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**BOARD OF DIRECTORS - ANN ARBOR AREA TRANSPORTATION AUTHORITY**

DATE: Thursday, December 20, 2018

TIME: 6:30pm – 9:00pm

PLACE: Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor MI 48104

MEETING CHAIR: Eric Mahler

**AGENDA**

	<b>Info Type*</b>	<b>Detail</b>
<b>1) Opening Items</b>		
1. Approve Agenda		
2. Public Comment		
3. General Announcements		
<b>2) Consent Agenda</b>		
1. Minutes		
<b>3) Policy Monitoring and Development</b>		
1. Board's Annual Plan of Work Item		
1. Retreat Planning	O	
2. Policy Monitoring and Committee Reports		
1. Governance Committee		Mahler
2. Finance Committee		Allemang
3. Service Committee		Hewitt
3. Other Board Reports & Ownership Linkages		
1. LAC, WATS, A2 Transportation Commission		Webber, Krieg, Sims
<b>4) Strategy and Operational Updates: CEO</b>		
1. Monitoring Report 1.0 Ends	M	Carpenter
2. Monitoring Report 2.7 Ends Focus of Contracts	M	Metzinger
3. CEO Report	O	Carpenter
<b>5) Emergent Business</b>		
<b>6) Board Development</b>		
<b>7) Closing Items</b>		
1. Topics for Next Meeting: Board Member Disclosure Statements Due (3.3.2.1)		<i>Thursday, January 24, 2019 @ 6:30pm</i>
2. Public Comment		
3. Closed Session under the Michigan Open Meetings Act, MCLA 15.268 (c), (d), (e) and (h) re: Real Estate	O	
4. Board Assessment of Meeting		
5. Adjournment		

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

## Monitoring Reports

### **Sample Motions**

**Accepting:** I move that:

- We affirm that Monitoring Report XYZ has been read by board members, and
- We accept this report as it provides
  - a reasonable interpretation of the policy and
  - evidence of compliance with that reasonable interpretation [or... while not in compliance, shows evidence of reasonable progress/commitment toward compliance]

**Not Accepting:** I move that:

- We affirm that Monitoring Report XYZ has been read by board members, and
- We do not accept this report
  - as the interpretation for XYZ.XYZ cannot be deemed reasonable by a rational person
  - A. OR
  - though it provides a reasonable interpretation, it does not adequately provide evidence of compliance for XYZ.XYZ.
- CEO will provide an updated Monitoring Report XYZ within ## months.

### ***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?
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Meeting: Board of Directors

Meeting Date: December 20, 2018

Ann Arbor Area Transportation Authority Board of Directors

Meeting Minutes

Thursday, October 18, 2018

6:34 p.m.

Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan

Present: Eric Mahler (Chair), Eli Cooper, Roger Hewitt, Mike Allemang, Sue Gott, Larry Krieg, Kyra Sims, Kathleen Mozak-Betts, Jesse Miller, Prashanth Gururaja

Staff: Matt Carpenter, Bryan Smith, John Metzinger, Gretchen Johnson, Geri Barnstable

Chairman Eric Mahler called the meeting to order at 6:34 p.m.

### 1) Opening Items

#### 1. Approve Agenda

Chairman Mahler called the meeting to order. Ms. Sims approved the motion and Mr. Cooper seconded it. Mr. Allemang added a motion to review Policy 2.4.5 under the Financial Committee Report.

#### 2. Public Comment

Jim Mogenson commented on the presentation tonight about mobility and technology asking why this is being done. He questioned if it's because it's really helping to become more efficient or is it just because "it's cool".

#### 3. General Announcements

##### 1. Introduce General Counsel: Dykema

Chairman Mahler introduced the new legal counsel representative, Mr. Mel Muskovitz of the law firm Dykema. Mr. Chairman described what they would be advising on, as well as noting that Dykema is in many states and has several offices in Michigan. There will be 5 lawyers who will handle a broad amount of work and other lawyers will be on the team as needed. He noted that the team is already working on projects.

### 2) Consent Agenda

#### 1. Minutes

Chairman Mahler, Mr. Allemang and Mr. Hewitt reviewed the Governance, Finance and Service Committee Meetings respectively.

#### 2. Updated Schedule for Monitoring Reports

Chairman Mahler called for a vote. It passed with all in favor except one abstention by Ms. Gott.

### 3) Board Development

#### 1. Board Education: New Mobility Technology

Dr. Johnathan Levine, an Urban Planner at the University of Michigan presented on new technologies and their implications for transportation planning. He noted that for planners, technology should enable smart policy which means focusing on the implications. He stated that for planners, technology should enable policies which lead to goals such as social justice; therefore, technology is not an end in itself. He talked about self-driving cars, the various options, advantages and disadvantages of each. He then recommended aiming toward an integration of on demand mobility with conventional public transit that would include on demand vehicles for low density areas and big buses and trains serving high volume areas. Many questions and much discussion followed. Chairman Mahler noted that the goal, should be moving people, not vehicles, therefore smart planning should focus on what is being offered to the public and that how it is communicated is important. There were questions about a good approach and Dr. Levine stated that no systems have been implemented that he is aware of but that there is a lot of experimentation going on. The aspect of land use was brought up.

#### 4) Policy Monitoring and Development

##### 1. Board's Annual Plan of Work Item

###### 1. Annual Plan of Word + Education

Chairman Mahler noted the brief that is in the Board Packet, which included some ideas, and that he would like to set the Annual Plan of Work by this time next month, especially because there is a Board Retreat coming up soon. Possible Retreat Topics were discussed in particular, Resource Allocation and where the Authority will fit into the future of transit options such as those identified by Dr. Levine. Mr. Miller suggested adding land use advocacy. Chairman Mahler noted there are additional things that could be advocated for. Mr. Carpenter asked what that would look like as it relates to other groups we must co-exist with in this jurisdiction. Chairman Mahler will circulate ideas for discussion in each Committee before the next Board meeting, so that they can be voted on then.

##### 2. Policy Monitoring and Committee Reports

###### 1. Governance Committee

Chairman Mahler reported potential topics for the Board Retreat were discussed. Those topics included Ownership Linkage and Resource Allocation. He noted that the retreat comes up in January.

###### 2. Finance Committee

Mr. Allemang reported that Mr. Carpenter brought a guest, Mr. Matt Webb of the RTA, who talked about planning policies they're trying to put in place to get them moving again. Modifying Policy 2.4.5 was discussed as well as spending guidelines for the CEO and the number of years an auditing firm should serve. Mr. Miller joined the Ownership Linkage Task Force and they agreed they would like the assistance of Rose Mercier to launch it. After reviewing the September 20<sup>th</sup> Board's direction to make a determination regarding Policy 2.4.5., it was agreed to propose to the Board that this be deleted. Chairman asked for a vote on this. Mr. Allemang made a motion to delete the policy, Ms. Sims seconded, and the vote was unanimous to delete Policy 2.4.5

###### 3. Service Committee

###### a. Policy Update: 2.1 Treatment of Riders

Mr. Hewitt reported that ideas for the plan of work as well as Mr. Clark's concerns from the September 20<sup>th</sup> Board Meeting were discussed as they related to Policy 2.1.3.1. He requested a discussion of the wording of that policy tonight. It was discussed extensively then Mr. Hewitt moved to approve final changes. Mr. Krieg seconded. Chairman Mahler called for a vote. Ms. Gott seconded. The final changes passed unanimously.

3. Other Board Reports & Ownership Linkages

1. LAC, WATS, A2 Transportation Commission

Local Advisory Council: A Chairman, Cheryl Weber, and Vice Chairman, Larry Keller, were elected and there was a Michigan Mobility Report.

a Michigan Mobility Report

Washtenaw Area Transportation Study: Mr. Krieg missed the meeting but, he expects the long range urban and rural plan was passed.

A2 Transportation Commission: Ms. Sims reported scooters were discussed, Subcommittees were formed, public school drop-offs and safety initiatives were also discussed.

5) Strategy and Operational Updates: CEO

1. Major Studies Update: Washtenaw Ave Bus Rapid Transit

Mr. Carpenter introduced the presentation as the beginnings of work and it will be presented in stag

6) Emergent Business

None.

7) Closing Items

1. Topics for Next Meeting: Board Retreat, Annual Plan of Work, Mr. Allemang added items from the Financial Committee Report, Quarter 4 Reports, Year End Report, Monitoring Report 2.2

Treatment of Staff

2. Public Comment

Jim Mogenson commented that the Board should focus on financing for density and a plan of what costs would be, long-term roadblocks.

3. Board Assessment of Meeting

None.

4. Adjournment

Mr. Hewitt moved to adjourn. Mr. Allemang seconded. The vote was a unanimous "yes". Meeting was adjourned at 8:56 p.m.

Respectfully submitted by  
Geri Barnstable

Ann Arbor Area Transportation Authority Board of Directors

Meeting Minutes

Thursday, November 15, 2018

6:34 p.m.

Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan

Present: Eric Mahler (Chair), Eli Cooper, Roger Hewitt, Mike Allemang, Sue Gott, Kathleen Mozak-Betts, Jesse Miller, Prashanth Gururaja

Staff: Matt Carpenter, Bryan Smith, Phil Webb, Ken Anderson, Julia Roberts, Geri Barnstable

Chairman Eric Mahler called the meeting to order at 6:34 p.m.

1) Opening Items

1. Approve Agenda

Chairman Mahler noted that a Quorum is present and called the meeting to order. Ms. Mozak-Betts moved to approve the agenda. Mr. Gururaja seconded it. All approved the agenda.

2. Public Comment

Mr. Ethan Smith, Eastern Michigan University Vice President of the Student Body and Chairman of the Student Government Transportation Commission, members of which were in attendance. He stated that he liked the expansion of Route 4. He feels that public transit is under-utilized by students for 4 reasons: 1) they need more information on how to ride the bus, 2) they can't always afford it, 3) it needs to be easy to get from Ann Arbor to Ypsilanti, 4) as well as to get home again. He recommended pursuing marketing to students which would increase ridership, and implementing fast, reliable service along the Washtenaw Corridor where most of the students live. He believes public transit can be more affordable than owning vehicles which is why he thinks it's important to promote to students. He also noted that multi-county transportation would receive heavy use based upon where students live.

Another student from Eastern Michigan University, Mr. Jones-Darling, who resides in Ypsilanti and is Chairman of the Ypsilanti Human Relations Commission, spoke. They appreciate the expanded Route 4 service and he recommended focusing on low income and disabled riders. He thanked the AAATA Staff for reaching out to make sure the community has a voice.

3. General Announcements

Mr. Bryan Smith announced that he had just hired a Fleet Services Manager, Candace Moore, who has a background in the Navy and in trucking. She will be starting December 3<sup>rd</sup>.

Chairman Mahler announced he recently received a document from the U.S. Department of Transportation and will forward it to those who are interested. It focuses on how the Department would regulate automated vehicles.

## 2) Consent Agenda

### 1. Minutes of October 18, 2018

### 2. Bank Authorization

Mr. Allemang motioned to approve Resolution 01/2019, designating who can sign for this bank account. Mr. Hewitt seconded. The motion passed unanimously.

### 3. Budget Amendment

Mr. Allemang reported that the Finance Committee has reviewed and recommends adoption of a resolution to amend the FY 2019 Operating and Capital Budget to add revenue and expenses for the projects awarded in the Michigan Mobility Challenge. Mr. Allemang made a motion to pass the Resolution. Mr. Hewitt seconded, and it passed by unanimous vote.

## 3) Policy Monitoring and Development

### 1. Board's Annual Plan of Work

#### 1. Annual Plan of Work + Education (finalize)

Chairman Mahler hopes to finalize this for the next Fiscal Year. He requested thoughts in particular on a retreat, as well as Ownership Linkage, Emerging Technologies and Resource Allocation Task Forces. He asked if they wanted to add anything else to the list. The goal of this meeting is to come out with a reasonable set of priorities. Mr. Hewitt suggested reviewing the Ends and updating it but pushing that off because it was just done, and they were pleased with the results. Chairman Mahler agreed and recommended not revising them before the Budget process starts. He noted for the record that the staff should not wait for Ends Revisions before beginning the budget update process. He also noted that the Resource Task Force needs to meet. Its members are Chairman Mahler, Mr. Cooper, and Mr. Hewitt. This ties into the Retreat. Chairman Mahler would like to know what can be tackled now and what can be put off. There was discussion of the Long-Range Service Plan including how it relates to the Strategic Business Plan. Mr. Carpenter clarified that the Long-Range Service Plan is tentative based upon future services such as mobility and autonomous vehicles while the Strategic Business Plan is an annual budget, functional plan of work. Mr. Allemang suggested it would be helpful for the Board to have one piece of paper with 3 categories, including the budget, listing what the Board needs to contribute. Mr. Carpenter will have that done. Chairman Mahler indicated that this document should be set up in a way that leaves the Board flexible, so it isn't something that would be voted on. Mr. Allemang also reported that the Ownership Task Force met, that it was a very productive

meeting and that the Committee can educate the Board on this. He will provide more details in the Ownership Linkage Report.

Chairman Mahler noted that an acting Secretary recording Secretary was needed. Mr. Gururaja was selected.

## 2. Retreat Planning.

Chairman Mahler recommended the retreat be postponed until April or May because there is no need to revise the Ends Policy and there is no Deputy CEO of Planning yet, plus topics are not finalized. Discussion of this ensued with Mr. Miller concerned this pushes out other work set out in the Strategic Business Plan. Mr. Hewitt expressed concern that having the retreat soon may not be as effective because there would be missing information. Opinions for postponing it as well as those for having it in January were discussed. The option of having it in 2 phases was also presented. Chairman Mahler stated that he is looking for the Board to finalize the content. Some form of education in between was suggested by Ms. Gott. Chairman Mahler suggested 2 retreats, one with outside experts and one to define what the next content would be. He will try to create a proposal from all the ideas presented at this meeting and send it to the Board.

## 2. Policy Monitoring and Committee Reports

### 1. Governance Committee

Chairman Mahler reported that the meeting covered the topics they were just speaking about.

### 2. Finance Committee

Mr. Allemang reported that everything on the agenda tonight was discussed in the Committee, plus it was tentatively decided that each quarter, they would go deeper into one facet of the financial report and that next quarter it will be cash flow.

#### a. Updates to Finance Policies

Also discussed were the FTA and changes being proposed to the Policy Manual. These changes are to 3 policies: 1) to 2.5.10 The Authority cannot take on any debt without Board authorization, 2) 2.4.8 Any debt is not for ongoing operations nor creating future unfunded obligations, 3) 3.8.1.2.1 Outside auditors will be changed every 6 years. Details were reviewed, and Mr. Allemang moved to adopt the changes. Mr. Cooper seconded. The vote passed unanimously.

### 3. Service Committee

Mr. Hewitt reported that the Committee discussed what is on the agenda tonight.

Also discussed extensively was the first staff survey that was done, planning a retreat and the Annual Plan of Work. There was an excellent presentation on the BRT which will be seen tonight, as well.

## 3. Other Board Reports & Ownership Linkages

### 1. Ownership Task Force

Mr. Allemang reported it was a very productive meeting with Rose Mercier, Jesse Miller, Larry Krieg, Kyra Sims and himself. They reached a consensus on who our owners are. Next, they will plan how to go about linking up with them.

## 2.. LAC, WATS, A2 Transportation Commission

Mr. Carpenter reported that WATS did not meet this month.

At the A2 Transportation Commission Meeting, our staff presented re-launching BikeShare which the Commission was excited about.

## 4) Strategy and Operational Updates: CEO

### 1. Major Studies Update: Washtenaw Ave Bus Rapid Transit

Mr. Carpenter announced that this presentation is the beginning of work that will be presented in stages over the next few months. In particular, at this point they are seeking the Board's feedback. He then introduced Ms. Roberts. She noted that we worked with Jeremy Winsor of AECOM, who will be joining her in the presentation. Ms. Roberts announced that the presentation will be on our website by next week. She explained that the study came about because the Washtenaw Avenue Route is one of the highest ridership corridors (80% of riders), with the most direct connection between Ann Arbor and Ypsilanti and high amounts of delays from congestion. She then reviewed details of the project process noting that it is going out for public engagement next month, on December 12<sup>th</sup> from 4:30 to 6:30 p.m. They are also hoping for FTA funding. Mr. Winsor spoke about the more technical aspects of the project such as dedicated lanes and right of way availability, stating they would be building in processes and upgrading technology. He also touched on cost estimates. Questions and discussion followed. The period for public engagement is November 18<sup>th</sup> to December 18<sup>th</sup>, after which they will prepare for Federal funding. Mr. Carpenter expects a final concept to be offered by the middle of next year.

### 2. Q4 Service Report

Mr. Smith announced that ridership is statistically flat due to the maturity of the 5-year plan. Schedule changes and bus cleanliness were discussed. The latter is already being addressed.

### 3. Q4 Finance End Report

Mr. Webb announced a strong 4<sup>th</sup> Quarter with a surplus of revenue over expenses. Details of the reserves and the investment summary were discussed.

### 4. Monitoring Report 2.2: Treatment of Staff

Mr. Carpenter has not completed all that he expected to so, he is not asking the Board to accept this report today. He highlighted that it covers the Board's expectations of the CEO and includes the first staff survey in many years. The survey was anonymous. Its focus was on a combination of morale, based upon staff perceptions, and hard facts such as attrition rates. He believes the best value will come from doing surveys over time, seeing trends and changes. One of the most important thing learned was that the details show we are retaining staff. The report focuses on the Leadership Culture he is striving for and he highlighted 3 attachments referring to this: 1) The Leadership Challenge which provided cumulative scores and directed the Leadership Team to look at themselves, 2) the anonymous survey which had a good response of 25% of employees, the results of which will be distributed over all of the organization, 3) John

Carver's quote about leadership. Ms. Mozak-Betts noted that how Mr. Carpenter proceeds with this data will likely decide who participates in the future. Chairman Mahler and Mr. Carpenter both stated that the goal is to be an employer of choice. Chairman Mahler added that communication is the top leadership skill he sees in all successful leaders.

5. FTA Triennial Review Results

Mr. Carpenter reported that both Committees have seen the results and he will bring the report to the Board although there is no policy to do this. The Review is done every 3 years and this year we had relatively minor findings, mostly about paperwork. These must be corrected by February 1, 2019 and the Board will be notified when this has been completed.

5) Emergent Business

Ms. Mozak-Betts reported that there is currently no liaison between the Board and the LAC. She volunteered to accept that role. Chairman Mahler stated there was no need to delay so the job is hers.

6) Board Development

Chairman Mahler stated that there was nothing but that he looks forward to Board Education in the future and that the BRT Study provided good information tonight.

7) Closing Items

1. Topics for Next Meeting: Board Retreat and speakers for Board Education, Ends Monitoring Report although the Board is satisfied, reports from any Task Forces that meet

3. Public Comment  
None.

3. Board Assessment of Meeting  
None.

4. Adjournment

Mr. Hewitt moved to adjourn. Ms. Gott seconded. The vote was a unanimous "yes".

Meeting was adjourned at 9:19 p.m.

Respectfully submitted by  
Geri Barnstable

Meeting Summary

Ann Arbor Area Transportation Authority Board of Directors

Finance Committee

Tuesday, December 11, 2018

Present: Mike Allemang (Chair), Kyra Sims, Eli Cooper (phone), Prashanth Gururaja (phone), Jesse Miller

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson, Geri Barnstable

The meeting was called to order at 3:04 p.m. by Chairman Allemang.

1) Opening Items

a. Agenda (Additions, Approval)

There were none.

b. Communications

Mr. Carpenter introduced Tim Sanderson as the new CEO of Innovation and Planning.

Mr. Sanderson has been in transit for over 25 years in places including Nashville, Canada and as the COO in Iowa.

2) Policy Monitoring and Development

a. Monitoring Report Preview: 1.0 Ends

Mr. Carpenter described this as a work in progress which has just been started so they are seeking feedback from the Board. Since it is a long report, he will present highlights. He reviewed that the retreat a year ago led to creating a Task Force to update the Ends. This was finished in June. Interpreting and measuring Ends is hard to write because it is difficult to measure the outcome of our impact to the community. Mr. Gururaja preferred measuring people vs. residences in measuring fixed route coverage because the number of people with access matters more. Mr. Cooper noted the importance of taxpayer property owners. Mr. Allemang agreed we want to serve people not houses. Mr. Sanderson noted that access can be measured without necessarily measuring quality. Mr. Carpenter stated that the staff will judge quality vs. service by many metrics.

This is a start and will be refined for the Board. He would like to gauge what information would be useful to the Board without overwhelming them with detail. Ms. Sims asked about the fare study. Mr. Metzinger and Mr. Sanderson will discuss that during the first quarter of next year. Mr. Allemang stated that all think the Ends Policies might change based on monitoring experience. Mr. Carpenter would like to come back in 6 months.

b. Monitoring Report Preview: 2.7 Ends Focus of Contracts

Mr. Metzinger explained that grants are excluded because it applies to grant making which we don't do. Mr. Allemang is all right with this interpretation. Mr. Carpenter reported that this is the staff telling the Board what they think the evidence is and that we are in compliance with the Ends Executive Limitations Policy. The Board can ask for a different kind of evidence. Mr. Miller asked what expenditures are not covered by "contracts". Mr. Carpenter replied in house expenditures like salaries, building maintenance. Mr. Allemang concluded that the staff is in compliance. Mr. Cooper stated his feedback was to expand the Ends regarding existing and important (i.e. labor) contracts, not just new contracts. Ms. Sims doesn't want a lot of detail. Maybe the substance of the contract and the amount.

c. Ownership Linkage

Mr. Allemang reported that the report on the November 9 task force meeting was prepared by Rose Mercier, but he made some edits which he sent to all. Ms. Mercier approved of his changes. Ms. Sims stated that breaking down the goals was very helpful, with the ideas broken down in a very tangible way. The topics began with differentiating between legal and moral owners. Who fit into each category was debated. It was determined that legal owners are the Cities of Ann Arbor and Ypsilanti, plus the Township of Ypsilanti. They have the right to dissolve the organization. Moral owners are residents of those jurisdictions and the residents of Pittsfield, Scio and Superior Townships. How to connect with legal owners was discussed. It was also agreed that workers are beneficiaries, not owners, and that business owners and non-resident taxpayers are stakeholders, not owners. U of M was discussed but its status was determined not to be an owner. There was more discussion of categories other groups fall into such as funders in general. Mr. Carpenter suggested that the next step is to connect with the owners, techniques to do so and what to talk about. He also reported that he heard a lot of these types of discussions at conferences he attended with members of other boards and suggested our Board Member attend some of these conferences. The cost is in the budget for this. Other boards using Policy Governance are struggling with the same things this group is.

Mr. Allemang began the discussion of how to connect with owners. It was suggested that our board members would attend some meetings at the City Councils to educate them about our governance and that we consider them to be legal owners. Mr. Carpenter sent Mr. Allemang an email about this authorities' obligations to the municipalities and will send it to other committee members. Mr. Cooper stated that the Board used to forward its minutes to the City Office as part of our obligation. Mr. Carpenter reported that he sent the City of Ann Arbor our Strategic Business Plan and has not heard back from them. Mr. Smith pointed out that these documents are on our website. Meanwhile the Task Force will meet again to determine specific next steps.

3) Strategy and Operational Updates

- a. None.

4) Closing Items

- a. Topics for Next Meeting:

- b. Adjournment by Chairman Allemang was at 5:00 p.m.

Respectfully Submitted,  
Geri Barnstable

Meeting Summary  
Ann Arbor Area Transportation Authority Board of Directors  
Service Committee  
Wednesday, December 12, 2018

Present: Roger Hewitt (Chair), Kathleen Mozak-Betts, Larry Krieg, Sue Gott (phone)

Staff: Matt Carpenter, Bryan Smith, John Metzinger, Julia Roberts, Bill DeGroot, Geri Barnstable

The meeting was called to order at 9:08 a.m. by Chairman Hewitt.

1) Opening Items

a. Agenda (Additions, Approval)

None.

b. Communications

Mr. Carpenter introduced Tim Sanderson as the new Deputy CEO of Innovation and Planning. Mr. Sanderson has been in transit for over 20 years. He started as a bus operator and moved around working in different roles mostly recently COO in Des Moines, Iowa.

2) Policy Monitoring and Development

a. Monitoring Report Preview: 1.0 Ends

Mr. Carpenter began to ask for feedback to make the Ends increasingly successful. He gave the background of the report and noted that this is the first rigorous Ends Report they will be doing. It is currently incomplete and preliminary. The staff is meeting this week to react. The Ends is difficult to write; it measures performance and impact on the community. There is limited useful data out there. We are moving in the right direction, though. They would like to measure output vs. outcome. He would like to come back in 6 months with an interim report if the Committee is open to that. There was discussion of various modes of travel including A-Ride, various ways of measuring the impact on the community and how to measure the impact on the environment such as getting people out of single occupancy vehicles. Mr. Carpenter noted that there is the opportunity for benchmarking using data from other systems. Mr. Krieg reminded them that the goal is increased ridership. Mr. Hewitt suggested looking at metrics from the Connector Study which was job density per square mile vs. population per square mile. Mr. Hewitt also noted that they should look at what the future will be and focus on market changes such as Uber and Lyft.

### 3) Strategy and Operational Updates: CEO

#### a. YTC Planning Update

Mr. Carpenter reported that there are several projects between staff and consultants that are germinating but this is early, and they would like the Board to help shape them. Mr. William DeGroot presented options that has been presented to the public. The public liked the accessible location, that it's easy to integrate with AirRide, as well. The overall goal is to service more people. There was some discussion of land use, as well.

#### b. Flex Ride Update

Ms. Julia Roberts presented an update on Flex Ride. It's been over a year since the start of the pilot. They're not where they want to be. A survey to the general public is planned for January via direct mailing. Retention of riders is an important goal. She discussed options for next steps. Mr. Krieg recommended more contact with the township leadership as always good.

#### c. BRT Follow Up

Ms. Roberts has done 6-month updates to this group. Tonight, is the BRT Study presentation to the public. She invited all to attend. Mr. Hewitt noted that on demand service will grow as well as autonomous vehicles which are already being tested in Florida. Other routes beside Washtenaw Avenue were discussed. Mr. Hewitt stated we need to look at where we want to be in 10-20 years.

### 4) Closing Items

a. Topics for Next Meeting: Mr. Carpenter reported that he has invited another consultant to present to the full Board. This person is in the transportation business.

#### b. Adjournment

Chairman Hewitt adjourned the meeting at 11:02 a.m.

Respectfully Submitted,  
Geri Barnstable

TheRide

# 1.0 Ends

## Monitoring Report for the Period: October 1, 2017 – September 30, 2018

Date of Report: **December 6, 2018**

Board Meeting: **December 20, 2018**

TheRide board;

In accordance with the Board's Policy Manual; I present a preliminary Monitoring Report on **Ends Policies**. This report consists of internal report information from staff. Though this version of policies were not in effect until June 2018, I have assembled this report as if they were (where feasible). I certify that the information is true, but not yet complete.

In preparing this report, it has become clear that much more work will be necessary to true provide compelling evidence on advancement towards outcomes. We have learned that interpreting and measuring Ends are more difficult than measuring compliance with Executive Limitations policies. Challenges we've encountered include:

- Creating meaningful interpretations that can be used to reveal the agency's impact on outside situations.
- Inadequate and outdated data available, often not at a scale that is useful in measuring agency impacts.
- Reliance on proxy measures when outcome measures are not readily possible.

I have chosen to focus on developing interpretations and potential evidence measures in this draft. Actual evidence of compliance will need to come later. Striking a balance between comprehensiveness and conciseness is a concern. Even without evidence, this report is already almost 30 pages long and contains about 50 different metrics.

Nevertheless, I believe this report is the starting point of developing true measures of the AAATA's impact in our communities. It will benefit from feedback from the Board, staff and the public. We may wish to bring back an interim Ends report for additional review in six months.

Matt Carpenter,  
CEO  
Ann Arbor Area Transportation Authority

Policy being monitored:

***POLICY TITLE: Ends***

*1.0 AAATA exists to provide access to destinations throughout the Ann Arbor-Ypsilanti Area for increasing numbers of residents, workers and visitors via transportation options that contribute to the Area's social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.*

*1.1. All residents of the Area can participate fully in society without a personal vehicle.*

*1.1.1. People with low incomes can afford to travel in the Area.*

*1.1.2. People, including those with disabilities or mobility impairments, seniors, minors, and non-English speakers, have equitable access to opportunities in the Area*

*1.1.3. People with access to a personal car find public transit to be an attractive alternative.*

*1.1.4. Passengers are highly satisfied with public transportation services that are safe, reliable, courteous, comfortable, convenient, and fast.*

*1.2. The Area's natural environment is enhanced.*

*1.2.1. The Area's overall transportation system minimizes energy use and pollution.*

*1.2.2. The Area's carbon footprint is reduced*

*1.2.3. The Area's air is cleaner.*

*1.2.4. The Area's natural resources are conserved.*

*1.2.5. Land development can become more compact and walkable in part because of transportation options.*

*1.2.6. Agency operations make efficient use of energy, water, materials, and other natural resources; and minimize waste.*

*1.3. The Area prospers economically.*

*1.3.1. Workers and students can access employment opportunities without need of a personal vehicle.*

*1.3.2. Employers have access to a diverse labor pool.*

*1.3.3. Visitors have access to the Area.*

*1.3.4. The Area's economy grows despite limited parking and auto congestion.*

*1.3.5. The Area is connected to the Metro Detroit region.*

*1.3.6. Local leaders are aware of the contribution public transportation makes to the community.*

*1.3.7. The Authority will remain economically viable in the long term.*

**Policy 1.0**

*AAATA exists to provide access to destinations throughout the Ann Arbor-Ypsilanti Area for increasing numbers of residents, workers and visitors via transportation options that contribute to the Area's social, environmental and economic vitality at a cost that demonstrates value and efficient stewardship of resources.*

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**Compliance:****Interpretation and Rationale:**

- **Access** - I interpret "access" in this context to mean *the ability to reach desired goods, services, activities, and physical locations*. This is the primary goal of any transportation system. Making *access* the primary focus of transportation stands in contrast to traditional 20<sup>th</sup> Century paradigms that emphasized *mobility* and reducing traffic congestion – both of which favored road construction rather than movement of people.

This approach will have important implications for AAATA activities and measures of performance. Primary measure of success in this area will be ridership and ridership per capita<sup>1</sup>.

For a concise discussion on the different transportation approaches, please read [Measuring Transportation: Traffic, Mobility and Accessibility](#) from the Victoria Transport Policy Institute.

- **Geographic Scope** - I interpret the "Area" to be the municipal limits of the City of Ann Arbor, City of Ypsilanti, and Ypsilanti Township; as well as the northern section of Pittsfield Township that are north of Ellsworth Road, and other specific outlying areas for which there are contracted arrangements. At the same time, the larger area from which workers commute to our Area extends into neighboring counties and even states (we have vanpools originating from Toledo, OH). The focus of achieving our Ends will be within the Area, but may sometimes extend beyond the Area's boundaries in order to achieve those Ends.
- **Any Mode of Travel** - I interpret the words "...provide access to destinations...via transportation options" to mean that the AAATA can provide, use or promote any type of vehicle, include none at all, that best facilitates access to destinations. While the AAATA's history is as a bus company, this approach frees us to become a mobility agency. This also suggests a continuing diversification of our portfolio of services and likely an intensification of those services in the most populated parts of the Area. Different modes are better suited to different circumstances, and not all services may be provided uniformly throughout the Area.
- **Social, and Environmental and Economic Vitality** - All of these objectives are fully defined, interpreted and evidenced below, in the sub policies of this section. It is important to note that all

<sup>1</sup> To increase ridership per capita means growing ridership faster than general population growth (presently at around 1.5% annually). This would suggest an increasing share of the travel market. However, with many services already experiencing crowding and resources limited, it future planning will be needed if this goal is to be achieved.

of these objectives as derived from overall ridership. If ridership increases, then we will be advancing these objectives as well.

- **Shaping the Future** - Providing access to destinations can be improved by providing more services or by increasing the number of destinations in an existing area. Increasing the numbers of *all* destinations (jobs, housing, shopping, recreation, etc) near existing services holds much great potential to meet the Board's Ends outcomes of ensuring access. Influencing land development decision is the most proactive way to shape the future of transportation demand. This approach can affect the performance of all agency services and policy compliance. However, it is more fully discussed and evidenced under policy 1.2.5.
- **Cost and Value** - I interpret the requirements for cost and value to mean that the means and tactics the AAATA uses to advance the Ends must be used in the most cost-effective manner possible, so as to maximize the benefits and Ends results of the agency's limited resources. Financial means are further limited by the Board's executive Limitations policies, and can best be measured with benchmarking against similar agencies for metrics such as cost per hour and cost per trip.

#### **Evidence:**

1. Total Ridership by type of service (fixed-route, paratransit, vanpool, bikeshare, etc)
2. Ridership/Capita (Benchmark)
3. Cost Efficiency (Maybe cost per trip and benchmarked)

#### **Ridership**

<b>Ridership by Service</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	
Fixed Route: Local+ Event	6,428,724	6,376,611	6,327,729	6,291,695	6,596,905	
ExpressRide	37,083	40,164	34,249	29,414	26,212	
Demand Response	135,029	131,215	130,978	140,820	148,493	
AirRide	59,008	72,394	80,350	84,429	84,752	
NightRide	39,284	37,338	31,043	25,654	23,634	
<b>Total Ridership</b>	<b>6,699,128</b>	<b>6,657,722</b>	<b>6,604,349</b>	<b>6,572,012</b>	<b>6,879,996</b>	

<b>Change in Ridership year to year</b>	<b>FY 2013 Baseline</b>	<b>FY 2014 vs FY13</b>	<b>FY 2015 vs FY14</b>	<b>FY 2016 vs FY15</b>	<b>FY 2017 vs FY16</b>	<b>Total Change 2013 vs 2017</b>
Fixed Route: Local+ Event	--	-1%	-1%	-1%	5%	3%
ExpressRide	--	8%	-15%	-14%	-11%	-29%
Demand Response	--	-3%	0%	8%	5%	10%
AirRide	--	23%	11%	5%	0%	44%
NightRide	--	-5%	-17%	-17%	-8%	-40%
<b>Total Ridership</b>	--	-1%	-1%	0%	5%	3%

**Policy 1.1**

*All residents of the Area can participate fully in society without a personal vehicle.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that 90% of residences will be within 0.5 mile walk of most major destinations necessary to sustain a fulfilling life.

I believe this policy is more fully interpreted and evidenced in the sub policies below.

**Evidence:**

1. **Fixed-route Coverage** - Within a 0.5 mile walk from a bus stops the fixed-route bus service will provide access to:
  - a. 90% of residences
  - b. 90% of employment locations
  - c. 100% of hospitals
  - d. 90% of other medical facilities
  - e. 100% of universities
  - f. 100% of high schools
  - g. 100% of customer-serving government facilities and municipal headquarters
  - h. 90% of grocery stores
  - i. 90% of public recreation facilities & libraries
  
2. **Complementary Service for Residents Unable to Use the Fixed-Route Bus Service** - Paratransit services are available and meet minimum ADA standards within ¼ mile of all fixed-routes – Presently ARide service exceeds ADA standards for coverage with paratransit being provided beyond ¼ mile and essentially the entirety of each member jurisdiction.

[INSERT ARIDE SERVICE AREA MAP]

**Policy 1.1.1**

*People with low incomes can afford to travel in the Area.*

**Compliance:** Compliance unclear.

**Interpretation and Rationale:**

I interpret this policy to mean that residents of the Area that meet a means test for low income (TBD) are provided with a reduce-price for travel via AAATA fixed-route services.

I interpret this policy to mean that the Board sees the low-income population as a particular population (for whom) that can receive a higher per trip subsidy than other groups (at what cost). This reflects a long-standing priority for public transit services – facilitating access to opportunity for persons unable to afford to use a personal automobile. It also helps advance labor mobility goals outlined in later policies.

I will note that affordability for passengers is not the only factor in setting fares. This is done in the context of policy 1.3.7 and 2.4 regarding the financial health and viability of the AAATA. Such pricing must also be sensitive to the perceptions of other passengers.

Finally, the CEO cannot set fare prices. This is a responsibility the Board has reserved for itself (Policy 2.5.8). With that in mind, I interpret this policy to mean that the CEO is responsible for *recommending* a fare structure and pricing to the Board that would achieve the desired affect – reducing barrier to access for persons with low incomes.

**Evidence:**

1. **Fare Study** – In 2018 the AAATA conducted a study of the agency’s fare structure. This was the first such study in many years. The results are still being reviewed by administration, but first impressions suggest that the fare structure is not optimized for ensuring affordable travel. While there is a low-income fare program (Fare Deal) it may not be effectively organized or targeting the additional subsidy efficiently. The study suggests partial compliance with this policy, at best. However, further review is necessary.
2. **Need for Updating the Fare Structure** – To adequately comply with this policy may require significant changes to the AAATA’s overall fare structure. This may take 2-3 years.

**Policy 1.1.2**

*People, including those with disabilities or mobility impairments, seniors, minors, and non-English speakers, have equitable access to opportunities in the Area.*

**Compliance:** In compliance.

**Interpretation and Rationale:**

I interpret this policy to mean that potential travelers will not encounter unreasonable barriers to using AAATA services that disproportionately affect person with mobility limitations or ability to use the English language.

- All AAATA buses, bus stops, buildings and services will be physically accessible and compliant with relevant regulatory laws regarding physical accessibility.
- AAATA information will be available in languages other than English, as per federal legal requirements.

Federal laws represent the minimum acceptable standards for public transit in these areas. The ADA component covers fixed route and complementary paratransit services; vehicles; facilities; information provided; operational policies; training; function, availability, and maintenance of equipment; changes in service or policies; performance measures of contractors, etc. The Title VI component includes provisions regarding Limited English proficiency, public participation, equity analysis, service standards, service change policies, disparate impacts, disproportionate burdens, etc.

Further, I interpret that seniors and minors require no additional accommodation in order to have equitable access – the same opportunity to use AAATA services as anyone else. Economic considerations and fare pricing should be addressed in policy 1.1.1. Any mobility limitations are addressed herein.

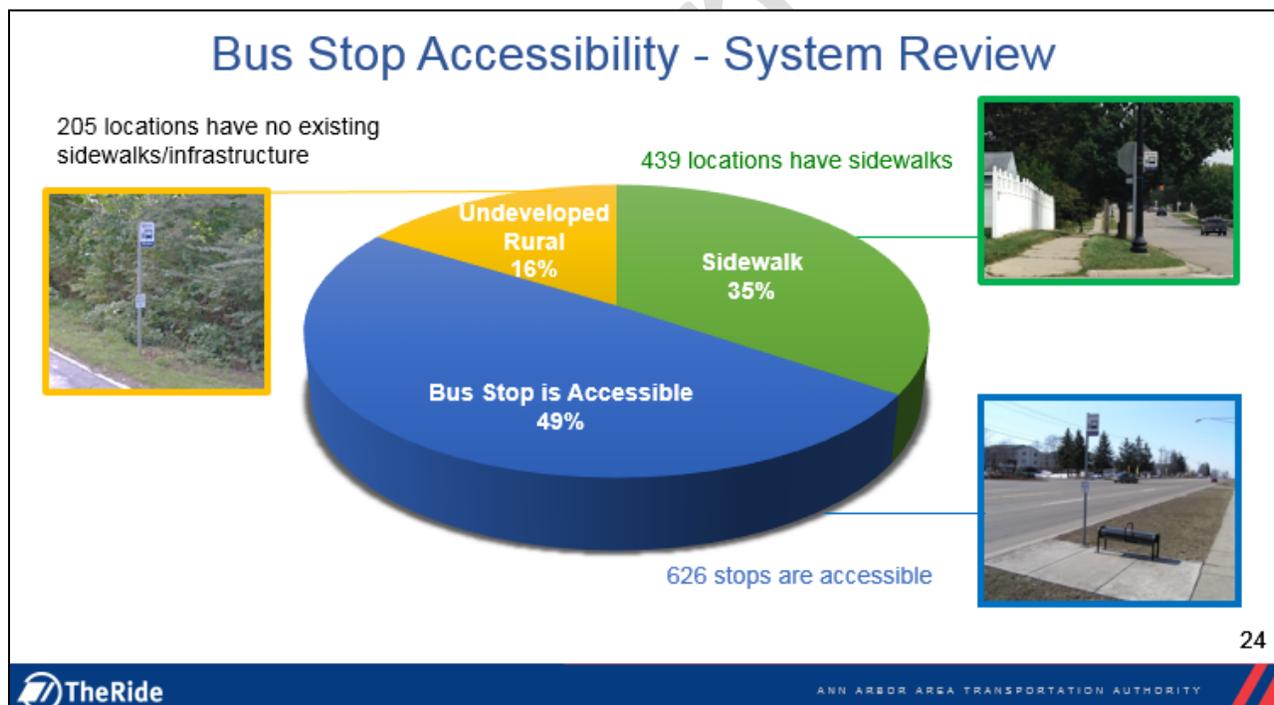
*(Note: This policy may overlap with 2.1.2)*

**Evidence:**

1. **Federal Regulatory Compliance:** Minimum legal standards for this policy are established in federal legislation, specifically the Americans with Disabilities Act (ADA) and Title VI. Together these pieces of legislation cover aspects of disparate treatment based on physical and cognitive mobility limitations, age, and language. The Federal Transit Administration conducted a Triennial Review in 2018 and found no issues of non-compliance with relevant laws in these areas. The 2018 FTA Report is available upon request. The AAATA's most recent Title VI submission was in 2017 and is still being reviewed by the Federal Transit Administration. The full Title VI submission is available upon request.
2. **Paratransit Service** – The ARide service complies with the ADA's requirement for a paratransit service that complements the fixed-route service. The recent FTA Triennial Review found no compliance issues with our paratransit service, suggesting it is meeting minimum federal requirements. In addition, a recent study of ARide is being concluded. It found that ARide

generally exceeds minimum ADA requirements. The FTA report is available upon request. The Paratransit study is forthcoming in early 2019.

3. **Fleet:** The AAATA bus fleet is highly accessible for anyone with physical mobility limitations. All of the AAATA’s buses are wheelchair accessible and most are low-floor. All have wheelchair ramps that are deployed upon request for any reason. All AAATA buses can lower themselves, or “kneel”, to make boarding and alighting easier, a feature that is activated at all stops without request. All AAATA fixed-route buses include auditory and visual “next stop” announcements.
4. **Buildings:** Both AAATA passenger terminals, (Blake Transit Center and Ypsilanti Transit Center) are wheelchair accessible and meet local building codes for access, bathroom access, braille signage.
5. **Non-English:** TBD
6. **Bus Stops:** During the monitoring period, the AAATA had about 1,270 total bus stops. Of those, 1,065 are near sidewalks and could be made wheelchair accessible. Of those near sidewalks, 59% (626) were already wheelchair accessible by the end of the monitoring period. Each year more stops are made accessible. Sidewalks are a municipal responsibility.



**Policy 1.1.3**

*People with access to a personal car find public transit to be an attractive alternative.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that fixed-route bus service is seen as competitive in terms of end-to-end travel time and price for trips to:

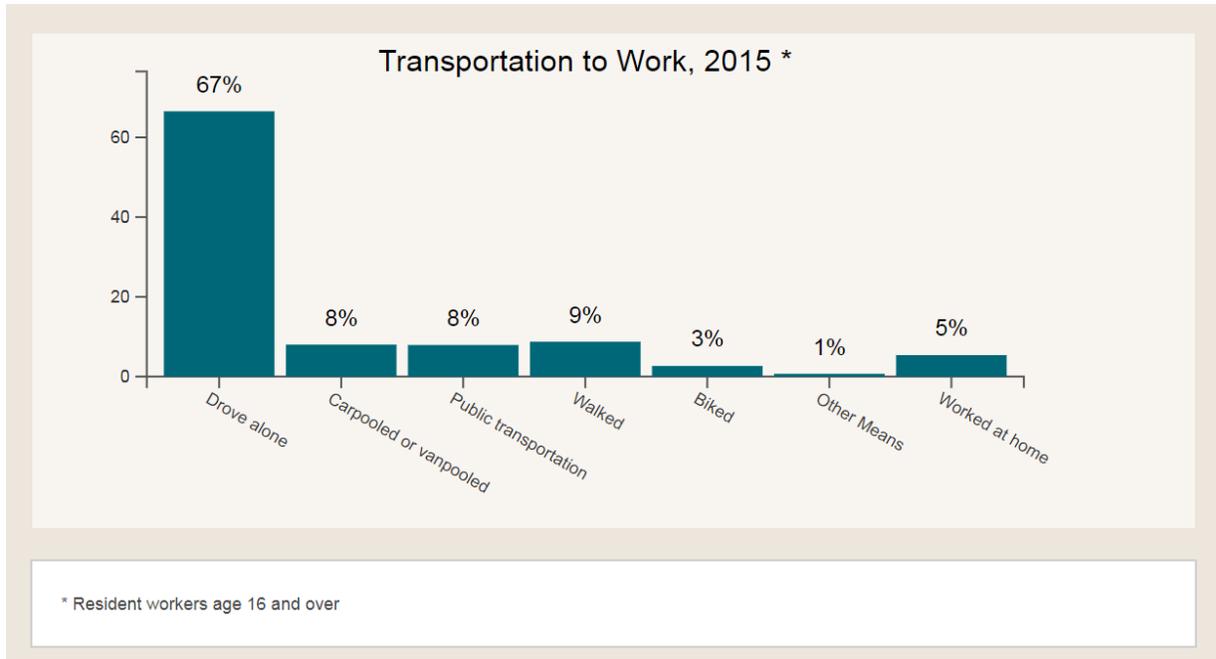
- downtown Ann Arbor,
- UM main campus,
- UM north campus, and
- downtown Ypsilanti.

These are the areas where the demand for travel is highest, auto parking is expensive enough, and bus routes direct and frequent enough for transit services to be competitive in terms of end-to-end travel time.

Our auto-oriented land development has produced widely diffused, low density trip patterns. It is difficult or impossible for mass transit to serve individual trips cost effectively in these environments, and other modes may be more appropriate. For many residents, bus service in these types of trips will take far longer than by car and will not be an attractive alternative in terms of travel time. Areas where fixed-route transit can be an attractive alternative to car use will be areas with limited parking, such as downtown Ann Arbor and UM campus.

**Evidence:**

- 1. Overall Mode Share** - Mode share is a measure of market penetration for transit. Of all the travel (trips) that were made in a day, how many were made on public transit? During



**Policy 1.1.4**

*Passengers are highly satisfied with public transportation services that are safe, reliable, courteous, comfortable, convenient, and fast.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that all AAATA services are to be delivered in a manner that:

- minimizes the potential for harm or injury (safe),
- is consistent with published promises of availability (reliable),
- meets local expectations for politeness of staff (courteous),
- meets or exceeds industry standards for attractiveness (comfort, convenience), and
- not unduly delayed by factors within the control of the AAATA.

**Evidence:**

**Safe:** AAATA services will be considered safe when:

- There are less than 3.5 preventable collisions or passenger injuries per 100,000 miles for fixed route services.
- Riders report *feeling* reasonably safe from physical or mental harm while using AAATA services during regular surveys.

**Reliable:** AAATA services will be considered reliable when AAATA delivers the promised level of performance for each service, within allowable tolerances:

1. Fixed Route buses will depart from timepoints no earlier than 0 minute early or 5 minutes late at least \_\_\_ of the time. Transit industry research (TCQSM 3<sup>rd</sup> ed. p.5.30) indicates that for small and medium-sized cities with transit in mixed traffic that system on-time performance will average between 80-89%.
2. Riders are satisfied with AAATA services reliability during regular surveys.

**Courteous:** AAATA staff are perceived as behaving in polite, respectful, and considerate manner towards riders and others as measured by:

- An average rating of courtesy measures on the fixed route passenger survey of 5+ out of 7.
- Complaints regarding courtesy per 100,000 boardings are \_\_\_ or below.

**Comfortable:** The condition and operation of AAATA infrastructure does not cause disappointment and is kept in an attractive condition.

- [Crowding/Standing metrics in development]
- \_\_\_% of qualifying, possible bus stops have shelters
- Buses and facilities must be reasonably clean and tidy, with
  - over 80% of buses scoring over 80/100 bus condition points.
  - Passenger report satisfaction with cleanliness measures.
    - Cleanliness of bus interiors, terminals, shelters/benches,

**Convenient:** AAATA services are perceived as reasonably convenient by riders and the public.

3. Riders are highly satisfied with TheRide's ease of using AAATA services.
  - Distance to bus stop you use most often
  - Sufficient Service to areas you want to go to
  - Directness of Routes
  - Total Duration of your trip

**Fast:** AAATA services are perceived as competitive with automobiles in terms of travel times.

- Mean transit travel time / Overall Mean travel time
- In-service delays due to mechanical fault, driver error, or passenger issue

Discussion Only

**Policy 1.2**

*The Area's natural environment is enhanced.*

**Compliance:**

**Interpretation and Rationale:**

I interpret compliance with this policy to be demonstrated by compliance with the following sub policies.

**Evidence:**

See sub policies below.

Discussion Only

**Policy 1.2.1**

*The Area's overall transportation system minimizes energy use and pollution.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that the AAATA should be working to reduce the prevalence of automobile trips with only a single occupant (the driver) in favor of *any* alternative transportation option that is more energy efficient and creates less pollution, including reducing demand for travel entirely. This is best measured by overall mode share trends.

Attempting to measure the overall energy use and pollution created by the overall transportation system (the sum total of all trips and all modes) is beyond the AAATA's ability to calculate. We can assume that most modes produce less GHG emissions per passenger trip than single-occupant vehicles. Therefore, increasing the proportion of trips happening by other modes should have the effect of reducing overall energy use and pollution.

**Evidence:**

1. Overall mode share trends

**Policy 1.2.2**

*The Area's carbon footprint is reduced.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that Green House Gas (GHG) emissions are reduced. This can be via:

- **Direct emissions** - Direct emissions from AAATA operations, for example with greater fuel efficiency and cleaner engines. Rather than attempt to measure the total GHG output of AAATA operations, I suggest focusing on the chief source of GHG emissions - fuel consumption – as a proxy measure for our likely GHG emissions. While there are other operational activities that contribute to GHG production, they are smaller and not worth the effort to track.
- **Displaced emissions** - Emissions from trips that previously were on more polluting modes and have switched to less polluting modes. With great effort we could attempt to measure overall displaced GHG emissions. However, a better measure is mode share for various transportation options. We can assume that most modes produce less GHG emissions per passenger trip than single-occupant vehicles

Reducing direct emissions from AAATA operations is important and steps are being made in this direction. However, the cumulative effect of reducing the number of single-occupant vehicles is a much larger impact of carbon reduction, and where we should focus our energy.

**Evidence:**

1. Gallons of Diesel fuel per Passenger Trip (Fixed Route)
2. Overall mode share trends (see above)

**Policy 1.2.2**

*The Area's air is cleaner.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that particulate matter in the atmosphere is reduced. This can be via:

- **Direct emissions** - Direct emissions from AAATA operations, for example with greater fuel efficiency and cleaner engines. Rather than attempt to measure the total particulate output of AAATA operations, I suggest focusing on the chief source of emissions - fuel consumption – as a proxy measure for our likely particulate emissions. While there are other operational activities that contribute to particulate emissions, they are smaller and not worth the effort to track.
- **Displaced emissions** – Emissions from trips that previously were on more polluting modes and have switched to less polluting modes. With great effort we could attempt to measure overall displaced particulate emissions. However, a better measure is mode share for various transportation options. We can assume that most modes produce less emissions per passenger trip than single-occupant vehicles

Reducing direct emissions from AAATA operations is important and steps are being made in this direction. However, the cumulative effect of reducing the number of single-occupant vehicles is a much larger impact of particulate reduction, and where we should focus our energy.

**Evidence:**

1. Gallons of Diesel fuel per Passenger Trip (Fixed Route)
2. Overall mode share trends (see above)

**Policy 1.2.4.**

*The Area's natural resources are conserved.*

**Compliance:**

**Interpretation and Rationale:**

**Evidence:**

Discussion Only

**Policy 1.2.5**

*Land development can become more compact and walkable in part because of transportation options.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that land can be developed at a greater density in part because trips are made by modes of travel that require less space than automobiles.

Fixed-route mass transit requires less physical space than single occupant automobiles for mid-distance trips and can enable higher-density development (commercial and residential) at a more affordable price because less parking is required. Supplemental, short-range transport options (e.g bike share, scooters, walking, etc) can facilitate as much travel, without consuming space for automobiles, parking, etc. These concepts are illustrated in the picture below:

**Evidence:**

1. Population & Employment Density (People/square mile)
2. Mode share
3. Downtown transit ridership

**Policy 1.2.6**

*Agency operations make efficient use of energy, water, materials, and other natural resources; and minimize waste.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that services provided by the AAATA minimize the consumption of physical inputs per each unit of output. This can be measured by (Unit of Consumption)/Unlinked Passenger Trip on the fixed-route bus service. This can be done for various types of energy and water, and then measuring waste in a similar manner. This approach also internalizes a cost/benefit requirement.

**Evidence:**

## Energy

1. Gallons of Diesel Fuel/Passenger Trip (Fixed Route)
2. Electricity Use/Passenger Trip (Fixed Route)
3. Natural Gas Use/Passenger Trip (Fixed Route)
4. Gallons of Water/Passenger Trip (Fixed Route)
5. Cubic yards of waste/Passenger Trip (Fixed Route)
6. Cubic yards of recycling/Passenger Trip (Fixed Route)

**Policy 1.3**

*The Area prospers economically.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that the median household income and Gross Domestic Product of the Area remain stable or increase.

As a transportation agency, the primary way the AAATA can help support the local economy is by facilitating **labor mobility** and reducing transportation barriers (i.e. time and cost) that impede the easy movement of people and their skills within the labor market. For example, when potential workers cannot access a job site due to lack of affordable transportation options, this constrains the employer (who has an unfilled need) and the employee who may not be able to maximize their income. If the AAATA's service can provide a viable transportation option, the employer and the employee both benefit, as does the local economy.

There are many measures of overall economic prosperity, such as GDP, median household income, unemployment, etc. The most authoritative measurements of the local economy come from the University of Michigan's [Research Seminar on Quantitative Economics](#) (RSQE). Their [annual report](#) provides analyzed information on recent and forecasted economic activity in Washtenaw County (equivalent to the Ann Arbor Metropolitan Statistical Area). SPARK provided a [similar report](#).

However, many of these statistics are only available at a county-wide level, obscuring the condition of the AAATA's Area. In addition, the local economy is largely driven by State spending at local universities, auto sales, and even larger macro-economic trends such as trade tariffs. Amid all these variables and incomplete data, it is very difficult to discern the contributions of transportation to economic prosperity. The field of transportation economics continues to develop but has not yet generated methodologies that are easy to use at a scale as small as our Area. For these reasons, I am choosing to interpret this policy narrowly, and to focus on economic factors where the AAATA can hope to make an impact that can be seen. This may risk criticism of missing a bigger picture and this may be true. However, we will continue to refine our interpretations and evidence to provide the best gauge of achieving this End as we can.

Further I believe that this policy is more fully interpreted and evidenced in the sub policies below.

**Evidence:**

1. Median Household Income in the Area
2. Gross Domestic Product in the Area

**Policy 1.3.1**

*Workers and students can access employment opportunities without need of a personal vehicle.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that Area residents should have reasonable access to XX% or more of the Area's employment opportunities via bus and paratransit, and by other modes as appropriate.

[Greater review of available transportation data may provide more ideas for measuring job access directly.]

**Evidence:**

1. % of Area *jobs* within the Area that are within walking distance (0.25 miles) to a bus stop.
2. % of jobs within the Area accessible via paratransit.
3. % of *no-car households* that are within walking distance to a bus stop.
4. Travel to work mode share (a sub set of overall mode share specific to work trips)

**Policy 1.3.2**

*Employers have access to a diverse labor pool.*

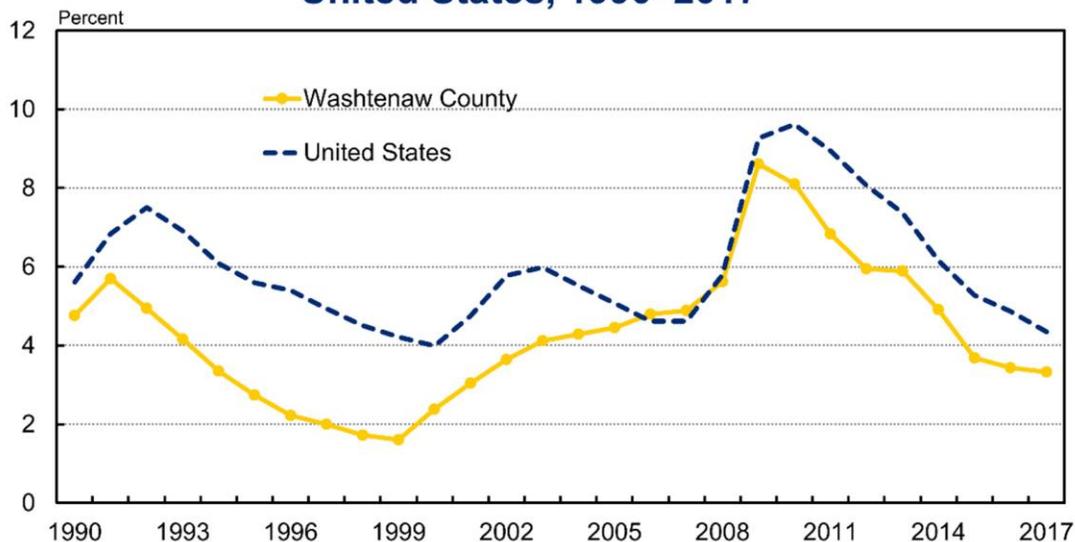
**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean transportation barriers should not unreasonably impede local employers *within* the Area from accessing the local labor force, even if those workers are arriving from outside the Area. ....

This policy is the flip side of ensuring Area residents can get to jobs – reducing barriers to accessing the labor force for employers. This policy is intended to help ensure the local economy can continue to deliver prosperity to residents and Owners.

The existing labor pool is determined by the size of the population, characteristics of the population (e.g. education levels, etc), and the overall unemployment rate. There is no universal definition of the phrase “labor shortage”. However, as can be seen below, the local unemployment rate is at a near-historic low of about under 4%. According to the RSQE, the the national unemployment rate has been dropping since about 2009, and the local economy is paralleling this trend. [Anecdotal evidence](#) during the monitoring period suggests a tight labor market is already affecting hospitality businesses in downtown Ann Arbor.

**Figure 2**  
**Unemployment Rates for Washtenaw County and for the United States, 1990–2017**



Within this context, lack of reasonable access to employment locations, for example due to high parking costs or excessive travel times, can further reduce the size of the labor pool realistically available to employers. This also harms the employee since desirable jobs are less accessible and they may not be able to maximize their income.

The AAATA can help to reduce the costs of physically accessing employment locations by providing cost-effective, subsidized mass transportation between large and diverse (i.e. different income levels)

residential areas and major employment locations. This provides a less costly alternative to owning or using a personal automobile to commute to work. While we can work to improve labor mobility in general, we also recognize that some geographic locations will always be easier to get to than others (e.g. downtown vs a peripheral area) and we cannot provide the same level of type of services or access to every employer.

I further interpret this policy to mean that the geographic scope of the AAATA's activities *can* extend beyond the municipal borders of member jurisdictions, if those activities help to deliver employees to local work sites. For example, the AAATA's vanpool programs is used by commuters coming to Ann Arbor from Jackson, Michigan and Toledo, Ohio. However, this must be done within reason considering financial and political limitations.

**Evidence:**

1. **Access to Area Labor Pool** - % of workforce within 30 minute bus trip to:
  - a. downtown Ann Arbor,
  - b. downtown Ypsilanti,
  - c. UM central and main campuses,
  - d. EMU campus
  - e. % of all employment locations within waling distance to bus stops, and accessible via paratransit
2. **Access to Broader Labor Force** –
  - a. Weekday Boardings at peripheral park n ride lots
  - b. Scale and use of vanpool and carpool programs
  - c. Overall travel to work mode share trends

**Policy 1.3.3**

*Visitors have access to the Area.*

**Compliance:** In compliance

**Interpretation and Rationale:**

I interpret this policy to mean that occasional travelers (not regular commuters) arriving in Ann Arbor and Ypsilanti via public, scheduled passenger transportation services (e.g. Greyhound, Amtrak, Megabus, etc) have a reasonably easy connection to AAATA services.

I further interpret this policy to mean that there should be a public transit connection between the area Metro Detroit Airport.

**Evidence:**

1. **Access to Intercity Service:** 100% of local intercity bus and train stations served by local bus and paratransit. All these intercity stops are within walking distance to an AAATA bus stop:
  - a. There is one Greyhound stop and one Amtrak stop in the service area (Ann Arbor). Both are located on Fuller Road and are immediately adjacent to AAATA Route 21 and paratransit services.
  - b. Mega Bus stops in the parking lot of the Briarwood Mall in Ann Arbor. The AAATA serves the Mall with routes 6A, B and C; route 24, and route 62. Paratransit service is available.
  - c. Intercity buses services for Ypsilanti (Greyhound, Barons, Trailways, etc) stop at the Shell gas stop on Huron Street south of I-94. AAATA route46 serves nearby stops.
  - d. There are no scheduled intercity or airport services available in the area.
  - e. There were no other known scheduled passenger transportation services
2. **Temporary Paratransit Eligibility:** The AAATA paratransit service allow temporary eligibility and use of paratransit for out of town visitors.
3. **Access to Metro Detroit Airport:** The AAATA's AirRide service provides hourly service between downtown Ann Arbor and Metro Detroit Airport. Annual Riders is growing and there were an average of 225/daily rides during the monitoring period.

**Policy 1.3.4**

*The Area's economy grows despite limited parking and auto congestion.*

**Compliance:****Interpretation and Rationale:**

I interpret this policy to mean that the Area's median household income and GDP both increase regardless of increasing levels of Vehicle Miles Traveled (VMT) and limited parking at key locations.

Economic and residential development in the Area is growing faster than roadway infrastructure (little expansion), and parking growth is constrained in certain areas (downtown, campuses). The result is greater traffic congestion and higher prices for parking. Mass transit requires less physical space than single occupant automobiles and can enable higher density development (commercial and residential) at a more affordable price. For example, about a thousand people a day use AAATA bus service to travel to downtown Ann Arbor. This is roughly equivalent to the number of parking stalls in the nearby 4<sup>th</sup> Avenue parking garage.

VMT is a readily available figure that may be a good proxy for traffic congestion. Because the number of lane miles (traffic lanes) in the Area is not increasing as fast as population or job growth, an increase in VMT should suggest an increase in traffic congestion.

Mass transit's economic impacts are likely to be higher in built-up areas that have more expensive parking. These areas also have a disproportionate influence on the health of the local economy. In this case it makes sense to try to measure impacts in certain built-up areas as well as in the overall Area.

**Evidence:**

1. Income and GDP growth compared with VMT (or delay hours) (TBD)
2. Income and GDP growth compared with number of parking stalls at:
  - a. Downtown Ann Arbor
  - b. UM campuses
  - c. EMU campus
3. # of GetDowntown users per downtown Ann Arbor parking stall

**Policy 1.3.5**

*The Area is connected to the Metro Detroit region.*

**Compliance:** Not in compliance.

**Interpretation and Rationale:**

I interpret this policy to mean that the Ann Arbor/Ypsilanti area should be connected to downtown Detroit via a scheduled, fixed-route mass transit service with adequate frequency to be a viable daily commuting option.

**Evidence:**

There is presently no service that meets the definition outlined above. An unknown number of people commuter between Ann Arbor and Detroit via Amtrak, however, these figures are expected to be very low due to inconvenient schedule and high fares.

Aside from continuing to support the Regional Transit Authority, it is unclear what the AAATA can do to increase compliance with this policy. There is no timeline for anticipated compliance.

Should the RTA be successful at a vote in November 2020, a bus service that meets the above definition could be in place by August 2021. Commuter rail service envisioned in the RTA plan would be several years later.

**Policy 1.3.6**

*Local leaders are aware of the contribution public transportation makes to the community.*

**Compliance:** Unknown

**Interpretation and Rationale:**

I interpret this policy to mean that elected officials and senior administrative officials in Ann Arbor, Ypsilanti and Ypsilanti Township generally believe that public transit is an economic benefit to their communities.

**Evidence:**

1. Local Leaders Perspective Survey: TBD A survey of local leaders will be conducted before the next monitoring report.

*(CEO Note: Does this overlap with the Board's Ownership Linkage plans or Executive Limitations policy 2.10?)*

**Policy 1.3.7**

*The Authority will remain economically viable in the long term.*

**Compliance:** In compliance.

**Interpretation and Rationale:**

I interpret this policy to mean that foreseeable expenses will not outstrip reasonable forecasts of revenue, and that the agency will use its limited resources efficiently.

The greatest risks to the long-term financial viability of public transit agencies typically relate to over-committing (promising more than can be delivered), over-extending resources, and underfunding maintenance of existing assets in order to fund new initiatives. I believe that these matters are addressed via the detailed policies in policy 2.4 Financial Planning/Budgeting, and 2.8 Asset Protection.

**Evidence:**

1. See Monitoring Reports for Executive Limitations on policies 2.4 and 2.8.

## TheRide Monitoring Report

# 2.7 Ends Focus of Grants or Contracts

Period: October 1, 2017 – September 30, 2018

Date of Report: December 6, 2018  
Finance Committee Review: December 11, 2018  
Date of Revision: December 12, 2018  
*(after input from Finance Committee)*  
Board Review: December 20, 2018

TheRide Board;

In accordance with the Board's Policy Manual; I present the Monitoring report on **Executive Limitation Policy 2.7: Ends Focus of Grants or Contracts**. I attest that the AAATA is in compliance with this Executive Limitations policy.

I certify that the information is true and complete.

Matt Carpenter,  
CEO  
Ann Arbor Area Transportation Authority

Policy being monitored:

## 2.7 ENDS FOCUS OF GRANTS OR CONTRACTS

The CEO may not enter into any grant or contract arrangements that fail to directly support the Ends and Executive Limitations policies enumerated herein.

### **Compliance:**

In compliance

### **Current Interpretations & Rationale:**

In interpret this policy to mean that all AAATA financial *expenditures* made by new contracts must advance the achievement of the Board's Ends policies and/or enhance compliance with Executive Limitations policies. Any contracts should fit into one of these categories:

- **Ends:** access to destinations, increase in use of services, contribution to social, environmental, and economic vitality, demonstration of value, efficient stewardship of resources
- **Executive Limitations:** commonly accepted business practices, compliance with legal mandates, proper treatment of the traveling public, proper treatment of staff, compensation and benefits, financial planning/budgeting, financial condition and activities, cash and investments, asset protection, external relationships, and board support and communication.

I am excluding "grants" from my interpretation of this policy for the following reasons. The AAATA does not award "grants" to expend funds, only "contracts." Furthermore, I interpret this policy to apply only to *expenditures*. The AAATA receives some routine formula funding from the State of Michigan or the US government called "grants", but these are considered revenue, not expenditures. I believe that Board expectations covering how those funds are expended are already addressed under policies 2.4 and 2.5. It may be that this boilerplate policy is redundant at the AAATA. John Carver (Reinventing Your Board, p. 83, 99) considers this policy to be "*an atypical policy, one that applies only to grant-making or subcontracting organizations.*"

Finally, I am excluding pass through funding to subrecipients from my interpretation. Federal funding is funneled through the AAATA to smaller community-based organizations, called subrecipients, in a manner that could look like a grant or contract. However, the AAATA has no choice in these matters and is required by federal law to funnel these funds in the manner directed. Therefore, we have no means to ensure they comply with any Board policies, so they are excluded from this policy.

**Evidence:**

Below is a list of all expenditure contracts entered during the monitoring period. Previously executed contracts are not included. Staff have identified the Board policies we believe these contracts support or advance. We attest that this list is complete, and no contracts have been omitted.

## Contracts in the Monitoring Period

<b>Contracts (Expenditures)</b>	<b>Category</b>
Support Vehicle Replacement <i>Replaced shop trucks past their useful life.</i>	Asset Protection
Bus Engines and Installation <i>Replaced bus engines, mid-life rehabilitation.</i>	Asset Protection
Hybrid Battery Refresh Kits <i>Replaced hybrid batteries on buses, mid-life rehabilitation.</i>	Asset Protection
Computer Room Uninterruptable Power Supply <i>Replaced/modernized battery backup system in computer room.</i>	Asset Protection, Treatment of the Traveling Public
Diesel Particulate Filter Cleaning System <i>Purchased equipment to clean exhaust filters for bus fleet.</i>	Asset Protection
Auto Body Paint & Supplies <i>Supplies used in body shop for repairs to vehicles.</i>	Asset Protection
Small Printing Projects (Admin printing) <i>Contract rate for small printing jobs used by administration.</i>	Asset Protection
Natural Gas Supply <i>Contract rate for natural gas for facilities heating.</i>	Asset Protection
Computer Hardware Replacement <i>Contract rate for replacement of old computers and laptops.</i>	Asset Protection
Paratransit Study <i>Consultant for comprehensive review of ADAs paratransit services.</i>	Financial Conditions and Activities
Fare Study <i>Consultant for comprehensive review of fare policy, structure, and technology.</i>	Financial Conditions and Activities
Board Governance Consultant <i>Consultant to aid Board in Policy Governance implementation.</i>	Communication and Support to the Board
Bus Advertising Services <i>Contractor to coordinate transit advertising program (advertisements on fleet).</i>	Financial Conditions and Activities
getDowntown Website <i>Contractor for web development.</i>	Treatment of the Traveling Public
Ride Guide Printing Services <i>Contract rate for printing of the RideGuide schedules.</i>	Treatment of the Traveling Public
Bike Share Management <i>Contract operator to relaunch ArborBike program.</i>	Financial Conditions and Activities Asset Protection
General Corporate Legal Services <i>Contract attorneys for general legal services.</i>	Asset Protection, Communication and Support to the Board
Labor and Employment Legal Services <i>Contract attorneys for employment-related legal services.</i>	Treatment of Staff, Asset Protection

Front Desk Barrier Renovation Project <i>Installation of security barrier at the front desk at 2700.</i>	Treatment of Staff, Asset Protection
Ergonomics Assessment <i>Contractor to perform ergonomic assessment of employee workspaces.</i>	Treatment of Staff, Asset Protection
Application of Permanent Non-Slip Pavement Coatings on Garage Floor <i>Contractor to repaint garage floor with non-slip coatings.</i>	Treatment of Staff, Asset Protection
Transit Employee Uniforms <i>Uniforms for Motor Coach Operators, fleet, and facilities personnel</i>	Treatment of Staff, Asset Protection

**(To be filled in based on Board action after submission)**

**Policy: 2.7 Ends Focus of Grants or Contracts**

**Date Submitted:** December 12, 2018

**Date of Board Response:** December 20, 2018

The Board has received and reviewed the CEO's Monitoring Report references above. Following the Board's review and discussion with the CEO, the Board makes the following conclusions:

Executive Limitations Report (select one)

The Board finds that the CEO:

- A. Is in compliance
- B. Is in compliance, except for item(s) noted.
- C. Is making reasonable progress toward compliance.
- D. Is *not* in compliance or is *not* making reasonable progress toward compliance
- E. Cannot be determined.

Board notes:



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## CEO's Report

Meeting Date: December, 2018

Agenda Item #

### Operational and Project Updates:

- **Auditors** – The auditors (Plante Moran) have been busy conducting annual review at the AAATA this month. Their report to the Board is scheduled for February.
- **New Staff** – This month we welcomed two new senior staff to our team – Tim Sanderson (Deputy CEO, Planning) and Candance Moore (Manager, Fleet Services).
- **BRT Public Involvement** – This month we have been conducting public involvement and seeking feedback on conceptual BRT designs. An initial meeting on 12/12/18 was well attended.
- **New Procurement Manual** – The AAATA's revised procurement manual has been released and staff have received initial training.