To join by phone:

1. Dial any of these numbers: (For higher quality, dial a number based on your current location):
301-715-8592 or 312-626-6799 or 929-205-6099 or 253-215-8782 or 346-248-7799 or
669-900-6833. International numbers available: <https://zoom.us/j/abfufmLsd>
2. Enter the Webinar ID: 921-0570-0909

Meeting Chair: Eric Mahler

Agenda Item	Info Type	Details	Page #
1. OPENING ITEMS			
1.1 Approve Agenda	D		
1.2 Public Comment	O		
1.3 General Announcements	O		
1.3.1 Resolution: Ron Copeland's Retirement	O	Smith	3
2. CONSENT AGENDA			
2.1 Minutes	D		4
2.2 Committee Meeting Reports	D		14
3. STRATEGY & OPERATIONAL UPDATES: CEO			
3.1 Covid-19 Recovery Plan Updates	O	Carpenter	
3.1.1 Draft Budget Preview	O	Metzinger	28
3.1.2 Service Restoration Timeline & Process	O	Smith	36
3.1.3 Additional Public Comment			
3.2 Mobile Ticketing Pilot Contract Authorizations	D	Metzinger	47
3.3 CEO Report	O	Carpenter	52
4. POLICY MONITORING & DEVELOPMENT			
4.1 Committee Meeting Discussion			
4.2 Monitoring Reports			
4.2.1 Policy 3.6.4 Discussion	D	Mahler	
4.2.2 Policies 2.8.5.2 & 2.8.5.6 Discussion	D	Mahler	
5. CLOSING ITEMS			
5.1 Topics for Next Meeting: Q3 Service Report Q3 Finance Report Chief Governance Officer Role (Policy 3.5)		Thurs., Aug. 20, 2020	
5.2 Public Comment			
5.3 Board Assessment of Meeting (Electronic)			Link Here
5.4 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?

Resolution**Honoring the Service of Ronald Copeland
July 23, 2020**

WHEREAS, Ronald Copeland is retiring after 46 years of tireless and visionary leadership as Manager of Bus Operations at The Ann Arbor Area Transportation Authority; and

WHEREAS, Ronald began his career as an operator and worked his way up through the ranks at AAATA; and

WHEREAS, Ronald served as Manager of Bus Operations for more than 20 of his 46 years; and

WHEREAS, Ronald has been an unrelenting advocate for the passengers, employees, and the communities in the AAATA service area; and

WHEREAS, Ronald worked closely with the Transportation Workers Union to ensure a solid relationship with AAATA front-line workers; and

WHEREAS, oversaw the implementation of a 46% increase in service in 2015; and

WHEREAS, has dedicated innumerable hours of his professional and personal life to the betterment of the Agency and his community; and

WHEREAS, Ronald has been an example of loyalty, dedication, and grace for all that have met him.

Now, therefore be it resolved this 23rd Day of July 2020, that the Board of Directors for Ann Arbor Area Transportation Authority expresses their deep and abiding gratitude to Ronald Copeland for his decades of service.

Eric Maher, Chairperson

Kyra Sims, Secretary

Board of Director's Meeting Summary

Meeting Date/Time: June 18, 2020

Location: Remote

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

AAATA Staff Attendees: Bryan Smith, John Metzinger, Mike Blackston, Rosa-Maria Njuki

Guest Attendees: Melvin Muskovitz

Meeting Chair: Eric Mahler

Chairman Eric Mahler called the meeting to order at 6.31pm.

1. OPENING ITEMS

1.1 Approve Agenda

Chairman Mahler added agenda item 4.3 Closed Session into the agenda. Ms. Mozak-Betts motioned to approve the agenda as amended, seconded by Mr. Hewitt.

In support of the motion:

Mr. Mike Allemang: Yes

Mr. Rich Chang: Yes

Ms. Sue Gott: Yes

Mr. Raymond Hess: Yes

Mr. Roger Hewitt: Yes

Mr. Ryan Hunter: Yes

Ms. Kathleen Mozak-Betts: Yes

Ms. Kyra Sims: Yes

Chairman Mahler: Yes

The motion was approved.

1.2 Public Comment

None.

1.3 General Announcements

Ms. Gott shared that UofM is closely monitoring the decisions to re-open as they are made by UofM's leadership. UofM will be sharing information about their own operations and partnering with AAATA to provide whatever information will be useful for helping TheRide make operational decisions in the Fall.

Mr. Smith announced that he is sitting in for CEO Carpenter at this meeting.

2. CONSENT AGENDA

2.1 Minutes and Updated Appointment for Ann Arbor Transportation Commission

Mr. Allemang motioned to move the minutes into the record and approve the updated appointment for Ann Arbor Transportation Commission, seconded by Ms. Mozak-Betts who added a typo correction in the minutes on page 5, paragraph 3, line 1. It needs to read COVID-19 (not COVID-10).

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion carried.

3. POLICY MONITORING & DEVELOPMENT

3.1 Resolution Discussion

Chairman Mahler presented the Board Resolution for Supporting Black Lives which was drafted at the Governance Committee level. Ms. Sims thanked Chairman Mahler for doing the lion-share of the drafting on the resolution. She expressed that it really reflects at least the conversation that was had at the Governance Committee meeting and seems like it echoes the sentiments of the Service and Finance Committees. She asked that it be read out loud for the benefit of the public.

Votes were taken in support of the resolution:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously. Below is the signed resolution:

Resolution 04/2020

Board Resolution for Supporting Black
Lives

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANN ARBOR AREA TRANSPORTATION AUTHORITY

WHEREAS, the Board of Directors of the Ann Arbor Area Transportation Authority recognizes the deaths of George Floyd, Breonna Taylor and an unjustifiable number of others as crushing, avoidable and yet all too common tragedies;

WHEREAS, the Board of Directors recognizes that the systemic and normalized structural racism and over- policing of Black people in America has led to irreconcilable social, economic and legal consequences for Blacks and other people of color;

WHEREAS, in response to the current and historical disparate treatment of the Black community under the law and in the disbursements of equal opportunities in society, both a local and nationwide movement aimed at shining a light on these centuries-old maladies has begun;

WHEREAS, the Board of Directors of the Ann Arbor Area Transportation Authority supports the public demonstrations across America and here in our local communities to raise awareness of these inequities;

WHEREAS, the Board of Directors of the Ann Arbor Area Transportation Authority recognizes that any meaningful progress toward eliminating the endemic problems described herein must start with the institutions created to serve the public;

BE IT THEREFORE RESOLVED, the Board of Directors of the Ann Arbor Area Transportation Authority declares that the lives of its Black patrons, riders, owners, stakeholders and the citizens of our communities unshakably matter and is committed to: (a) the protection and safety of its riders and the public at all times in support of their rights, (b) prohibiting anyone from being discriminated against with respect to AAATA's services or with regard to employment by the AAATA and (c) partnering with our owners to educate ourselves and our communities to be the agent of this change and implementing the needed changes insofar as it has the authority to do so.

Eric Mahler

Eric Mahler, Chair
June 18, 2020

Kyra Sims

Kyra Sims, Secretary
June 18, 2020

3.2 Committee Reports

3.2.1 Governance Committee

Chairman Mahler asked for feedback in regard to moving the Committee Reports to the consent agenda.

Mr. Chang supported this if Committee members have the option of bringing forth highlights. Ms. Mozak-Betts, Mr. Hewitt, and Mr. Allemang agreed with this.

Mr. Miller asked that Committee reports continue to be as detailed as possible. Mr. Hunter asked if Mr. Miller was requesting transcriptions of the meetings. Mr. Miller expressed that he did not think a verbatim transcription was necessary, only that they be detailed

Ms. Sims noted that as long as the Board stays in the habit of concluding the Committee meetings with items that need to be brought back to the Board for further discussion and reading the Committee reports beforehand, she supported the suggestion. She expressed that this would allow for having the

meaningful discussions needed while saving time for more policy and big picture items that the Board would like to focus on in relation to the Ends.

Mr. Allemang suggested that all Board members be allowed to ask about anything that is in the Committee meeting reports. Chairman Mahler suggested keeping an agenda spot for Committee discussion without the formal report. Mr. Hess agreed that this makes sense procedurally.

Chairman Mahler will move the Committee meeting reports to the consent agenda and keep a Committee Discussion item on the agenda as well.

3.2.2 Finance Committee
There were no questions.

3.2.3 Service Committee
Mr. Hewitt highlighted an extensive discussion of the Board Resolution for Supporting Black Lives. In regard to the Fare Policy discussion, he described that the Committee generally discussed their wish that fares be kept as low as possible and any loss of revenue therein be made up by some other revenue source without reducing operations or cutting budget. Chairman Mahler noted that there is only state funding, federal funding, local property tax revenue, and POSA revenue, of which the Board does not have a great deal of control over. They both agreed that increasing revenue sources is a challenge.

3.3 Monitoring Reports

3.3.1 Governance Policies 3.1, 3.6, 3.7, and 3.8
Policy 3.1 - Ms. Mozak-Betts asked if Board members could reach out to new Board members more regularly, to form connectivity.
Policy 3.6 – Mr. Allemang pointed out policy 3.6.4 (Committees are to avoid over identifications with the organizational parts). He explained that TheRide has committees that are structured basically for organizational parts, i.e. the Finance Committee. He suggested that this policy be discussed for modification or elimination. Chairman Mahler agreed that this should be added to next month's discussion.
Policy 3.7 – A discussion of Policy 3.7.2 regarding the Executive Committee was initiated by Ms. Mozak-Betts, but her internet connection was lost before she was able to expound further. Chairman Mahler described that the Executive Committee has been discussed by the Governance Committee as probably something that could go away and the duties under the Executive Committee are things that could probably be distributed to other Committees. He expressed that in the future the Governance Committee will look at redistributing those duties to the extent that another committee is needed to look into emergency CEO Succession or planning. The Executive Committee may be dis-banned, particularly since there is no Treasurer right now. The way that the Treasurer is currently described in the Articles of Incorporation does not fit with the Board's model.
Policy 3.8 – Mr. Miller expressed that continued Board education could possibly be improved upon.

3.3.2 Emergency Succession (Policy 2.9)
Mr. Smith briefly described the policy to the Board. There were no questions.

Ms. Gott motioned that the Board accept the CEO as (A) in compliance, supported by Ms. Sims.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3.3.3 Asset Protection (Policy 2.8)

Mr. Metzinger described the policy to the Board, highlighting that the CEO has expressed that Policy 2.8.5.6 is so broad that satisfactory evidence seems impossible, aside from documenting every staff decision.

Mr. Metzinger pointed out that another area covered is dealing with technology systems and procedures that are in place to protect the security of information. While all of those systems were not specifically listed in the public document for obvious reasons, he did want to let the full Board know that those systems are in place and network security is a continuous effort by the IT department.

Mr. Allemang expressed that eliminating 2.8.5.6 was discussed in the Finance Committee. He noted that policy 2.8.5.2 was also discussed for elimination for the same reason, as well as for redundancy. He expressed that the Committee was in agreement to eliminate both policies.

Ms. Mozak-Betts motioned that the Board accept the CEO as (B) in compliance except where noted, supported by Mr. Chang.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

Mr. Allemang moved to eliminate policies 2.8.5.6 and 2.8.5.2, supported by Mr. Chang.

Mr. Hess expressed that when he sees ignoring the exploration of innovation or opportunities that open capacity for the organization, that feels to him like something the Board should continue to strive for, to always advance the organization, not just be stuck in status quo, which is what he thinks this policy gets at. He understands how it can be a little ambiguous but explained that is why there are interpretations. He expressed not feeling comfortable on voting

for removal unless there is something that addresses the spirit of what this policy is trying to get at as a replacement.

Chairman Mahler asked if Mr. Hess had any thoughts on amending it, but Mr. Hess expressed that he did not come prepared to amend it.

Ms. Mozak-Betts asked where else in the manual these policies may be covered. Ms. Sims expressed her understanding that the sentiment of not ignoring innovation is reflected in the new Ends policies. She noted that this policy pre-dated the revision of the Ends.

Mr. Miller expressed similar reservations to those of Mr. Hess. He offered his support to discuss this at another meeting once all are more prepared.

Mr. Allemang withdrew his motion to eliminate the policies. Mr. Hewitt expressed that these policies are probably better handled as part of the Ends because it is what the Board wants to do in the future, not necessarily what they are doing right now.

Chairman Mahler pointed out that innovation as an End has been discussed in the past. He described the Ends as “why do we exist type of statements”, and TheRide does not necessarily exist to innovate and that is why it didn’t end up as an End; innovation is a means to an end, which is why it was put in the means of the Executive Limitations. He suggested putting this as an agenda item for next month.

Ms. Gott asked for discussion of these policies at the Committee level before the Board meeting. Ms. Sims suggested that it might be helpful to see CEO Carpenter’s previous interpretation for reference in these discussions.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 Covid-19 Recovery Plan Updates

4.1.1 Financial Update

Mr. Metzinger reported that there seems to be confirmation from outside sources on the general timeline of the pandemic and economic recovery. UofM economists are predicting either a “v” shaped or a check mark shaped recovery for the economy which looks like sharp drops in economic activity this year and the recovery beginning to swing back upward in mid-2021 to 2022. These assumptions are predicting that the economy will be back more quickly if additional federal bail outs can be secured. He noted that this is particularly of interest to local and state government revenues. Other reports are showing how the lock down in Michigan is helping to contain the virus in a much better fashion than elsewhere in the nation. Both Michigan and New York are leading the nation with virus containment. Epidemiologists are saying that a second wave of infections are likely later this year, the severity of which will depend upon the behavior of people. He explained that this why TheRide is doing their part to ensure social distancing can occur while riding in transit.

Mr. Metzinger explained that TheRide is relying heavily upon the CARES Act given that fare revenues are not being collected, and other revenues are down. To date CARES Act expenditures have been \$1.2M, which paid for employee leave, incentive pay for front employees who at work during the early stages of the pandemic, and several projects that are under way, including installation of more permanent style barriers between the driver and the fare box. TheRide is also discussing the quick launch of a mobile ticketing platform. Mr. Metzinger

explained that more information will be coming to the Committees and Board on that next month as this could be an exciting opportunity to reduce the reliance upon cash payments and be a key step toward being able to restore fare collection in as safe a manner as possible.

Mr. Metzinger reported that the cash position is strong thanks to CARES Act funding. TheRide is right at about \$11M in cash, so there is a strong cash flow. The third quarter is wrapping up this month and next month the first draft budget preview will be offered to the full Board. The third quarter report will also be reported to the full Board next month.

Chairman Mahler pointed out that it may be difficult to understand the assumptions of projects and budget, revenue, etc., and it may depend upon a potential second wave which may cause another dip. He noted that certain financial steps were taken to put TheRide on a trajectory that flows with the ups and downs but leaves the organization in a fairly healthy position, all things considered. He asked if staff are considering any models where a second dip in this is recovering and would they consider bringing the Board a backup budget with different assumptions than the primary budget.

Mr. Metzinger expressed that this is one of the most challenging moments in his career with regard to budgeting simply because there is so much uncertainty. It is unknown what will happen with state revenue for operating or capital assistance. Those are the two biggest areas of uncertainty in the budget. In the first draft of the budget preview that will come to the Board next month, the staff are running with their best assumptions based upon what is heard from Congress and other experts, which is running along the lines of the modeling that had been done previously. In terms of bringing a second budget option to the Board, Mr. Metzinger expressed that to be something he will certainly give some further thought to. He pointed out that there will be a budget preview in July, the first draft budget introduction in August along with a public hearing at that time, and then the final budget recommendation will be brought to the Board for adoption in September. He does think that it is very possible that as we move into FY2021 that there may very well be other impacts to the budget and there may be a need to come back to the Board for a budget amendment at that time. This will be a way to help build the bridges as they are crossed.

Chairman Mahler expressed his assumption that the projections take into account the opening up of the university, etc., and counting on that to tap.

4.1.2 Service Restoration Timeline & Process

Mr. Smith referenced the Recovery Plan shared with the Board and the stakeholders. He expressed that what had been planned is happening over the summer, which is using the extra board operators that are on standby to add service where it is seen to be necessary. Trips have already been added to Rt. 4 and 6, for example, to accommodate an increase in ridership seen. A limited park and ride shuttle has begun from the park and ride lots on Miller, Plymouth, and State St., in anticipation of different aspects of the university and the hospital opening back up. They are starting to do parking enforcement again, so they needed to have access. Those shuttles have started there just at peak times. The plan is to continue with that, adding service on an as needed basis through August 30th because the time was needed to be able to put into the technology solutions something that would show up in real time. For this August, there will be a more detailed and robust level of service. The service

running right now is a Sunday plus, with the plan to get back to an expanded level of service by August 30th.

Mr. Smith could not stress enough that this is still a pandemic response plan for the service. In no way is this meant to be a permanent plan. TheRide intends on having what everyone would be used to in the normal, transparent public process as it can. There are still limitations, still very much a limited capacity on TheRide's vehicles. The plan that will share details next month will focus on a fixed route system that is easy to add service to as needed. There are fewer interlines in the routes. It will appear significantly different than what the existing route structure is, but trying to keep in place as much coverage as possible while still planning what used to be a full bus of 60 people will now probably be 20 at the peak, depending on the set up of the bus. TheRide is working to make that number as high as possible while still maintaining a level of safety and social distancing on the routes.

Mr. Smith reported that Mr. Metzinger is leading a fare group right now discussing when TheRide can start restoring fare collection procedures, but when talking about collecting items from the public, one must make sure they have all of the PPE that would be needed, that processes are in place so customers feel comfortable purchasing fares and supplying fares on the bus. Staff is looking forward to presenting what is planned for August 30th to the Committees in the next round of meetings.

Mr. Hewitt asked how late the buses are currently running in Ann Arbor and Ypsilanti. Mr. Smith reported that it runs until 7pm, and the NightRide service has been suspended temporarily as well. At the moment, there is no plan to do anything past 7pm, but part of the nature of what TheRide is doing is to be flexible in their response. Mr. Smith expressed that staff may reconsider that end time if that is something that would help the public out, as long as it can be done with enough vehicles and response so that distancing can be maintained and it is financially sustainable. It is not out of the realm of possibility that TheRide would start that before August 30th, but it would have to be examined.

Ms. Mozak-Betts reminded the public that TheRide has an e-mail dedicated to the pandemic issue called tellus@theride.org, which would be a good way for the public to give more guidance and information that they are hoping will transpire as transportation opens up. Mr. Smith added that the public can also call or use the website to provide feedback, which is highly encouraged.

Mr. Miller asked if it is determined that public transit is indeed safe like some studies have shown in Hong Kong, Japan, and South Korea, what would that say for how TheRide might be able to increase service safely. He asked if assuming everyone is wearing a mask, can NightRide be spun up with larger vehicles instead of cars perhaps. Mr. Smith described having vending machines for masks to make them easily available, but not open in a box to grab where they may end up being taken in mass. He also described the cleaning of the buses at each terminal. In regard to how many people can be on a bus or any kind of vehicle, Mr. Smith expressed not finding any concrete guidance that he has seen, but he will continue to search for it, and opening up NightRide with a larger vehicle is certainly one possibility.

4.2 CEO Report

Ms. Mozak-Betts asked about the A2Zero and where the AAATA comes into play with that. Mr. Smith discussed that the plan broadly discusses the electrification of the

AAATA fleet and going toward all battery buses as one option to reduce the carbon footprint. Mr. Hess added that in broad terms the A2Zero plan has two overarching principles related to transportation. The First is to reduce vehicle miles traveled by 50%, with the idea there to drive people to transit, bicycling, walking, and other more sustainable forms of transportation. The second part is to transition the remaining vehicles on the road to no emission vehicles. There are strategies related to personal, crate, and transit / other service type vehicles.

Mr. Miller asked about the temporary park and ride shuttles, about when they are running and their aim. Mr. Smith described that they started operating on June 15th, running from the Miller Rd. park and ride through to the university and the Plymouth Rd. park and ride. Those two are connected in order to run into the university and then the health center and then past the VA. Then that bus heads over to Plymouth and turns around and comes back to the Miller Rd. From the State Street lot, it comes to the university and the Rackham Center. They run every 20 minutes starting at 6am and run until 8:45am. They run again in the afternoon. TheRide got indication from the university and medical center that they were going to start doing parking enforcement and so their employees needed ways to get to and from work. They are not on the real time due to the limitation of the software, so they are run simply every 20 minutes.

Ms. Mozak-Betts asked when the permanent barriers for the drivers will be in place and if the temporary barriers have been installed on all of the buses that are currently running. Mr. Smith reported that the order has been put in, expected to arrive August/September, fully installed on all buses in October. The temporary barriers are on all the current buses being used. The Nova bus pilot is delayed until October but will have a permanent barrier installed by TheRide. The remaining 7 Nova buses will arrive in February 2021 and will come with the permanent barrier installed at the factory.

4.3 Closed Session

Chairman Mahler advised that the Board go into a closed session to discuss a legal matter. He conducted a roll call vote for this.

In support of the closed session:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The Board went into the closed session at 7:45pm. At 8:31pm, the Board voted unanimously to come out of the closed session.

5. CLOSING ITEMS

5.1 Topics for Next Meeting:

Draft Budget Preview

Emergency Policy Discussion

Policy 2.8.5.6, 2.8.5.2, and 3.6.4 revision or deletion.

5.2 Public Comment

Mr. Tim Hull commented on the service restoration plan. With ridership and revenue down and the risk of COVID-19 still very present, he understands the need to proceed slowly with service restoration. But he is concerned that the first and only major service to be added following the end of the stay-at-home order at least until the end of August is the park and ride express. He expressed that his service is only useful to a small segment of the rider population. Meanwhile, general fixed route service remains on the same base schedule as during the stay-at-home order, which means some routes start at 9am and there is no service after 7 or 8pm. With businesses reopening, he asked AAATA to consider adding service on regular routes prior to the end of August. He suggested using the Saturday schedule as the weekday basis instead of Sunday with earlier, more frequent trips added where necessary. He also suggested that these routes could be adapted to service the park and rides as well, as they usually do not on weekends, in lieu of running the dedicated shuttles. He also expressed being curious about the plans for August, asking will there be significant changes to pre-pandemic schedules, and will there be public meetings regarding these changes.

5.3 [Board Assessment of Meeting \(Electronic\)](#)

5.4 Adjournment

Ms. Gott motioned to adjourn, supported by Mr. Hewitt.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Ms. Gott: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak-Betts: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

It was unanimous to adjourn. Chairman Mahler adjourned the meeting at 8:38pm.

Respectfully submitted by: Keith Everett Book

Governance Committee Meeting Summary

Meeting Date/Time: July 1, 2020, 9:00-10:30am

Location: REMOTE – Via GoToMeeting

Meeting Chair: Eric Mahler

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

AAATA Staff Attendees: Matt Carpenter, Bryan Smith, John Metzinger, Mary Boonin

Chairman Eric Mahler called the meeting to order at 9:06 am.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) Agenda was approved without amendments.
1.2 Communications None.
2. POLICY MONITORING & DEVELOPMENT
2.1 Monitoring Reports
2.1.1 CEO Expense Report Chairman Mahler noted that expenses are down from previous years.
2.1.2 Policy 3.6.4 Discussion Chairman Mahler expressed that maintaining this policy as worded may no longer be appropriate. Mr. Allemang suggested eliminating the policy. Chairman Mahler agreed with Mr. Allemang, noting that with other Board structures and staff, over identification could be an issue. Ms. Sims was in support of eliminating it. Mr. Hewitt expressed that as long as there is a Committee structure, there is no way to be compliant and is in favor of eliminating it. Chairman Mahler agreed with Mr. Hewitt’s point that there is no clear way to monitor the policy. CEO Carpenter shared that this policy has fallen into disuse according to Rose Mercier. Chairman Mahler will bring this policy to the Board meeting with the suggestion to eliminate it.
2.1.3 Policies 2.8.5.2 & 2.8.5.6 Discussion CEO Carpenter described the struggle to find evidence for these two policies and noted that they are not template policies. They were specifically chosen by previous Board members. CEO Carpenter indicated that policy 2.8.5.2 predates the current Ends. He explained

Discussion Items

that narrowing the scope of the policies in order to find evidence might change the Board's intent with the policy.

Chairman Mahler asked the Committee:

Are these policies redundant?

Should they be reworded?

Should the Board be more prescriptive on how these policies are monitored?

Mr. Hewitt expressed that policy 2.8.5.2 is redundant with the Ends, is monitored in the Ends, and should be eliminated. In regard to policy 2.8.5.6, he does not know how to monitor or prove being innovative and suggested it be eliminated as well.

Chairman Mahler suggested an annual technology and innovation report from the staff. Mr. Hewitt was in support of a report that outlines major trends and innovations, but not everything that is out there. Mr. Allemang expressed agreeance and liked the idea of a yearly report. Ms. Sims expressed that an annual report might be helpful, but the Ends takes care of both policies.

The Committee agreed that policy 2.8.5.2 should be eliminated.

In regard to policy 2.8.5.6, Chairman Mahler expressed that there are a lot of ways to interpret "open capacity". He likes the idea of an annual report.

Chairman Mahler will suggest eliminating policy 2.8.5.2 and debate policy 2.8.5.6. CEO Carpenter will bring his thoughts on an annual technology and innovation report to the Board meeting.

2.2 Committee Agendas

Service Committee: CEO Carpenter suggested that the Resolution for Ron Copeland's retirement be eliminated as it was just intended for the Board meeting agenda. Mr. Allemang asked how the recruitment of Ron Copeland's replacement was going. Mr. Smith reported that a recruiter has been engaged for replacing Ron Copeland and there is a full group of people from all over the country that will be interviewed over the course of the next two weeks.

The discussions of policy 2.8.5.2. and policy 2.8.5.6 will be brief, if time allows.

Finance Committee: Mr. Allemang expressed having a very full agenda. He suggests briefly mentioning the 2.8 policy discussions. The Compensation and Benefits Policy discussion will be bumped to the next Committee meeting.

Board Meeting: Chairman Mahler will punt the Compensation and Benefits Policy discussion to August. Mr. Hewitt expressed that a discussion of Emergency Policy Development may need to be added to the Board meeting. Mr. Allemang suggested trying to share a draft of an Executive Limitation at the Board meeting, possibly created by Mr. Jesse Miller. The discussion of the mobile ticketing will be moved out of the consent agenda to agenda item 4.3.

Discussion Items

2.3 Other Governance Issues (as assigned)

2.3.1 Meeting Assessment (6/18)

Chairman Mahler expressed that the meeting was well-received.

2.3.2 Re-Start of In-Person Board Meetings

CEO Carpenter described that remote meetings are still permissible until July 31st according to the Governor's latest Executive Order. Mel Muskovitz is investigating the Open Meeting Act to see if physical presence of a Board member is necessary in order to vote. So far, Mr. Muskovitz is finding that it very well may be necessary.

CEO Carpenter described possibly lobbying to change the Open Meeting Act in order to allow remote voting passed an Executive Order expiration. Mr. Allemang suggested speaking with representatives. Chairman Mahler and CEO Carpenter will speak about this next week.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 Covid-19 Recovery Plan Updates

CEO Carpenter outlined the recovery plan for the pandemic of unknown duration, as well as the structural deficit and budget issues that predated the pandemic. He described AAATA's grasp on a sustainable floor supported by the budget and August service changes.

Mr. Allemang expressed the importance to be conservative in order to protect the viability of AAATA. Mr. Hewitt described that many students are not practicing social distancing or wearing masks already.

3.1.1 Draft Budget Preview

Mr. Metzinger presented a preview of the FY2021. The preview budget is balanced, which means that revenues are sufficient to cover expenses without deficits during the fiscal year. Preliminary discussions in July and August will help ensure support for the recommended budget, which is to be presented for Board adoption in September.

Mr. Allemang asked for an offline discussion with Mr. Metzinger due to time constraints in the current Governance Committee meeting. Chairman Mahler will e-mail Mr. Metzinger the questions and observations that he has. Ms. Sims will be prepared to discuss this in the Finance Committee.

Chairman Mahler asked if there is any change in POSA service levels but will send the question via e-mail for Mr. Metzinger's response.

Mr. Allemang highlighted that this budget and the assumptions will likely change as more information comes over time.

CEO Carpenter reminded the Committee that amendments to the September budget after it has been adopted will quite possibly be needed.

3.1.1.1 Board's Budget Line Item for Governance

Mr. Metzinger highlighted the Cost of Governance line item of \$35K within the budget.

Discussion Items

3.1.2 Service Restoration Timeline & Process

Mr. Smith presented on the service restoration timeline and process. The Operations Division is preparing to implement additional service under a temporary pandemic response plan with 60% of pre-COVID service levels beginning August 30. Current operations are roughly 25% service. August service restoration will be a significant increase from the "Sunday Plus" level of service that was implemented during the initial crisis.

While it is an increase to current service, it is still 40% less than "normal" and it is anticipated that there will be frustration with some of the reductions. It is important to understand that this is still a temporary level of pandemic service.

There were five guiding principles that the Planning staff used to plan service changes:

1. 60% of previous service hours
2. Focus on high ridership routes
3. High frequency to allow for social distancing
4. Simplify routing to ease adding overflow buses
5. Use FlexRide (demand response) where fixed route is not practical

It is paramount to understand that this is a temporary plan in response to the pandemic. No routes have been eliminated, but some have been temporarily suspended. The next stage of the Recovery Plan will include a robust public input process to determine how best to allocate AAATA's resources. Staff are hopeful that the next steps will occur in a world with a vaccine for COVID-19.

Mr. Hewitt asked about routes stopping at 9:15pm during the week and 8:15pm on the weekends. Mr. Smith explained that the NightRide start up is meant to assist with this. Mr. Smith asked when restaurants are closing. Mr. Hewitt expressed that it varies. Mr. Smith expressed that there will be flexibility to add service as demand grows.

Ms. Sims asked how this is being communicated to riders. Mr. Smith reported that a presentation is being put together for YouTube and Facebook in July and virtual town halls will be held. Printable maps will be available on the web and single route printouts will be available at transit centers. There will not be a Ride Guide. Stakeholders are being updated before the July Board meeting.

Mr. Allemang asked if there is opportunity for feedback and changes to the plan. Mr. Smith explained that there is not a way to do this in the current timeframe, but the service offered is temporary and can be modified as possible. Mr. Allemang suggested adding a list of guiding principles in the front of the presentation.

Mr. Hewitt asked if FlexRide is available now or not until August 1st. Mr. Smith explained that some of FlexRide is available now, but NightRide and HolidayRide will start August 1st.

Mr. Allemang asked about fare collection resuming. Mr. Smith provided feedback from the AAATA Fare Working Group headed by Mr. Metzinger. Overall, operators have expressed their wish for fares to resume collection as soon as possible and a comprehensive plan is in place to do so. A date before August 30th

Discussion Items
is being considered to restart fare collection. The fares themselves will not be changing.
3.2 ITS System Update (Real Time data) CEO Carpenter reported promising discussions with the manufacturer and the decision to give the system another go for now, possibly to hold off in replacing the system for another year or so.
4. CLOSING ITEMS
4.1 Topics for Next Meeting Chief Governance Officer Role (Policy 3.5) Budget Recovery Plan Updates
4.2 Adjournment Chairman Mahler adjourned the meeting at 10:57am.

Respectfully submitted by: Keith Everett Book

DRAFT

Finance Committee Meeting Summary

Meeting Date/Time: July 14, 2020, 3:00-5:00pm

Location: REMOTE – Via GoToMeeting

Meeting Chair: Mike Allemang

Committee Meeting Attendees: Rich Chang, Raymond Hess

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

Guests: Rose Mercier

Chairman Mike Allemang called the meeting to order at 3:03pm.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) No additions. The agenda was approved unanimously.
1.2 Communications CEO Carpenter reported that he, Mr. Bryan Smith, and Ms. Mary Boonin met with some of the elected officials from the Ypsilanti area, Ypsilanti Township, City of Ypsilanti, as well as the county and state representatives for that area. It was a very productive, preliminary conversation regarding the August service changes. AAATA is also beginning to roll out the same information for stakeholders and then the public. He expressed that it was a good conversation.
2. POLICY MONITORING & DEVELOPMENT
2.1 Fare Policy Development Part II Ms. Rose Mercier presented the Committee with a first draft of the Fare Policy and discussion ensued. Ms. Mercier will come back to the Committee with a second draft.
2.2 Policies 2.8.5.2 & 2.8.5.6 Discussion Chairman Allemang expressed that policy 2.8.5.2 is redundant and should be eliminated. The Committee supported that suggestion. In regard to policy 2.8.5.6, Chairman Allemang described difficulty proving that innovation possibilities have not been overlooked. He expressed that this too could be eliminated. Mr. Hess expressed wanting to have confidence that the importance of innovation is captured elsewhere. He will not support removal of policy 2.8.5.6 unless it is captured in another area. Ms. Mercier pointed out that you cannot achieve your Ends without taking innovation into consideration. As it is, it describes a means, that one must use innovation. She suggested avoidance of describing means instead of providing limitations. Mr. Hess

Discussion Items

expressed that he wants to allow the Board and the CEO a way to pursue ongoing development.

Ms. Mercier suggested that this might need to be placed in planning policies. Chairman Allemang agreed that the CEO could address innovation in discussions of planning. It could be changed in the Communications and Support of the Board policy to provide an annual innovation and technology report.

Mr. Chang is willing to explore if there is another place that this can go.

CEO Carpenter indicated that it really comes down to the Ends. CEO Carpenter expressed being leery of writing an annual report of what innovation staff decided not to pursue. He suggested that where the bar is set would *require* innovation. Mr. Chang expressed not needing to see an annual report.

Chairman Allemang agreed that it does not belong where it is, but should be elsewhere, and not eliminating it yet may be prudent.

Further discussion of this policy will be brought to the Board meeting.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 Covid-19 Recovery Plan Updates

CEO Carpenter outlined the recovery plan for the pandemic of unknown duration, as well as the structural deficit and budget issues that predated the pandemic. He explained that the pre-existing structural deficit was the result of not enough millage and over-extending poorly designed 5YTIP routes that require expensive fixes.

He described the Executive Teams approach as conserving resources and preparing for a long haul. CEO Carpenter directed staff to work toward a budget target that is sustainable for a few years and does not cause an immediate return to a structural deficit. This led to layoffs and a new service plan.

He noted that the August service changes are temporary. If AAATA finds they have more capacity, services will likely be changed as circumstances permit.

Chairman Allemang commented that the emphasis on being conservative is appreciated and it is important to stay on a sustainable path during this difficult time.

3.1.1 Draft Budget Preview

Mr. Metzinger presented a preview of the FY2021, to provide context of the budget. The preview budget is balanced, which means that revenues are sufficient to cover expenses without deficits during the fiscal year. Preliminary discussions in July and August will help ensure support for the recommended budget, which is to be presented for Board adoption in September.

He walked the Committee through a graph depicting the projected cash flow, as well as a graph depicting the crossing of streams between expenses and revenues that was already in the forecast prior to the pandemic, as well as a comparison of the FY2021 and FY2020 Forecasts. He emphasized that the Board should attempt to find alternative funds to federal operating assistance.

Mr. Metzinger also highlighted the following:

- Operating expenses are budgeted at 17.9% lower than the current year.

Discussion Items

- Operating revenues are budgeted at an 18.7% reduction from the current budget year.
- Fixed route service will operate at 60% of pre-pandemic levels before services are gradually restored by FY2022. A-Ride will provide ADA trips only with service operated in-house rather than contracted. FlexRide will expand to serve additional needs from fixed route service reduction and replace NightRide and HolidayRide.
- There is still much uncertainty with the state FY2021 budget due to revenue losses. State operating assistance has already been reduced by 40.6% overall, with Local Bus Operating Assistance (LBO) down 33%, and specialized services funding (which funds D2A2) also reduced. This budget will be adjusted as the state budget is better known. He reported on a presentation received from the State Transit Association this week where the state's budget director has shared that the Revenue Estimating Committee is not going to meet until August and that is when they will kick off their 2021 budget discussions. The state budget director does foresee that deficits are going to last through 2022, and they are only using about a third of the states reserves, suggesting that they are taking the same type of approach that AAATA is taking – a conservative approach to be able to last through the pandemic.

Also, AAATA has executed the federal grants for 2020 which are for 2021 expenditure. As these FTA grants have been executed, the state will be executing signage of their grants for a 20% match for the capital program. Once those contracts are fully executed, they will honor those contracts that are fully executed.

- \$4.46 million in CARES Act funds will be required as operating assistance to offset lost revenues and coronavirus-related costs in FY2021. By the end of FY2020, TheRide will have spent about \$3 million of the \$20.7 million apportionment.

Chairman Allemang asked how this budget would have been done differently without the CARES Act funds. Mr. Metzinger indicated that staff started with revenues to see what AAATA could afford. Had AAATA not received the CARES Act, AAATA would have had to cut even deeper, and it is likely that all capital projects would have been canceled.

Chairman Allemang expressed that in the cash flow projection graph, he is wondering if the green and dashed blue line are both needed.

3.1.2 Service Restoration Timeline & Process

Mr. Smith presented on the service restoration timeline and process. The Operations Division is preparing to implement additional service under a temporary pandemic response plan with 60% of pre-COVID service levels beginning August 30. Current operations are roughly 25% service. August service restoration will be a significant increase from the "Sunday Plus" level of service that was implemented during the initial crisis.

Discussion Items

While it is an increase to current service, it is still 40% less than "normal" and it is anticipated that there will be frustration with some of the reductions. It is important to understand that this is still a temporary level of pandemic service.

There were five guiding principles that the Planning staff used to plan service changes:

1. 60% of previous service hours
2. Focus on high ridership routes
3. High frequency to allow for social distancing
4. Simplify routing to ease adding overflow buses
5. Use FlexRide (demand response) where fixed route is not practical

It is paramount to understand that this is a temporary plan in response to the pandemic. No routes have been eliminated, only suspended. The next stage of the Recovery Plan will include a robust public input process to determine how best to allocate AAATA's resources. Staff are hopeful that the next steps will occur in a world with a vaccine for COVID-19.

Mr. Smith also walked the Committee through the 2020 August service restoration communication plan.

Chairman Allemang asked about the alternative for Route 33. Mr. Smith reported that FlexRide service will be added as a daytime service, in addition to the FlexRide that is already offered at night.

Chairman Allemang asked how quickly changes can be made to these routes. Mr. Smith reported that extra buses on a currently running route could possibly be done within an hour. In regard to adding back routes that are temporarily suspended, that may take at least 6-8 weeks. He emphasized that adding service that cannot be sustained is being avoided.

Chairman Allemang asked what might happen if UofM students will not be back to classrooms in person. Mr. Smith reported that extra operators and extra buses are planned for the students' returns. Those might be used for other aspects of the community if the students do not return. If there is a shutdown order or an outbreak within AAATA staff, moving quickly back to a Sunday Plus Service is possible. CEO Carpenter reported that he spoke with university officials last week, and there is still uncertainty, but the planning being done now is to avoid potential over-crowding.

3.2 ITS System Update (Real Time data)

CEO Carpenter reported promising discussions with the manufacturer and the decision to give the system another go for now, possibly to hold off in replacing the system for another year or so.

Mr. Metzinger noted that there will be a Board meeting agenda item with resolutions for a pilot project to advance mobile ticketing via NEORide and EZFare. This is in an effort to provide contactless and cashless fare collection using mobile visual fare validation.

Discussion Items

One resolution will ask the Board's approval to join NEORide, a Council of Governments established in Ohio that has developed cooperative procurements for transit agencies in Ohio and Kentucky. NEORide has already procured a mobile ticketing solution.

The second resolution will ask for authorization for the CEO to award a contract with NEORide for deployment of a mobile ticketing solution using CARES Act funding.

Smartcards may be possible in the future for individuals that do not have a smart phone.

EZFare will not replace any of the current options for purchasing fares.

4. CLOSING ITEMS

4.1 Topics for Next Meeting
Q3 Finance Report
Budget

4.2 Adjournment
Chairman Allemang adjourned the meeting at 5:29pm.

* M = Monitoring, D = Decision Preparation, O = Other

Service Committee Meeting Summary

Meeting Date/Time: July 8, 2020, 3:00-5:00pm

Location: REMOTE – Via GoToMeeting

Meeting Chair: Roger Hewitt

Committee Meeting Attendees: Sue Gott, Kathleen Mozak-Betts, Jesse Miller, Ryan Hunter

AAATA Staff Attendees: Matt Carpenter, Bryan Smith, John Metzinger, Mary Boonin, Candace Moore

Guests: Rose Mercier

Chairman Roger Hewitt called the meeting to order at 3:08 pm.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) There were no additions to the agenda. Ms. Sue Gott motioned to approve the agenda, seconded by Mr. Jesse Miller. Ms. Kathleen Mozak-Betts shared her approval as well.
1.2 Communications None.
2. POLICY MONITORING & DEVELOPMENT
2.1 Fare Policy Development Part II Ms. Rose Mercier walked the Committee through a first draft of the Fare Policy and discussion ensued. CEO expressed that the draft is already a good indicator of the Board's expectations – targeting fare discounts for low-income riders that are fiscally responsible. Ms. Mercier will come back to the Committee with a second draft.
2.2 Policy Development: Police Support Mr. Miller drafted two executive limitation options that were discussed. Based on this discussion, Ms. Mercier will come back to the Committee with further options to consider.
2.3 Policies 2.8.5.2 & 2.8.5.6 Discussion Mr. Hewitt discussed the conversation had by the Governance Committee on this matter. He expressed that policy 2.8.5.2 was considered redundant with the Ends, is monitored in the Ends, and should be eliminated. In regard to policy 2.8.5.6, he shared that the Governance Committee found this so broad that there may not be any way to monitor or prove being innovative. He described the suggestion for an annual technological and innovative report from the staff. Ms. Mozak-Betts expressed value in 2.8.5.6, but she is in support of eliminating 2.8.5.2.

Discussion Items

Ms. Mercier posed the question that if the Ends could be achieved without innovation, wouldn't that be okay? She suggested putting policy 2.8.5.6 into Communications and Support to the Board.

Mr. Miller expressed trepidation in eliminating 2.8.5.6 and liking the innovative focus, to not remain in a maintenance mode. He suggested rewording it and moving it.

Ms. Mercier noted that AAATA does not exist to be innovative, but rather to achieve the Ends. She commented that *not* using innovation would likely *not* achieve the Ends.

Ms. Mozak-Betts expressed that innovation is key to achieving the Ends. Ms. Gott agreed. She expressed the importance of keeping a commitment to innovation.

Further discussion of this policy will be brought to the Board meeting.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 Covid-19 Recovery Plan Updates

CEO Carpenter outlined the recovery plan for the pandemic of unknown duration, as well as the structural deficit and budget issues that predated the pandemic. He explained that the pre-existing structural deficit was the result of not enough millage and over-extending poorly designed 5YTIP routes that require expensive fixes.

He described the Executive Teams approach as conserving resources and preparing for a long haul. CEO Carpenter directed staff to work toward a budget target that is sustainable for a few years and does not cause an immediate return to a structural deficit. This led to layoffs and a new service plan.

He noted that the August service changes are temporary. If AAATA finds they have more capacity, services will likely be changed as circumstances permit.

3.1.1 Draft Budget Preview

Mr. Metzinger presented a preview of the FY2021, to provide context of the budget. The preview budget is balanced, which means that revenues are sufficient to cover expenses without deficits during the fiscal year. Preliminary discussions in July and August will help ensure support for the recommended budget, which is to be presented for Board adoption in September.

Mr. Metzinger highlighted the following:

- Fixed route service will operate at 60% of pre-pandemic levels before services are gradually restored by FY2022. A-Ride will provide ADA trips only with service operated in-house rather than contracted. FlexRide will expand to serve additional needs from fixed route service reduction and replace NightRide and HolidayRide.
- There is still much uncertainty with the state FY2021 budget due to revenue losses. State operating assistance has already been reduced by 40.6% overall, with Local Bus Operating Assistance (LBO) down 33%, and specialized services funding (which funds D2A2) also reduced. This budget will be adjusted as the state budget is better known.
- \$4.46 million in CARES Act funds will be required as operating assistance to offset lost revenues and coronavirus-related costs in FY2021. By the end of

Discussion Items

FY2020, TheRide will have spent about \$3 million of the \$20.7 million apportionment.

Ms. Gott asked where the impact of the revenue loss appears for the riders most prevalently. Mr. Metzinger responded that the most impact is seen in the reduction of service.

Mr. Miller asked for more detail about the budget projection for when service will be restored to 100%. Mr. Metzinger noted that in 2022 there is the potential to have a similar level of service as AAATA has had in the past, though it may not look exactly the same.

3.1.2 Service Restoration Timeline & Process

Mr. Smith presented on the service restoration timeline and process. The Operations Division is preparing to implement additional service under a temporary pandemic response plan with 60% of pre-COVID service levels beginning August 30. Current operations are roughly 25% service. August service restoration will be a significant increase from the "Sunday Plus" level of service that was implemented during the initial crisis.

While it is an increase to current service, it is still 40% less than "normal" and it is anticipated that there will be frustration with some of the reductions. It is important to understand that this is still a temporary level of pandemic service.

There were five guiding principles that the Planning staff used to plan service changes:

1. 60% of previous service hours
2. Focus on high ridership routes
3. High frequency to allow for social distancing
4. Simplify routing to ease adding overflow buses
5. Use FlexRide (demand response) where fixed route is not practical

It is paramount to understand that this is a temporary plan in response to the pandemic. No routes have been eliminated, only suspended. The next stage of the Recovery Plan will include a robust public input process to determine how best to allocate AAATA's resources. Staff are hopeful that the next steps will occur in a world with a vaccine for COVID-19.

Mr. Smith also walked the Committee through the 2020 August service restoration communication plan.

Ms. Mozak-Betts asked about FlexRide for Route 33, and Mr. Smith reported that FlexRide will be an alternative option for Route 33. She expressed concern with Routes 24 and 27 being temporarily suspended.

Mr. Hewitt asked for more detail on FlexRide. Mr. Smith noted that it will be available in specific locations and demonstrated those. He also outlined the use of NightRide via calling or the app Mode Car.

Discussion Items	
	<p>Mr. Miller asked if NightRide will be door to door, to which Mr. Smith answered yes. Mr. Miller asked how that was cost saving. Mr. Smith answered that it may not be a cost savings other than it will be a customer service increase.</p> <p>Ms. Gott expressed gratitude for all the work staff has done. She noted that consistent communication and support of the staff is important.</p>
3.2	<p>ITS System Update (Real Time data) CEO Carpenter reported promising discussions with the manufacturer and the decision to give the system another go for now, possibly to hold off in replacing the system for another year or so.</p> <p>Mr. Metzinger noted that a Board meeting agenda item will be a resolution for a pilot project to advance mobile ticketing via EZFare, the Transit app, and the Uber app that provide visual fare validation. All the fares would be eligible with this system, including Fare Deal riders.</p>
4. CLOSING ITEMS	
4.1	<p>Topics for Next Meeting Q3 Service Report Fare Policy Policy Development: Police Support LAC</p>
4.2	<p>Adjournment Ms. Gott moved to adjourn, supported by Mr. Hunter. Chairman Hewitt adjourned the meeting at 5:46 pm.</p>

Respectfully submitted by: Keith Everett Book



ISSUE BRIEF: FY2021 Budget Preview

Meeting: Board of Directors

Meeting Date: July 23, 2020

INFORMATION TYPE:
Decision Preparation
RECOMMENDED ACTION(S):
Receive for information a preview of the operating and capital budget for FY2021.
ALTERNATIVE OPTION(S):
Financial planning and budgeting is legally-required, required by Board policy, and essential; there is no prudent alternative.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<ul style="list-style-type: none"> • Governance Process: Policy 3.2.7 "...the Board has direct responsibility to create...approval of the annual budget developed and recommended by the CEO." • Executive Limitation: Policy 2.4 Financial Planning/Budgeting
ISSUE SUMMARY:
<p>This issue brief presents a preview of the FY2021 budget before a formal first draft will be presented to the Board in August. The preview budget is balanced, which means that revenues are sufficient to cover expenses without deficits during the fiscal year. Preliminary discussions in July and August will help ensure support for the recommended budget, which is to be presented for Board adoption in September.</p>
BACKGROUND:
<p>AAATA staff developed this preview FY2021 operating and capital budget that furthers Board Ends within Executive Limitations and provides multi-year context. The Michigan Uniform Budgeting and Accounting Act of 1968 requires the Board to adopt a balanced operating budget by Board Resolution for our next fiscal year, which begins October 1. In addition, the Board needs to authorize a multi-year capital program for federal funding. A formal public hearing for the budget is required and will be held at the August 20th Board meeting. Final approval will be sought in September.</p>
IMPACTS OF RECOMMENDED ACTION(S):
<ul style="list-style-type: none"> • Budgetary/Fiscal: Budget adoption is required by state law and Policies 2.4, 3.2.7. • Social/Environmental: Provision of public transportation authorized by the budget is necessary to ensure achievement of social and environmental ends per Board policy. • Governance: The Board is responsible to approve the annual budget (Policy 3.2.7)
ATTACHMENTS:
<ol style="list-style-type: none"> 1. FY2021 Budget Preview 2. FY2021 Budget Timeline

Attachment 1: FY2021 Budget Preview

Introduction

The emergence of the coronavirus pandemic and the resulting loss of transit ridership and revenue will affect budgeting and financial performance for the current year, next year, and several years to come. New corporate priorities were established in response to the pandemic. The *Coronavirus Recovery Plan* details TheRide’s public health and pandemic recovery efforts. This preview of the recommended FY2021 Budget (in development) has been drafted to carry out the priorities and timelines provided in the new plan.

Presented is a *balanced budget for FY2021*, a notable achievement considering the times. A year ago, forecasted budgets showed the emergence of deficits, with their eventual growth to unsustainable levels. Correction has been possible due to cost-cutting measures, such as staffing and service reductions due to the pandemic, and the utilization of federal aid provided by the CARES Act.

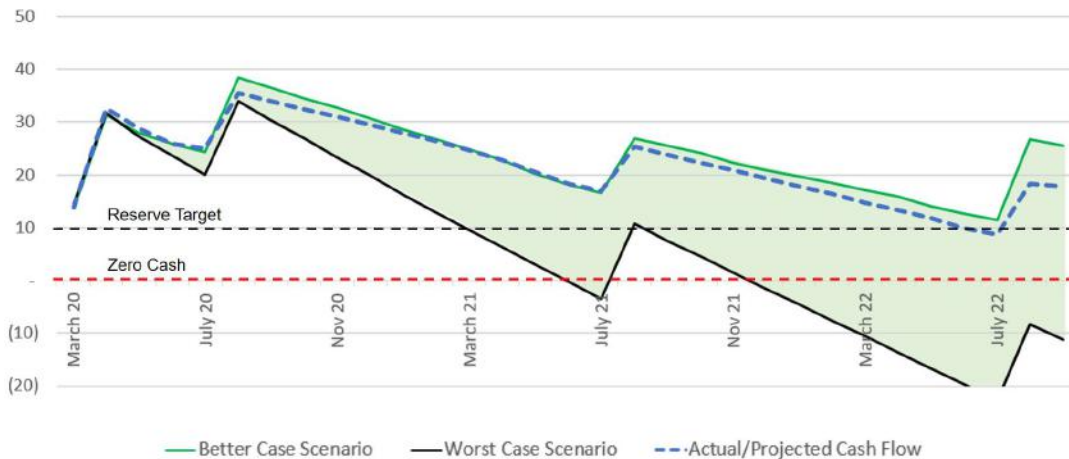
FY2021 Financial Projections and Forecasts

The chart in Figure 1 forecasts the range of potential outcomes bordered by worst-case and better-case scenarios as a result of the pandemic. With great uncertainty, this chart’s purpose is to show a range of outcomes to guide financial decisions.

The worst case (black line) was the scenario prior to cost-cutting measures made in April. The green line presented an improved scenario, utilizing expected cash flows and CARES Act funds to ensure long-range financial sustainability during and after the pandemic. Two thresholds are shown by dashed lines to indicate fiscal jeopardy (Reserve Target) or insolvency (Zero Cash), both unacceptable situations.

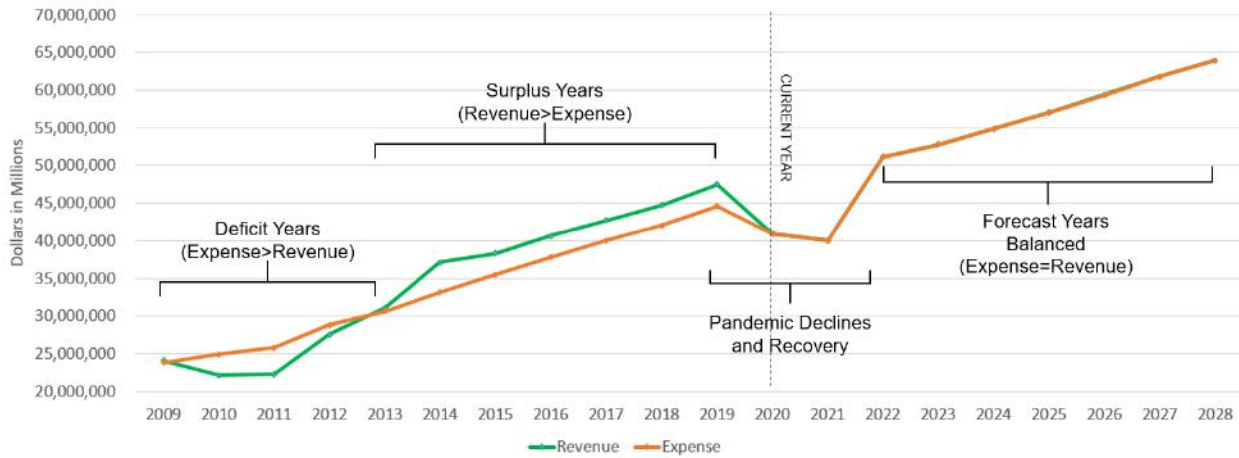
A cash flow projection has been plotted upon this chart (dashed blue line) to demonstrate the forecasted cash flow based upon the assumptions presented in this draft budget. Forecasted financial performance plots along the predicted better case scenario, allowing adequate capacity for uncertain funding and yet-unknown cost impacts that are still likely ahead.

Figure 1: Projected Cash Flow



The graph in Figure 2 compares historic (10 year actuals), current actuals, and forecasted financial performance. After operating deficits consumed much of TheRide’s financial capacity prior to 2013, new funding helped restore the reserve and fiscal strength by 2019, just before the pandemic outbreak. TheRide’s reserve and federal aid from the CARES Act will help TheRide to gradually restore service during and after the pandemic, and will assure the long-term financial sustainability of the Authority. Balanced annual budgets are forecasted for FY2021 and subsequent years (due to cost-cutting and additional federal aid).

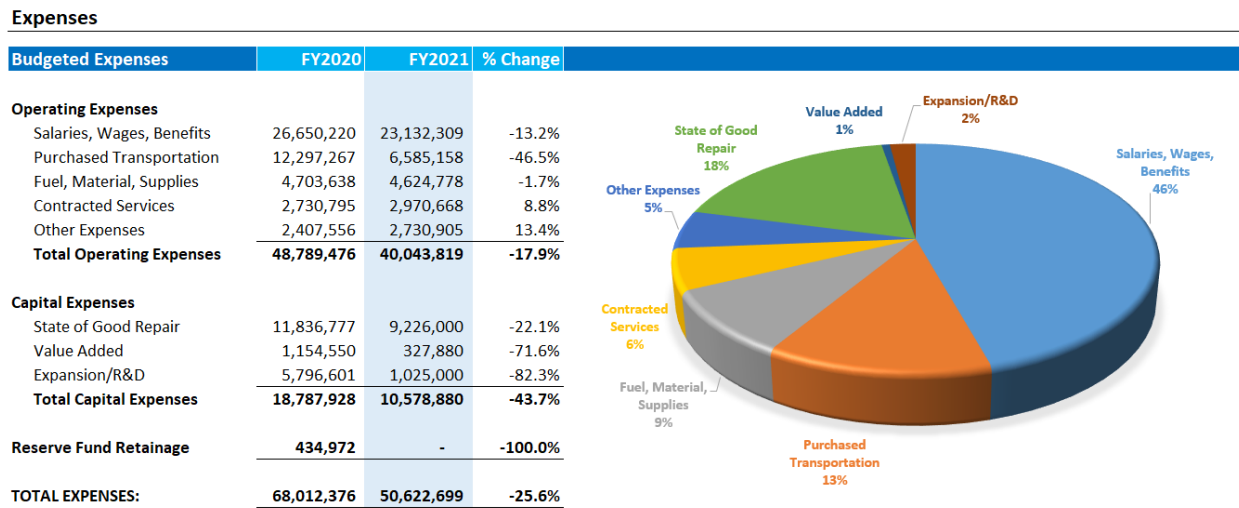
Figure 2: TheRide’s Financial Performance (Historic, Current, Forecast)



FY2021 Operating Budget Preview

The emerging operating budget is balanced for FY2021, even with significant reductions in expenses and revenues, and assuming a restoration of services. The following figure and summary provide more details.

Figure 3: FY2021 Operating and Capital Expenses



Expense Assumptions

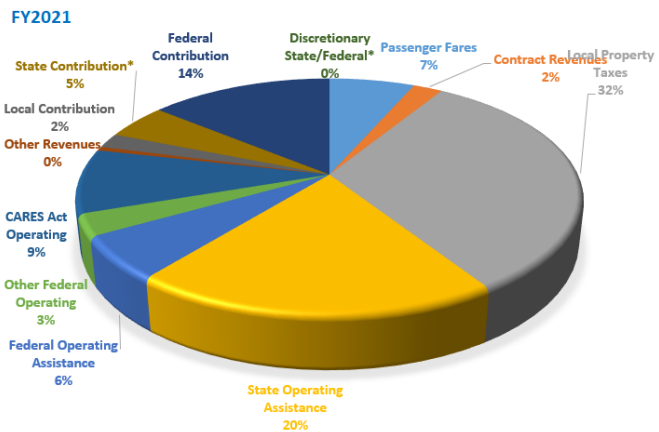
Operating expenses are budgeted at **\$40,043,819**, 17.9% lower than the current year. Key expense assumptions:

- Fixed route service will operate at 60% of pre-pandemic levels before services are gradually restored by FY2022. A-Ride will provide ADA trips only with service operated in-house rather than contracted. FlexRide will expand to serve additional needs from fixed route service reduction, and replace NightRide and HolidayRide.
- Salaries and wages include contractual pay rate increases for bargaining unit employees and a 3% annual increase for non-union employees. Overall wage and fringe costs are down 13.2% from the current year due to staff reductions.
- Purchased transportation expenses are 46.5% lower from bringing paratransit services in-house, even after expansion of FlexRide and the addition of D2A2 for FY2021.
- Fuel, materials, and supplies are down 1.7%. Fuel is budgeted at \$2.29 per gallon for 655,000 gallons, 23% fewer gallons than budgeted for 2020 due to less service. Pandemic-related cleaning and sanitation supplies and PPE costs offset the savings.
- Contracted services will grow 8.8% due to pandemic-related services such as increased janitorial and security expenses.
- Other expenses will increase by 13.4% from higher insurance premiums and other costs.

Figure 4: FY2021 Operating and Capital Revenues

Revenues

Budgeted Revenues	FY2020	FY2021	% Change
Operating Revenues			
Passenger Fares	7,336,441	3,309,576	-54.9%
Contract Revenues	2,274,698	1,128,461	-50.4%
Local Property Taxes	17,512,610	16,265,739	-7.1%
State Operating Assistance	16,998,848	10,102,450	-40.6%
Federal Operating Assistance	3,331,250	3,000,000	-9.9%
Other Federal Operating	1,377,095	1,502,337	9.1%
CARES Act Operating	-	4,464,256	0.0%
Other Revenues	393,506	271,000	-31.1%
Total Operating Revenues	49,224,448	40,043,819	-18.7%
Capital Revenues			
Local Contribution	52,000	1,025,000	1871.2%
State Contribution*	3,855,149	2,446,776	-36.5%
Federal Contribution	9,581,178	7,107,104	-25.8%
Discretionary State/Federal*	5,299,601	-	-
Total Capital Revenues	18,787,928	10,578,880	-43.7%
TOTAL REVENUES:	68,012,376	50,622,699	-25.6%



* Contingent upon award of discretionary state and federal funds for the YTC replacement/expansion project (budgeted for 2020, but not for 2021).

Revenue Assumptions

Operating revenues are budgeted at **\$40,043,819**, an 18.7% reduction from the current budget year. Key revenue assumptions are:

- Passenger fare collection will soon resume, but fare revenues will be down significantly due to reduced services and lower ridership; budgeted at 54.9% lower than current year.
- Reduced service and lower ridership will reduce contract revenues by 50.4%.
- Local property tax collections may decline due to delayed tax collections.
- There is still much uncertainty with the state FY2021 budget due to revenue losses. State operating assistance has already been reduced by 40.6% overall, with Local Bus Operating Assistance (LBO) down 33%, and specialized services funding (which funds D2A2) also reduced. This budget will be adjusted as the state budget is better known.
- Other federal operating assistance will increase due to federal funds passed through RTA for the D2A2 service, and utilization of expiring JARC funds, an increase of 9.1%.
- Other income is budgeted 31.1% lower due to recessionary impacts on interest income and reduced advertising sales.
- \$4.46 million in CARES Act funds will be required as operating assistance to offset lost revenues and coronavirus-related costs in FY2021. By the end of FY2020, TheRide will have spent about \$3 million of the \$20.7 million apportionment.

Contingencies

There is a great deal of uncertainty regarding revenues and expenses, particularly the pandemic's impact on state and local funding and how quickly and the degree to which services can be fully restored. The FY2021 budget proposal is likely to change before a recommended budget is presented to the Board for adoption. The following revenues and expenses are likely to change:

- Fare revenue and contract revenue will vary based upon ridership and service restoration.
- Property tax collections could be higher or lower than anticipated.
- State operating and capital contributions will depend upon the state's budget adoption, which isn't likely to occur before early September.
- Federal formula amounts depend upon the federal government's budget adoption, which often occurs well into the new fiscal year.
- Staffing costs will grow if service restoration is able to take place more quickly than anticipated due to community needs or earlier pandemic recovery.
- Purchased transportation costs could decline if AirRide and D2A2 are unable to relaunch, or increase if a new contract for paratransit service can be awarded earlier than anticipated.
- Use of CARES Act funds will provide a stopgap to revenue losses for FY2021.

Budgets to be presented during the budget cycle will represent the staff's best attempts to make financial projections using the economic inputs available to us from our industry, local, state, and federal leaders. It is likely that budget amendments after October 2020 may be necessary

to adapt to changes after the new fiscal year begins. State law allows budgets to be amended, offering adequate flexibility to accommodate changing budgetary needs as the year progresses. Any staff recommendation to amend the adopted budget would be presented to the Board for consideration, as it is the Board's responsibility to adopt budgets (Policy 3.2.7).

Figure 5: FY2021 Budget Comparison (Prior Year Actuals and Current Year Projected)

	FY2019 Audited Actuals	FY2020 Projected Actuals	FY2020 Adopted Budget	FY2021 Draft Budget	\$ Change 2021 vs. 2020 Budgeted	% Change 2021 vs. 2020 Budgeted
OPERATING REVENUE						
Passenger Revenue	\$ 6,750,571	\$ 4,389,219	\$ 7,336,441	\$ 3,309,576	\$ (4,026,865)	-55%
Local Property Tax Revenue	16,943,479	17,512,511	17,512,610	16,265,739	(1,246,871)	-7%
POSA & other Governmental Partners	2,705,015	1,455,837	2,274,698	1,128,461	(1,146,237)	-50%
State Operating Assistance	15,024,782	13,031,506	16,998,848	10,102,450	(6,896,398)	-41%
Federal Operating Assistance	3,250,001	2,525,000	3,331,250	3,000,000	(331,250)	-10%
Other Federal Conditional Assistance	2,221,057	424,128	1,377,095	1,502,337	125,242	9%
CARES Act Operating Assistance	-	1,400,423	-	4,464,256	4,464,256	
Advertising, Interest, and Other	605,724	309,806	393,506	271,000	(122,506)	-31%
TOTAL REVENUES	47,500,629	41,048,430	49,224,448	40,043,819	(9,180,629)	-19%
OPERATING EXPENSES						
PERSONNEL						
Operations Salaries & Wages	10,347,042	10,674,293	10,952,286	9,829,325	(1,122,961)	-10%
Other Salaries & Wages	2,919,670	2,864,780	3,090,623	2,779,927	(310,696)	-10%
Administration Salaries & Wages	5,190,751	5,436,071	5,479,575	4,872,198	(607,377)	-11%
Subtotal - Personnel	18,457,463	18,975,144	19,522,484	17,481,450	(2,041,034)	-10%
Fringe Benefits	6,694,345	6,509,747	7,127,736	5,650,859	(1,476,877)	-21%
Total Salaries & Wages	25,151,808	25,484,891	26,650,220	23,132,309	(3,517,911)	-13%
OTHER EXPENSES						
Purchased Transportation	10,673,301	6,931,082	12,297,267	6,585,158	(5,712,109)	-46%
Diesel Fuel and Gasoline	1,993,488	1,425,760	1,880,000	1,500,000	(380,000)	-20%
Materials and Supplies	2,039,857	2,673,248	2,823,638	3,124,778	301,140	11%
Contracted Services	2,564,857	2,189,173	2,730,795	2,970,668	239,873	9%
Utilities	593,643	618,698	537,648	502,344	(35,304)	-7%
Casualty & Liability Insurance	890,946	1,061,600	958,365	1,035,034	76,669	8%
Other Expenses	681,269	663,978	911,543	1,193,526	281,983	31%
Subtotal - Other Expenses	19,437,361	15,563,539	22,139,256	16,911,509	(5,227,747)	-24%
TOTAL EXPENSES	44,589,169	41,048,430	48,789,476	40,043,819	(8,745,657)	-18%
Reserve Retainage	\$ 2,911,460	\$ 0	\$ 434,972	\$ 0	\$ (434,972)	-100%

FY2021 Capital Budget Preview

Figure 4: FY2021 Capital Budget

\$10,578,880 in capital projects are budgeted for the following capital budget categories:

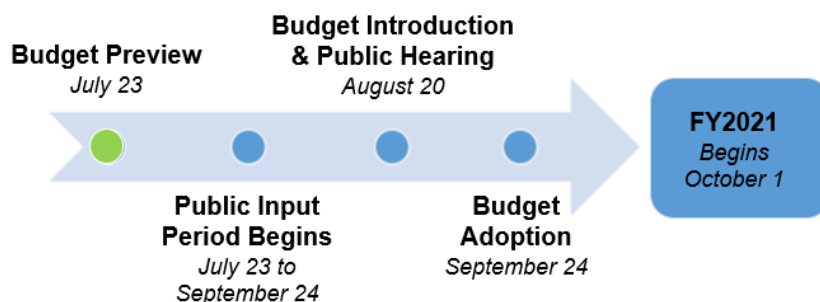
Category	Project Description	FY2021
State of Good Repair	Large Bus Replacement	\$4,200,000
	Non-Revenue Vehicles	\$106,000
	Facilities Rehabilitation	\$3,500,000
	Architecture & Engineering	\$350,000
	Furniture Replacement	\$40,000
	IT Hardware and Software Replacement	\$230,000

	AOS System	\$670,000
	Maintenance Equipment	\$100,000
	Communications Equipment	\$30,000
	Sub-total	\$9,226,000
Value Added	Rider Amenities and Accessibility	\$327,880
	Sub-total	\$327,880
Expansion	Land Acquisition	\$1,000,000
	Sub-total	\$1,000,000
Research and Development	Emergent R&D Projects	\$25,000
	Sub-total	\$25,000
Capital Costs Total		\$10,578,880

- Large Bus Replacement: \$4.2 million to replace 8 large buses according to the fleet replacement plan.
- Support Vehicles: Supervisor vans and trucks, \$106,000.
- Facilities Rehabilitation: \$3.5 million for FY2021 projects including parking lot asphalt, high-speed garage doors, repair of the privacy wall between public and private parking lots at the Dawn Gabay Operations Center, interior renovations, and a \$2 million set aside for roof/HVAC replacement over the garage (to be completed in FY2022).
- AOS System programs \$670,000 for the Transit Signal Priority project (funds were awarded by MDOT).
- Budget of \$1 million in local funding for land acquisition for future developments.
- Other projects include bus stop enhancements, Phase II study for bus garage needs, A&E work to replace underground fuel storage tanks, phone system replacement, and other hardware and software projects.
- Replacement of the Ypsilanti Transit Center has not been budgeted. (TheRide did apply for discretionary grants for this project, and if awarded, a capital budget amendment will be necessary along with meeting the requirements from the newly adopted Board's construction policy before any expenditure can be made.)

Attachment 2: FY2021 Budget Timeline

Figure 1: Budget Timeline



1. Budget Preview: Board of Directors, July 23, 2020

An early draft of the budget and multi-year forecast will introduce the strategic context and assumptions used in budgeting and financial planning.

2. Public Input Period: July 23, 2020—September 24, 2020

Federal regulations require a 30-day review and public input period for AAATA's capital program using Federal funds. Both the capital program and the operating budget will be available for public review and input starting July 23, through budget adoption on September 24.

3. Draft Budget Introduction: Board of Directors, August 20, 2020

The Board's budget inputs continue and discussion will commence upon introduction of a draft budget by staff at Board Committees and the monthly Board of Directors meeting.

4. Public Hearing: Just Prior to Board Meeting, August 20, 2019

As required by state law, meaningful public input to the budget will be obtained through a public hearing to run concurrent with the August Board meeting.

5. Board Adoption: September 24, 2020

Adoption of the FY2021 budget is required before any expenditures may be incurred on October 1, the first day of the new fiscal year.

ISSUE BRIEF: August Service

Meeting: Board of Directors

Meeting Date: July 23, 2020

INFORMATION TYPE:
Other
RECOMMENDED ACTION(S):
Receive for Information
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<ol style="list-style-type: none"> 1. AAATA exists so that an increasing proportion of residents, workers and visitors in the Ann Arbor-Ypsilanti Area utilize public transportation options that contribute to the Area's social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.
ISSUE SUMMARY:
<p>The Operations Division is preparing to implement additional service under a temporary pandemic response plan with 60% of pre-COVID service levels beginning August 30. Current operations are roughly 25% service. August service restoration will be a significant increase from our "Sunday Plus" level of service that was implemented during the initial crisis.</p> <p>Details about the service, as well as the plan to communicate this service increase are attached to this issue brief.</p> <p>While it is an increase to current service, it is still 40% less than "normal" and it is anticipated that there will be frustration with some of the reductions. It is important to understand that this is still a temporary level of pandemic service.</p> <p>There were five guiding principles that the Planning staff used to plan service changes:</p> <ol style="list-style-type: none"> 1. 60% of previous service hours 2. Focus on high ridership routes 3. High frequency to allow for social distancing 4. Simplify routing to ease adding overflow buses 5. Use FlexRide (demand response) where fixed route is not practical <p>It is paramount to understand that this is a temporary plan in response to the pandemic. No routes have been eliminated, only suspended. The next stage of the Recovery Plan will include a robust public input process to determine how best to allocate our resources. We are hopeful that the next steps will occur in a world with a vaccine for COVID-19.</p>

BACKGROUND:

In March 2020, AAATA drastically reduced service in response to the global COVID-19 pandemic. The focus was almost exclusively on main line routes and service times of day. This was approximately 25% of our pre-COVID levels and corresponded to a 90% drop in ridership. The agency also ceased fare collection, began rear door boarding, and encouraged passengers to only take buses for essential trips.

The CEO re-worked the business plan to develop a Recovery Plan for AAATA. The first step in this plan was to add service over the summer as Gov. Whitmer opened sections of the economy. This service has been added, but due to technological constraints does not show up in our real-time software.

The second stage of this plan is to formally add service, in anticipation of school resuming in the fall. These August changes represent the second step in our recovery plan. Five guiding principles were used in the development of the August Service.

The first principle is financial constraint that allowed only 60% of previous service hours. AAATA had a financial precipice projected before the pandemic where expenses exceeded revenues in 2021. This reduced level accounts for that deficit and more importantly, allows flexibility to add service where needed.

The second principle was a focus on high ridership routes, following guidance from the Board via the Ends to emphasize ridership and to be good stewards of our funds to focus the resources on the most good for the most people.

The third principle was high frequency to allow for social distancing, which is important because a full bus held sixty passengers previously, during this pandemic, a full bus is twenty passengers. If ridership returns to anything close to pre-COVID levels, that is three buses to do the job of one.

The fourth principle was to simplify routing to ease adding overflow buses. Prior to COVID, routes often had multiple branches (6A, 6B, 6C, etc.) and were interlined with each other. Interlining makes adding service in between for overflow difficult. In temporary pandemic response plan, there are no branches, and very few interlined routes.

Finally, the plan calls for FlexRide (demand response) where fixed route is not practical, due ridership and density. This includes overnight FlexRide service, holiday service, and service around the edges of the map.

A-Ride will return with reduced level of service. Same-day service and GoldRide access to A-Ride have been suspended. Service hours have also been curtailed to match those of fixed routes. However, even though our fixed route footprint has decreased, in the interest of not leaving people with disabilities stranded, we are maintaining the same exact service area map as before.

IMPACTS OF RECOMMENDED ACTION(S):

Budgetary: This level of service allows us to maintain a balanced budget for the foreseeable future, with full restoration of service in August of 2021

Social: This level of service will have an impact on areas that have suspended service, and for times, which have been reduced several hours on the evening end of service.

Environmental: This level of service is meant to facilitate increased mobility as the threat of pandemic eases, while still allowing passengers to have physical distance.

Governance: Staff anticipates moral owners to have questions and requests for service beyond what has been outlined in this plan, and to appeal to the Board to make changes.

ATTACHMENTS:

1. August Service Change Chart
2. August 2020 Service Restoration Outreach Plan

Temporary Service Notice

TheRide is taking a cautious and measured approach to phase services back in that prioritizes the safety of our riders and drivers and allows for social distancing. Beginning August 30th, we will introduce a reorganized network of routes to essential destinations and to increase frequency on busy corridors. Routes operate 6:00am–9:15pm Monday–Friday and 7:00am–8:15pm Saturday–Sunday unless noted below.

Route #	Frequency (minutes)	Days in Service	Route Descriptions	Alternative For:
3	30	7 days	Revised route in downtown Ann Arbor and Ypsilanti adding weekend service	24 66
4	15 30	M–F Weekends	Revised 4A routing near U of M Hospitals	24 66 64
5	30	7 days	Revised 5A routing including service on Carpenter Rd. to Meijer Adding service every 30 mins to Ypsilanti on weekends	24 66
6	15 30	M–F Peak M–F Off Peak, Weekends	6A routing, relocate the Briarwood bus stop to Briarwood Circle and Plaza Dr. Adding service every 30 mins to Ypsilanti on weekends	24 47
22	30	7 days	Revised route between Blake Transit Center (BTC) and Food Gatherers Adding service every 30 mins on weekends	21 63
23	15 30	M–F Weekends	Use 23A routing to Plymouth Road P&R lot, will serve Traver and Tuebingen	22 60 Near U-M Campuses
25	30	7 days	Revised route between BTC and Meijer on Ann Arbor-Saline Rd. to serve Main St. between Ann Arbor-Saline Rd. and Oakbrook Adding service every 30 mins on weekends	24 27
28	30	7 days	28B routing and serve Liberty east of West Stadium Adding service every 30 mins on weekends.	27 29
30	30	7 days	Route Name Change Revised route ending at Wagner road, and will serve Huron, Dexter, Wagner and Jackson roads Adding service every 30 mins on weekends	31 Outbound
32	30	7 days	Route name change Revised routing to serve U-M Central Campus on weekdays and the BTC on weekends Skyline HS will be served on select weekday trips Adding service every 30 mins on weekends	60
41	20	M–F 7:30am–10pm	This route will operate without changes	
42	30	7 Days	Route name change and revised routing serving Michigan Ave., Ford Rd., MacArthur Blvd., Clark Rd. and Holmes Rd. Adding service every 30 mins on weekends	43 Inbound 68 North of I-94
44	30	7 Days	Adding service every 30 minutes on weekends	68 North of I-94
45	60	M–F 6am–6:30pm S–S 7am–6:30pm	Revised route between the Ypsilanti Transit Center (YTC) and, Harry / Grove Streets	47 68 South of I-94
46	60	M–F 6:30am–7pm S–S 7:30am–7pm	Route name change Revised route between YTC and the Ypsilanti District Library on Whittaker Rd. Arbor Preparatory HS will be served on select weekday trips Areas South of the library will be served by FlexRide	47 68 South of I-94
62	30	M–F Peak Only	Morning and afternoon routing only No service to Briarwood	
65	30	7 Days	Route name change Revised route from BTC to Green Rd. P&R, will serve Fuller Rd. Adding service every 30 mins on weekends	66

Temporarily Suspended Routes

21 33 66
24 43 68
26 47 91
27 60 92
29 63 81
31 64

GoldRide

Starting August 1, shared-ride trips will be suspended until further notice. GoldRide card holders may still use fixed-routes with I.D.

FlexRide

FlexRide is a service of TheRide that provides on-demand transportation and will be available in place of the following routes:

26 29
 Scio Ridge Rd neighborhoods

27
 Pittsfield Twp. Area South of I-94

30
 Scio Twp. area West of Wagner Rd.

33
 North of M-14

45
 East of Harry

46
 Ypsilanti Twp area South of the Whitaker Library



Late Night & Holiday Transportation

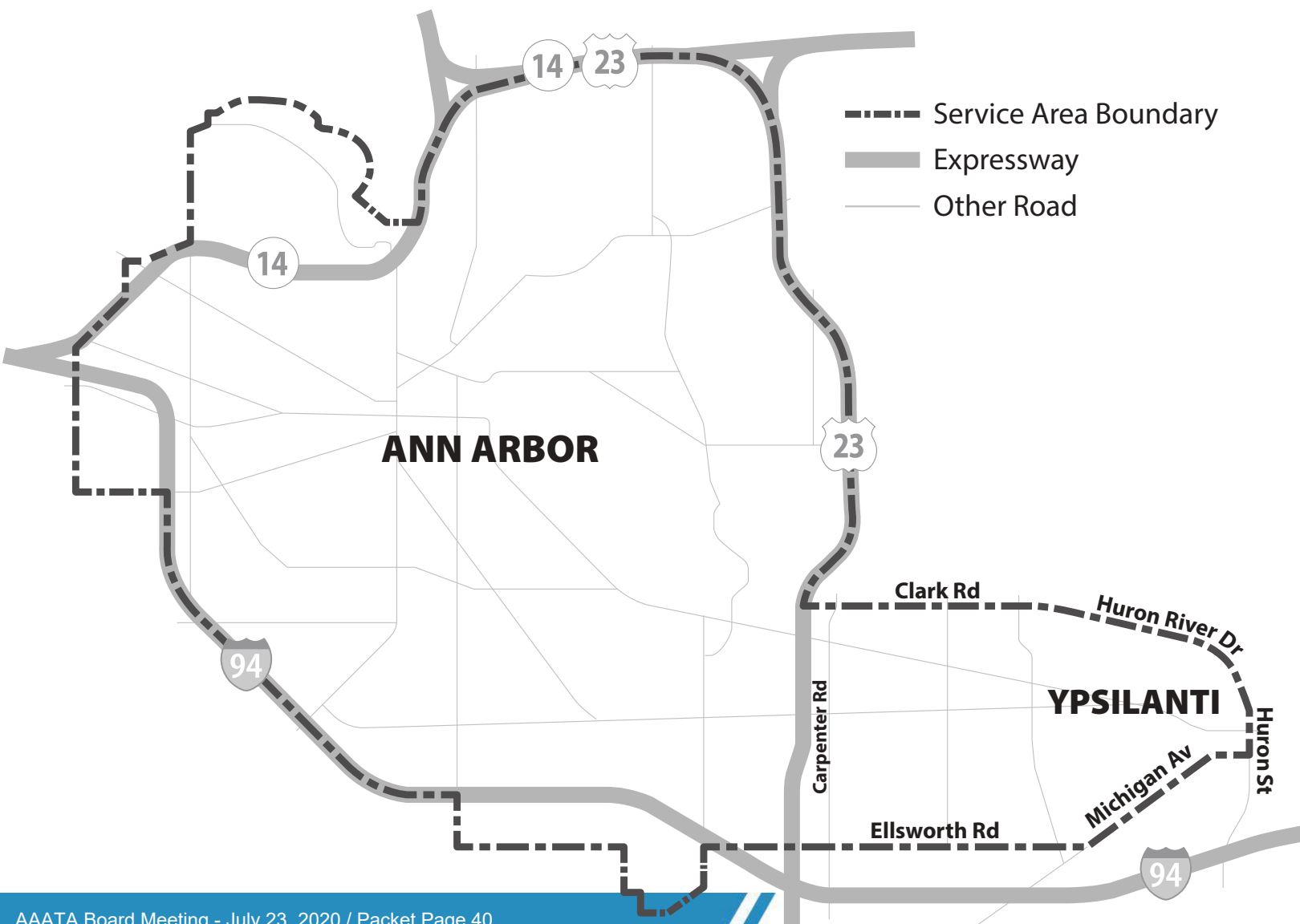
FlexRide will expand to cover late night and holiday service, replacing NightRide and HolidayRide. Trips can begin and end within the service area, outlined below.

Hours of Operation	M-F 9:15pm-5:30am S-S 8:15pm-6:30am
---------------------------	--

Fares	\$5.00/trip
--------------	-------------

Reduced Fare (GoldRide, A-Ride, and go!pass cardholders)	\$2.50/trip
---	-------------

Book a trip by calling **734-528-5432** or use MODEApp
For details about reservations, go to TheRide.org.

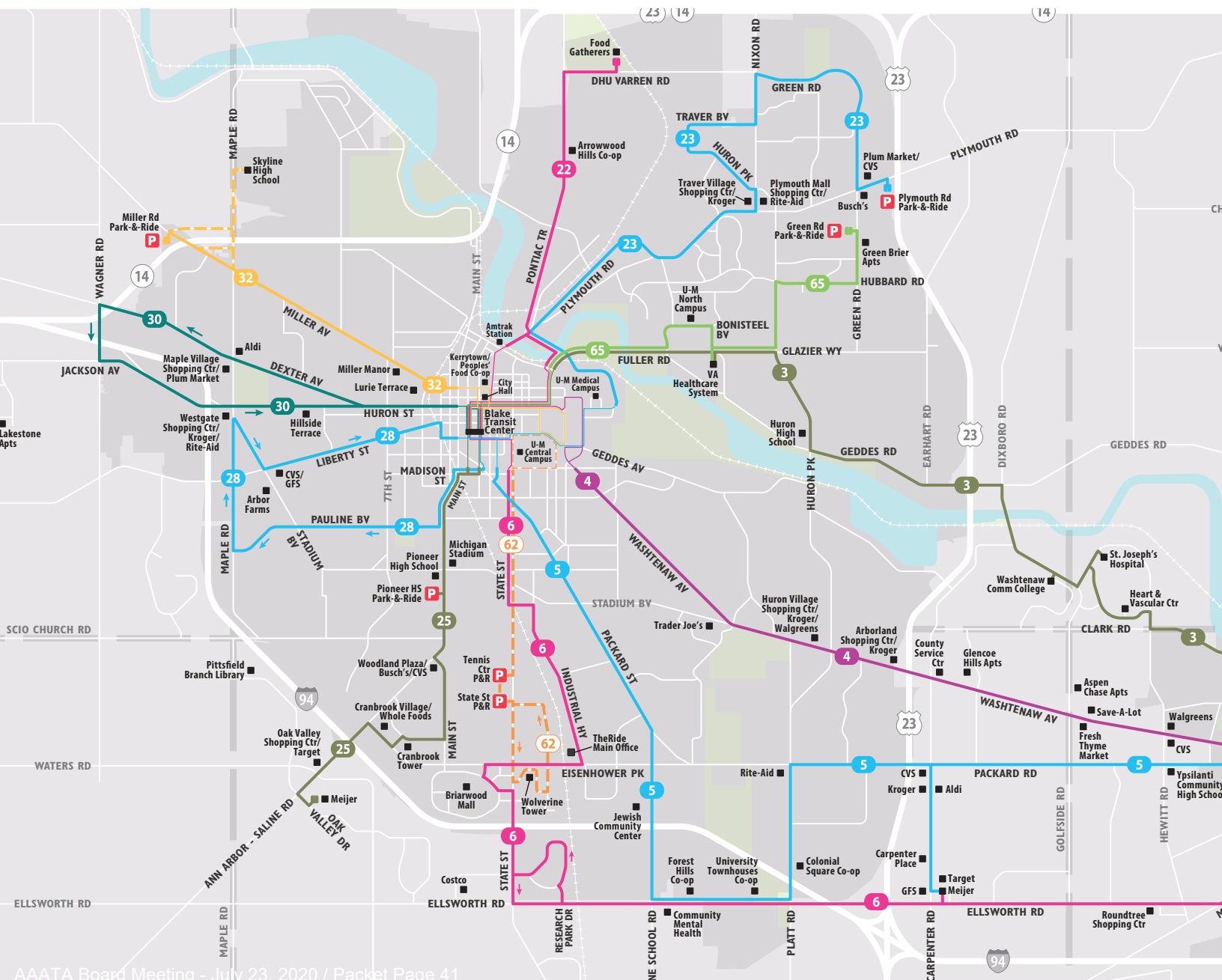


Ann Arbor System Map

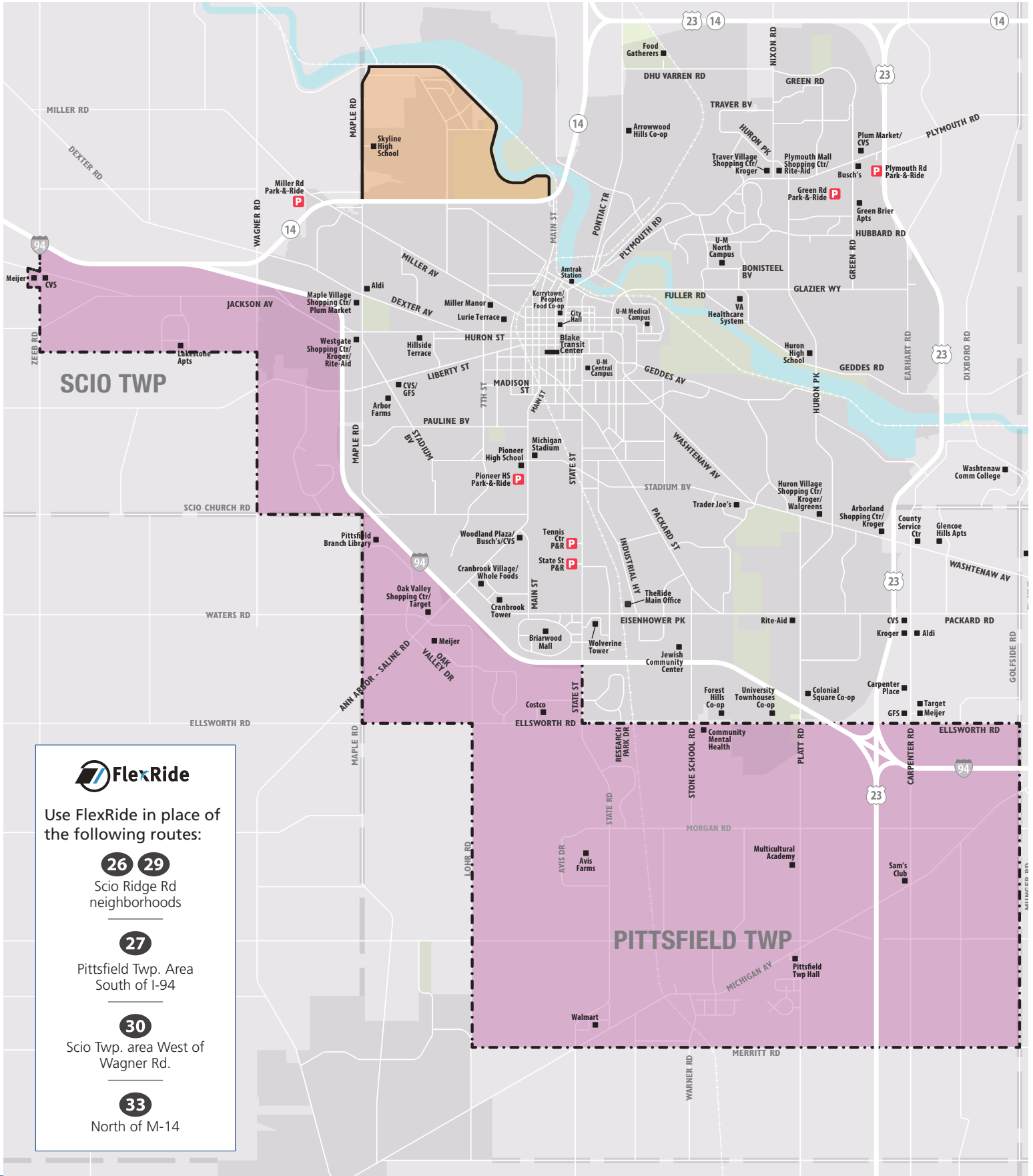
Map Key

- 3 Route 3
- 4 Route 4
- 5 Route 5
- 6 Route 6
- 22 Route 22
- 23 Route 23
- 25 Route 25
- 28 Route 28
- 30 Route 30
- 32 Route 32
- 62 Route 62
- 65 Route 65

--- Weekday Peak Hours Only



FlexRide Coverage (West)



FlexRide

Use FlexRide in place of the following routes:

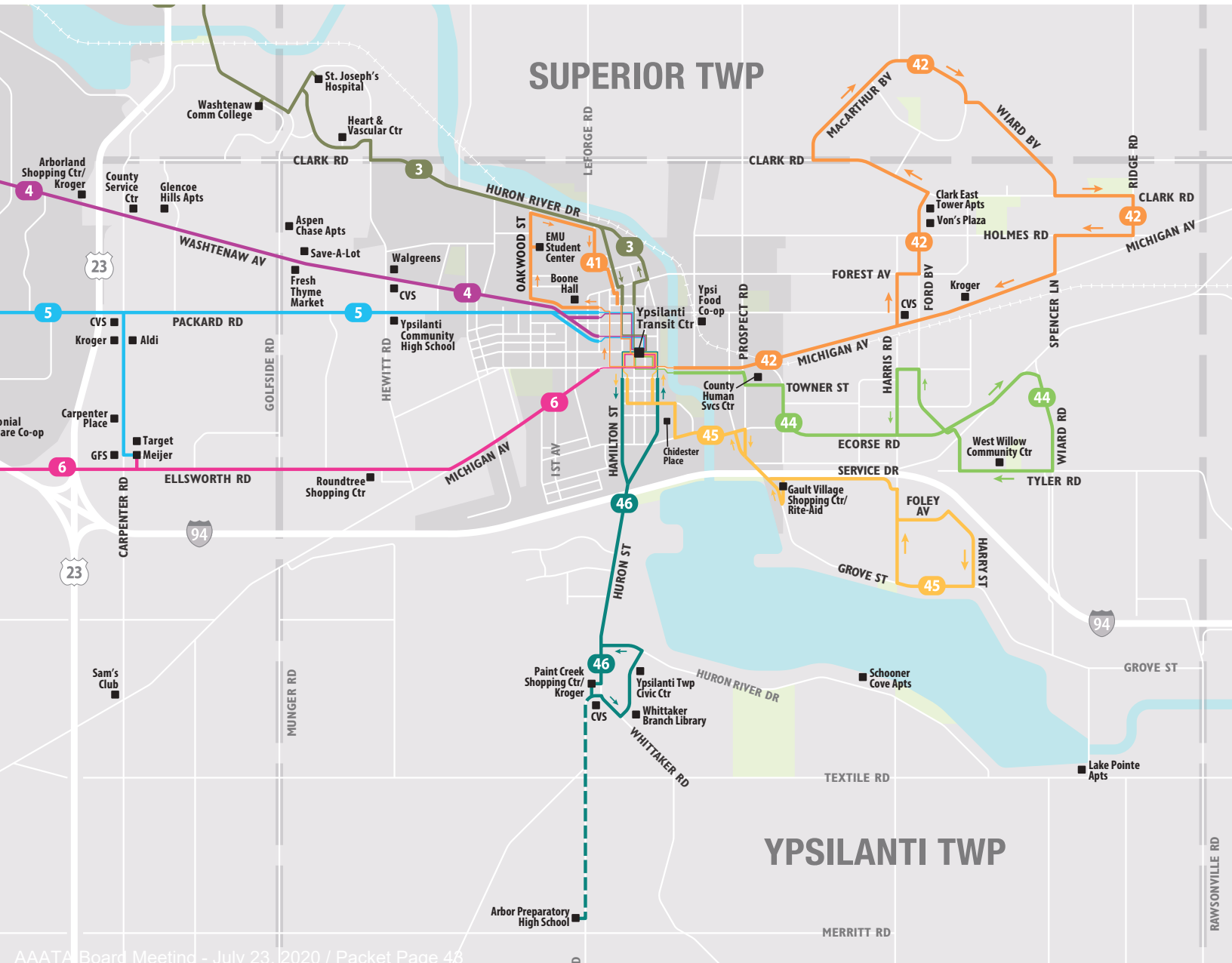
- 26 29**
Scio Ridge Rd neighborhoods
- 27**
Pittsfield Twp. Area South of I-94
- 30**
Scio Twp. area West of Wagner Rd.
- 33**
North of M-14

Ypsilanti System Map

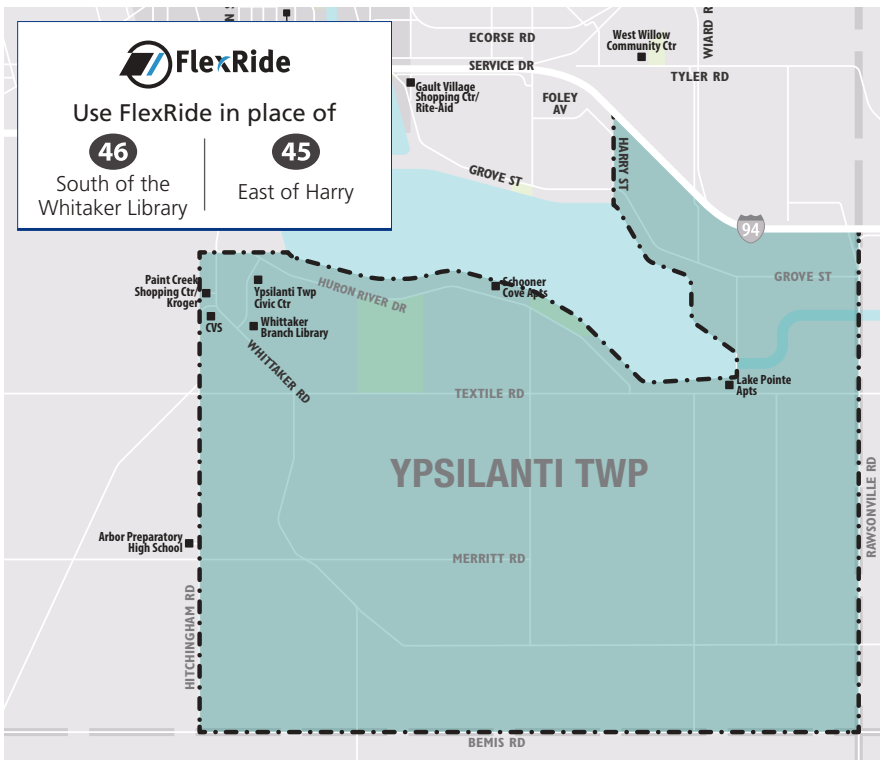
Map Key

- 3 Route 3
- 4 Route 4
- 5 Route 5
- 6 Route 6
- 42 Route 42
- 44 Route 44
- 45 Route 45
- 46 Route 46

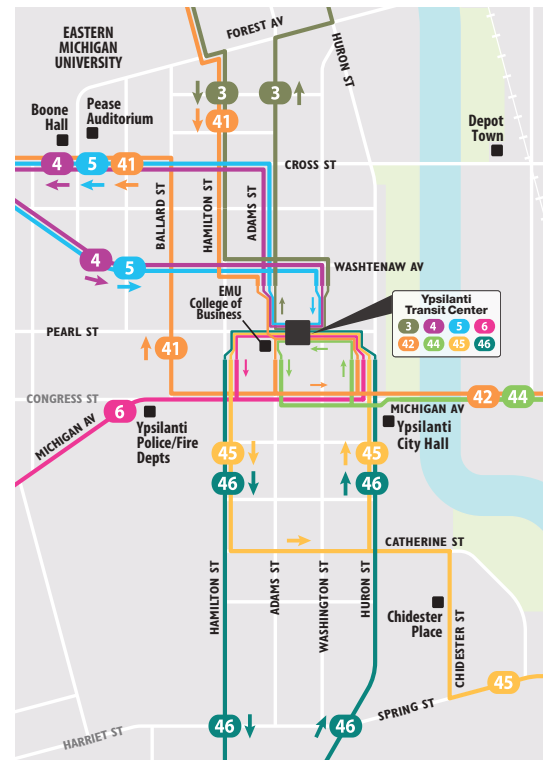
--- Weekday Peak Hours Only



FlexRide Coverage (East)

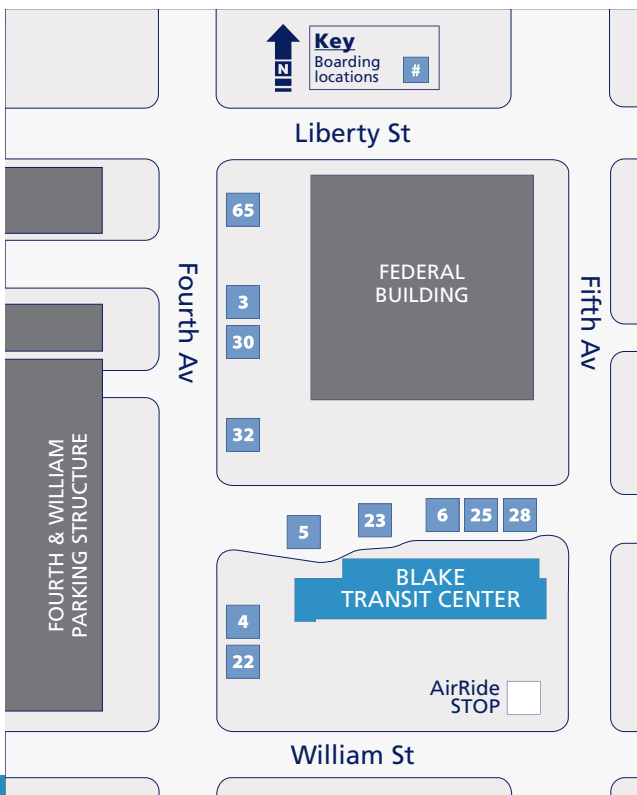


Ypsilanti Transit Center Detail

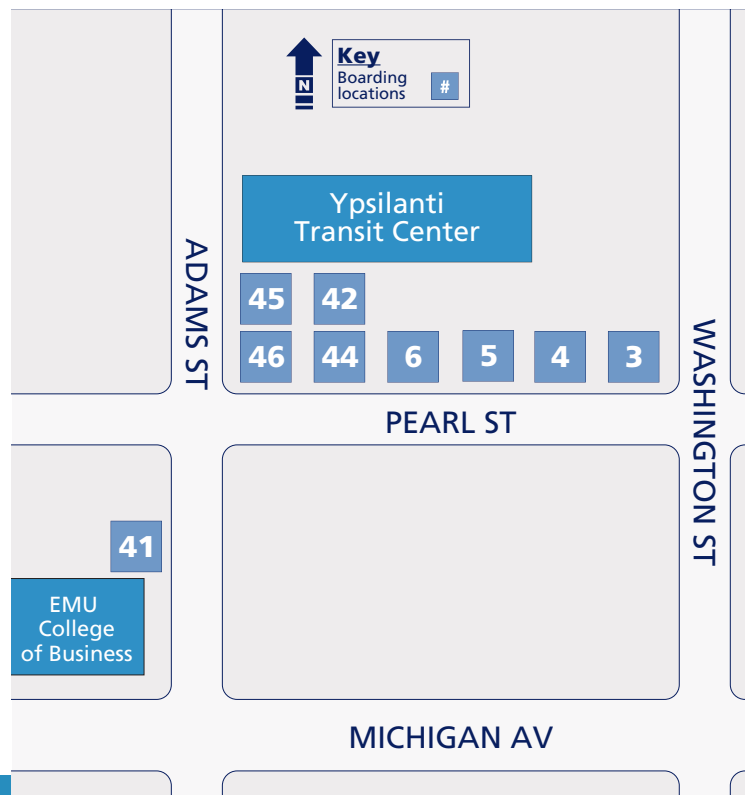


Boarding Locations

Blake Transit Center



Ypsilanti Transit Center



Online Public Town Hall Meetings

Find out the details of TheRide's temporary service plan by calling 734-996-0400 or learn how to join us at an upcoming town hall meeting at TheRide.org.

Meeting Dates & Times*

Tuesday, August 4 at 12:00 p.m.

Thursday, August 6 at 6:00 p.m.

Tuesday, August 11 at 12:00 p.m.

Thursday, August 13 at 6:00 p.m.

Tuesday, August 18 at 12:00 p.m.

Wednesday, August 19 at 6:00 p.m.

Thursday, August 20 at 12:00 p.m.

*Dates/times subject to change

How to Comment

At the end of each town hall meeting, there will be time to comment.

In addition to commenting at the end of an online town hall, you can:

- Use the online form at TheRide.org/maps-schedules/service-changes
- Call 734-794-1882
- Send an email to planning@TheRide.org
- Mail a letter to:
Ann Arbor Area Transportation Authority
ATTN: Temporary Service August 2020
2700 South Industrial Highway
Ann Arbor, MI 48104

2020 August Service Restoration: Communication Plan



Week 1	6/1 - 6/5	<input type="checkbox"/> AAATA Service Committee <input type="checkbox"/> AAATA Board Governance
	6/8 - 6/12	<ul style="list-style-type: none"> Issue Press Release Businesses Reopening Advice CEO/C Simmons Letter to Stakeholders and Partners <input type="checkbox"/> AAATA Finance Committee
Week 3	6/15 - 6/19	<input type="checkbox"/> AAATA Board
	6/22 - 6/26	<input type="checkbox"/> AAATA Employees (CEO Coffee Hour) <input type="checkbox"/> AAATA Board Governance <input type="checkbox"/> Local Advisory Council <input type="checkbox"/> Center for Independent Living
Week 5	6/29 - 7/3	<ul style="list-style-type: none"> A-Ride & GoldRide Direct Mail Board Distribution of Service Change Video
	7/6 - 7/10	<ul style="list-style-type: none"> Email Partners and Stakeholders Summary of Service with Invitation for 1/1 Meeting, Public Meeting Dates <input type="checkbox"/> AAATA Service Committee
Week 7	7/13 - 7/17	<input type="checkbox"/> AAATA Employees <input type="checkbox"/> AAATA Finance Committee <input type="checkbox"/> Agency Jurisdiction Meetings
	7/20 - 7/24	<input type="checkbox"/> AAATA Board <input type="checkbox"/> POSAs <input type="checkbox"/> Downtown Dev Authority <input type="checkbox"/> Agency Jurisdiction Meetings <input type="checkbox"/> U-M <input type="checkbox"/> POFAs
Week 9	7/27 - 7/31	<input type="checkbox"/> AAATA Board Governance <input type="checkbox"/> Other Partners <input type="checkbox"/> Agency Jurisdiction Meetings
	8/3 - 8/7	<input type="checkbox"/> AAATA Employees (CEO Coffee Hour) <input type="checkbox"/> AAATA Service Committee <input checked="" type="checkbox"/> Virtual Public Outreach
Week 11	8/10 - 8/14	<input type="checkbox"/> AAATA Finance Committee <input checked="" type="checkbox"/> Virtual Public Outreach
	8/17 - 8/21	<input type="checkbox"/> AAATA Board <input type="checkbox"/> AA Transportation Committee <input checked="" type="checkbox"/> Virtual Public Outreach
Week 13	8/24 - 8/28	
	8/30	Fall 2020 Service Bid Begins

JUNE

JULY

AUGUST

Communication Strategy:

Inform AAATA Board, employees, external stakeholders, riders, and the general public using virtual stakeholder meetings and virtual public meetings.

Communication Methods:

Inform and educate using media outreach, website, social media, paid advertising, bus stop and shelter notices, internal bus cards, direct mail, townhall meetings, newsletter and MyAlerts.

Talking Points:

These adjustments are designed to:

- To protect the health and safety of the public and staff
- Maintain essential transport needs (continue paratransit and crucial bus routes)
- Preserve the organization for the future

Service Restoration:

- Temporary, interim service until the duration of the pandemic and its financial impacts become more clear
- Many routes have been combined and designed to provide adequate coverage and enough frequency to allow to scale service up as ridership increases
- Increasing service from 40% of pre-pandemic service levels to 60%
- Reconfiguring routes to serve key corridors and essential businesses, and essential trips
- Most routes will operate every 30 minutes or less to maintain physical distance
- No route variations to maintain schedules
- Maintain ADA required service levels

Services Still Suspended:

GoldRide premium services
ExpressRide

Legend:

- AAATA
- Authority Members
- POFAs
- POSAs
- Public
- Other

Board Communication Plan:

Meeting Type:	Dates:	Details:
Board Meeting	May 21	Introduce Recovery Plan Process
Board Meeting	June 18	Service Plan Overview
Board Meeting	July 23	Service Plan Details
Board Meeting	August 20	Service Plan Feedback & Execution

Stakeholder Outreach Plan: Virtual Meetings

Dates:	Times:	Details:
June 22 - July 15	TBD	Outreach Meetings

Public Outreach Plan: Virtual Meetings

Dates:	Times:	Details:
August 4	12 PM	Pre-recorded presentation via Zoom and phone access. Participant comment opportunities by phone, Zoom chat, and email.
August 6	6 PM	
August 11	12 PM	
August 13	6 PM	Presentation available at TheRide.org
August 18	12 PM	
August 19	6 PM	Public comments will also be accepted via website form, by mail, by email, and phone.
August 20	12 PM	

Communication Methods:

Inform and educate using media outreach, website, social media, paid advertising, bus stop and shelter notices, internal bus cards, direct mail, townhall meetings, newsletter and MyAlerts.

ISSUE BRIEF: Mobile Ticketing Pilot Authorizations

Meeting: Board of Directors

Meeting Date: July 23, 2020

INFORMATION TYPE:
Decision
RECOMMENDED ACTION(S):
<p>Authorize deployment of a mobile ticketing pilot project to promote safer cashless and contactless fare payments in response to the pandemic, for two years. Mobile ticketing was a recommendation from the Fare Study, and initial market research indicates passenger demand for cashless and mobile fare payments is high. Staff recommend a pilot deployment of mobile ticketing as a pandemic-related emergency project. Specifically, staff recommend the Board authorize AAATA to:</p> <ol style="list-style-type: none"> 1. Adopt a resolution to join NEORide, a Council of Governments established in Ohio that has developed cooperative procurements for transit agencies in Ohio and Kentucky. NEORide has already procured a mobile ticketing solution. 2. Authorize the CEO to award a contract with NEORide for deployment of a mobile ticketing solution using CARES Act funding.
ALTERNATIVE OPTION(S):
Defer decisions about mobile ticketing to a later time.
ISSUE SUMMARY:
<p>Restoring fare collection is necessary to recover an important revenue source for TheRide. Mobile ticketing gives customers the ability to use an app on their smartphone or other mobile device to pay fares, which helps promote cashless and contactless payments and eases convenience for many customers. Mobile ticketing is a way to offer existing fares to passengers via mobile devices, and will not require any changes to the fare structure or price of fares. Implementation of can be completed within 60 days.</p>
BACKGROUND:
<p>A study of mobile ticketing conducted by planning staff was completed earlier this year. The results indicate that a mobile ticketing solution with “visual validation” (by which the driver visually accepts the fare without touching the customer’s device) can be implemented quickly. A staff task force formed to restore fare collection has reviewed the study, and has determined that implementation would aid in the promotion of health and the safety of motor coach operators and passengers.</p> <p>Staff reviewed several potential vendor solutions from leading providers of mobile ticketing. A contract with Masabi has already been competitively procured by NEORide, a buying cooperative of transit agencies in Ohio and Kentucky. NEORide has branded their implementation of Masabi’s solution “EZfare.” TheRide has the opportunity to join NEORide and participate in the joint procurement of Masabi’s mobile ticketing solution to implement EZfare as a pilot project.</p>

The implementation would be for mobile ticket sales using the visual validation method, requiring no hardware or software to be installed in vehicles or facilities. Passengers will be able to purchase fares through the Ezfare app and also through the Transit and Uber apps, as EZfare is integrated within both Transit and Uber.

Ezfare payments will be processed as a service by Masabi. While there are no upfront capital costs, an annual membership/licensing fee of \$15,750 plus a percentage of fare sales will be charged, so there will be ongoing operating cost impacts for TheRide. These costs will be 7.9% of fares sold through the mobile ticketing app, plus credit card fees, not to exceed 10% of fares sold as a total expense. These costs will be reimbursed with CARES Act funding during the pilot project.

This project will be evaluated by utilizing the back-end data system provided by Masabi for the number of passengers using mobile tickets, fare classifications, revenue, and other data. Each rider who transitions to a mobile ticket will result in less risk of virus transmission promoting safety for riders and employees, assuming less in-person interaction with customer service representatives, faster boarding times/reduced interaction with motor coach operators, a touchless fare-payment experience for the rider, and less cash for staff to process. Return on Investment (ROI) will also be reviewed to determine the degree to which additional fare sales and lower costs of providing and handling traditional fares may help recover costs.

IMPACTS OF RECOMMENDED ACTION(S):

- **Budgetary/Fiscal:** Contract award will increase operating expenses; however, these costs will be covered by CARES Act funds during the pilot project. Potential additional fare sales and lower costs of handling fares may help recover costs. Project ROI will be evaluated.
- **Social:** Fares have great potential for social equity opportunities and concerns. A mobile ticketing solution will enhance access to fares for those riders who have mobile devices. The Fare Study (2018) indicated that most riders, including elderly and low income riders, have access to such devices. Further evaluation will be necessary to determine whether any disparate impacts to minority or low-income riders result from the availability of mobile ticketing as a pilot project, as well as how any emerging problems should be mitigated. This study will be conducted later in FY2021 as a part of the required Title VI analysis of fares.
- **Environmental:** Cashless and contactless fares are believed to help promote public health during the pandemic by reducing the possibility of virus transmission.
- **Governance:** Board Policies clarify that staff can recommend changes to the pricing and structure of fares after reasonable public engagement, but the Board must approve fare changes (Policies 2.5.8, 2.10.4, 3.2.9). A mobile ticket is simply a means by which the existing fare structure can be made available to the public. No changes to the structure or price of fares is proposed at this time, so no additional Board action will be necessary to implement mobile ticketing.

ATTACHMENTS:

1. Ezfare Overview and Cost Analysis
2. Resolution to Join NEORide
3. Resolution Authorizing Procurement of Ezfare

Attachment 1: EZfare Overview and Cost Analysis



EZfare is service of NEORide, a consortium of 15 transit agencies in Ohio and Kentucky. TheRide will be the first Michigan transit authority to join. Staff has been in contact with NEORide’s leadership and there is mutual interest in TheRide’s joining. NEORide has contracted with Masabi for the EZfare solution.

Masabi’s solution is desirable because it is a “software as a service” (SAAS) solution, which means that we do not need to design-build-implement a custom solution. We will be able to start with a small scale flash-pass, and then add features over time to grow the system and its use. Later features of Masabi’s solution that could be implemented include on-board validators, smart cards, contactless credit card payments, and cash digitization solutions (ability to “top up” fares with cash at retail outlets).

EZfare is integrated with the Transit app and will launch an integration with Uber in July. These are apps already used by riders to plan their transportation; now users will be able to pay for rides on AAATA buses within these apps or directly within the EZfare app. For information and demonstrations of mobile ticketing with visual validation and how it works, see <https://www.ezfare.us/>.

Cost Analysis

The cost is an annual membership/license fee of \$15,750 plus a percentage of revenue sales and credit card transaction fees. The price quoted by NEORide is 7.9% of fare revenues sold as mobile tickets, not to exceed 10% all in. As an illustrative example, the annual cost would be \$355,750 if 60% of riders (in a typical year) used a mobile ticket. (Actual annual expenditures in the next 24 months are likely to be lower due to less ridership.) The CARES Act will fund this annual expense during the pilot period. Staff will use the two-year pilot period to evaluate the cost-benefits and long-term feasibility of a mobile ticketing solution, including ROI from new fare sales and lower fare-handling costs. In this example, 501,056 additional annual passenger trips attributed to mobile tickets would be necessary to recover costs, at the average fare of \$0.71 per rider (based upon the average fare per rider from the Fare Study). This is about 7% of annual ridership based upon 2019 data.

Attachment 2: Resolution to Join NEORide

Resolution 05/2020

RESOLUTION TO JOIN NEORIDE

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANN ARBOR AREA TRANSPORTATION AUTHORITY

WHEREAS, the Board of Directors of the Ann Arbor Area Transportation Authority (AAATA) hereby finds and determines that all formal actions relative to the adoption of this resolution were taken in an open meeting of the AAATA Board of Directors, and that all deliberations of the Board of Directors which resulted in formal actions were taken in meetings open to the public, in full compliance with applicable legal requirements, and

WHEREAS, Section 167 of the Ohio* Revised Code provides that a political subdivision may, pursuant to the extent that it considers necessary, join with other political subdivisions in establishing and maintaining a Council of Governments for purposes including, but not limited to, promoting cooperative arrangements and coordinating actions among its members, and

WHEREAS, a need has been identified to plan, promote, and further enhance transportation options within and between the jurisdictions of the members by encouraging cooperative arrangements and coordinating action among the members and between the members and other governmental agencies, private persons, corporations, or agencies, and

WHEREAS, the AAATA Board of Directors has determined that it is in the best interest of AAATA to become a member of NEORide, a Council of Governments, to explore coordination options and join with other political subdivisions to benefit all involved.

NOW THEREFORE, BE IT RESOLVED, by the AAATA Board of Directors, that:

Section 1: The AAATA Board of Directors authorizes the CEO or his designee to execute a Membership Agreement and Bylaws of NEORide, a Council of Governments, to explore coordination options and join with other political subdivisions to benefit all involved.

Section 2: AAATA's Manager of Procurement is appointed as the primary voting member and AAATA's Manager of Information Technology is appointed as the alternate voting member to represent AAATA on the NEORide Council of Governments Board.

Section 3: This resolution is effective immediately upon its adoption.

NOW, THEREFORE, BE IT RESOLVED, The Board of Directors of the AAATA does hereby authorize the CEO or his designee to sign and enter into on behalf of the Authority the above mentioned Agreement, as well as any other necessary documents relating to the project.

Approved by vote of the Board of Directors on Thursday, July 23, 2020.

Eric Mahler, Chair
July 23, 2020

Kyra Sims, Secretary
July 23, 2020

*Note: This resolution language is required by NEORide, which is a Council of Governments residing in Ohio. Ohio Revised Code applies to political subdivisions established in the state.

Attachment 3: Resolution Authorizing Procurement of EZfare

Resolution 06/2020

RESOLUTION TO AUTHORIZE PROCUREMENT OF EZFARE

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANN ARBOR AREA TRANSPORTATION AUTHORITY

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) wishes to launch mobile ticketing as a two-year pilot project to promote safer cashless and contactless fare payments in response to the coronavirus pandemic, and

WHEREAS, a Fare Study completed in 2018 indicated that public transportation users want to pay for services without cash by using mobile devices, and that a wide range of riders including elderly and low-income riders have access to mobile devices, and

WHEREAS, Board Policy 2.5.6 prohibits the CEO from authorizing contracts not anticipated in the current budget with a value greater than \$250,000, and

WHEREAS, this project was not anticipated in the FY2020 budget, and operating costs including annual licensing fees, credit card fees, and sales fees (not to exceed 10% of the price of the fare paid) could cumulatively exceed the CEO's board-established contracting threshold, and

WHEREAS, the Federal CARES Act, which has provided operating support for coronavirus-related costs, will fund 100% of project costs

NOW, THEREFORE, BE IT RESOLVED, The Board of Directors of the AAATA does hereby authorize the CEO or his designee to sign and enter into on behalf of the Authority an agreement with NEORide for its EZfare mobile ticketing solution, as well as any other necessary documents relating to the project.

Approved by vote of the Board of Directors on Thursday, July 23, 2020.

Eric Mahler, Chair
July 23, 2020

Kyra Sims, Secretary
July 23, 2020

ISSUE BRIEF: CEO Report

Meeting: Board of Directors

Meeting Date: July 23, 2020

INFORMATION TYPE:

Other

OPERATIONAL & PROJECT UPDATES

- **CORONAVIRUS**

Most staff activities have centered around maintaining existing services, pandemic response, and preparing for Fall service changes. The volume and quality of work going on throughout the organization is tremendous, and the CEO wishes to complement staff for their professionalism and effectiveness in the face of great uncertainty. As the seasons change, one phase of our response is shifting to another, with new routes and in-house paratransit operations imminent. The next phase will involve new trials, and the CEO is confident that staff will prove equal to those challenges.

While a few more staff have contracted COVID-19 at home, there has been no transmission within the workplace or among staff. All workplace screening measures are in place, although renewed attention on mask use is needed.

- **NEW FALL SERVICES**

Staff is preparing to implement 60% of the Pre-COVID level of service beginning August 30. There is a focus on high ridership routes and high frequency service to allow for social distancing. FlexRide will be utilized when fixed route service is not practical and fixed routes are simplified to ease the coordination of adding overflow buses as ridership increases.

Staff has started distributing communications about resuming fare collection and the temporary August Service Plan. Staff have already introduced these changes to some elected officials in our communities. Virtual Townhall meetings are planned for August for the public to learn about the revised services. TheRide.org website has been redesigned with an updated look and easier navigation.

Staff are working to establish a safe environment for our employees and customers when the Dawn Gabay Operations Center and Blake Transit Center reopen for fare media transactions. Social distancing measures will be implemented, including adding barriers and enhancing cleaning procedures for public use in accordance with CDC guidance.

- **ARIDE / PARATRANSIT**

The A-Ride paratransit service will be brought in-house beginning August 1. Services are expected to remain at ADA-minimum levels this year.

- **FINANCE**

Sales offices at the DGOC and BTC will reopen July 20 with upgraded credit card [terminals](#), adding customer-facing [pin pads](#) for safer transactions. The system will accept contactless payments via tap cards and smartphone apps such as Apple Pay or Google Pay. Beginning August 1, customers will continue to be able to order passes online and receive them by mail to avoid an in-person visit.

Staff have been exploring the potential to quickly introduce a no-contact fare payment system, which will be the subject of a Board presentation this month.

- **FLEET MAINTENANCE**

Nova Bus procurement has been slightly delayed due to impacts on supply chain from COVID-19 pandemic. The factory was shut down for several weeks. The pilot bus is expected to arrive in October 2020 and the remaining seven are expected to arrive February 2021. The design of the new bus had been completed in late 2019 but has been revisited on-the-fly to try to incorporate pandemic-related features.

Staff are also working to enhance ventilation aboard buses. All buses have received new, better filters. New procedures are being adopted to enhance airflow, and the design of the new NovaBuses are being tweaked to increase outside air flow. New add-on air purification technologies are also being considered. One challenge is that many of the air purification technologies suddenly being loudly hawked are, to be frank, based on very questionable claims and may only be attempts to make a quick buck off a scared public. Some technology, like using UV radiation, is promising but does not seem to be ready. Staff are continuing to assess potential add-on technologies.

- **AAATA STAFFING**

Forest Yang has been hired as the Deputy CEO of Planning and Innovation. We are actively recruiting to fill the open Operations Manager position to replace long time employee, Ron Copeland.

- **TRANSPORTATION COMMISSION**

Due to staffing challenges, no AAATA staff attended the July Commission meeting. Staff will be attending the August meeting to share the Temporary Service Plan effective August 30.

- **WATS POLICY COMMITTEE UPDATE**

The Washtenaw Area Transportation Study (WATS) Policy Committee met June 17th. The committee approved 2020-2023 Transportation Improvement Program (TIP) amendments and the 2021 WATS Administrative Budget, which includes pass-through planning grant funds for the AAATA.