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

DATE: Thursday, May 16, 2019

TIME: 6:30pm – 9:00pm

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

MEETING CHAIR: Kyra Sims

**AGENDA**

	Info Type*	Detail
<b>1) Opening Items</b>		
1. Approve Agenda	D	
2. Public Comment	O	
3. General Announcements: Ryan Hunter Introduction	O	
<b>2) Consent Agenda: Minutes</b>		
<b>3) Board Education: New Mobility: Scott Shogan, WSP</b>	O	
<b>4) Policy Monitoring and Development</b>		
1. Board's Annual Plan of Work Items	O	
2. Committee Reports		
1. Governance Committee	O	Sims
a. Retreat Planning	D	
2. Finance Committee	O	Miller
3. Service Committee	O	Hewitt
3. Monitoring Reports: 3.1, 3.6, 3.7	M	
4. Other Board Reports & Ownership Linkage		
1. LAC & Ownership Task Force	O	Mozak-Betts, Miller
<b>5) Strategy and Operational Updates: CEO</b>		
1. Fare Study Part II	D	Metzinger
2. Paratransit Study Part I	O	Smith
3. Q2 Service Report	O	Smith
4. Q2 Finance Report (Deferred)	O	Carpenter
5. CEO Report	O	Carpenter
<b>6) Emergent Business</b>		
<b>7) Closed Session</b> Closed Session under the Michigan Open Meetings Act, MCLA 15.268, (d) re: Real Estate		
<b>8) Closing Items</b>		
1. Topics for Next Meeting: Paratransit II, Retreat Debrief, Business Plan		Thursday, June 20,2019
2. Public Comment		
3. Board Assessment of Meeting		
4. 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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Board Minutes – April 18, 2019

Recommended Action(s): Approve

Information Type: Decision

**Meeting Information:** Ann Arbor District Library, April 18, 2019. 6:38 p.m.- 9:56 p.m.

**Board Members in Attendance:** Eric Mahler, Kyra Sims, Prashanth Gururaja, Mike Allemang, Roger Hewitt, Jesse Miller, Kathleen Mozak-Betts, Larry Krieg

**Staff in Attendance:** Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson, William DeGroot, Julia Roberts, Geri Barnstable

Chairman Mahler noted that a quorum was present and called the meeting to order at 6:28 p.m.

#### 1) Opening Items

##### 1. Approve Agenda

Chairman Mahler requested the agenda be moved into the record. Mr. Hewitt made a motion to do so. Ms. Sims seconded the motion. A unanimous vote approved the agenda.

##### 2. Public Comment

Ms. Michelle Barney noted that the old times for the YTC are in the new schedule, so it doesn't reflect the change to extended Sunday night service. She also noted that for the past 10 days there have been many mistakes with reservations and same day calls. She described late pick ups and drivers going to the wrong location.

##### 3. General Announcements.

None.

Farewells.

Chairman Mahler noted that the Board is losing 2 of its most valued members. Mr. Krieg, who served on the Service Committee, also represented WATS, was an advocate for many things and they are grateful for him. Mr. Gururaja was a very strong advocate for the citizens. He also served on the Ann Arbor Transportation Commission, the Citizens' Advisory for the RTA and was on the Finance Committee.

Mr. Krieg spoke about leaving 3 challenges for the Board: continue Policy Governance, avoid business as usual and know who you govern. He elaborated on each one and thanked the Supervisors and the Board of Trustees of Ypsilanti Township, as well as Mr. Carpenter and his staff for providing a great transportation system; he also thanked the Board of Directors.

Mr. Gururaja thanked everyone for the honor of serving and noted how much he has learned with Chairman Mahler, Mr. Krieg and the Mayor encouraging him though he was without civic experience. He encouraged others to do the same because it does matter. He cited the most important things the Board did while he was on it were Policy Governance and the Millage. He believes that climate change will become important and Policy Governance will allow the AAATA to help make transit better in people's lives.

## 2) Consent Agenda

### 1. Minutes (February and March)

Ms. Mozak-Betts noted her feeling that the minutes were too general, and more content was needed such as the March minutes not mentioning the false active shooter on that day. Mr. Krieg agreed.

#### OPEB Filing

Mr. Metzinger presented this as a resolution. The Consent Agenda Item with changes was voted by consensus into the record.

## 3) Policy Monitoring and Development

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

Chairman Mahler stated that the CEO Evaluation will be done by later this month.

### 2. Committee Reports

#### 1. Governance Committee

##### a. 3.1 Governing Style

##### b. Retreat Planning

Chairman Mahler announced that going forward the format will be taken from Ms. Mercier's report. He noted that comments from the Board will be helpful and encouraged turning in the questionnaire they will have for each meeting going forward, according to the Annual Plan of Work. Chairman Mahler reported that Ms. Mercier is working on an agenda for the full day retreat. He announced that the retreat will be held at the Hilton Garden Inn and they will take feedback tonight and, in the future, to create the agenda.

#### 2. Coaching Advisory Report

Chairman Mahler asked if the report was helpful. Ms. Sims noted that it was helpful to focus on Policy Governance, but processes are needed for implementing the suggestions. There was more discussion about items from Ms. Mercier and more formal processes.

#### 2. Finance Committee

Mr. Allemang reported that the Monitoring Report on Cash + Investments was discussed, in particular that it is now looked at once a year but starting next month, it will be looked at quarterly. He noted that there was also an Ownership Linkage Report which will be presented later in this agenda. The Fare Study was discussed, and OPEB passed without discussion. Mr. Metzinger noted that OPEB is just a re-classification that doesn't affect reserves.

### 3. Monitoring Reports

#### 1. 2.11 Communication + Support

Mr. Carpenter noted that all the Board Members have a survey about this to advise him on how satisfied they are with what they are getting from him. He noted that policies were made by the Board stating how and when to have communications with the staff.

He reported that there is no ongoing construction but proposals for bus replacements are expected June 7 and that he should have mentioned the process to the Board therefore he was non-compliant. Mr. Carpenter stated that he was partially compliant with CEO Expenses, but July was missing. He felt that he was overall compliant with Policy 2.11. Mr. Carpenter asked that this be accepted as "B". Mr. Hewitt made a motion to vote, seconded by Mr. Krieg. It was passed unanimously.

2. 2.6 Cash + Investments

Mr. Metzinger presented the report and details of the Policy were discussed, in particular fuel futures and that assets were held in a liquid fashion. He did not believe that futures were compliant, so he will cancel the contract when it expires May 1 and transfer to investments for full compliance. There was discussion of the compliance, including fuel futures. Mr. Allemang reported that the Finance Committee all agreed that Policy 2.6 was in compliance except for fuel futures. Mr. Allemang motioned for a vote, Mr. Hewitt seconded, and it passed unanimously.

4. Other Board Reports & Ownership Linkage

1. LAC, WATS, A2 Transportation Commission

LAC

Ms. Weber reported that all attended the LAC Meeting and they were excited about Qstraint. She noted that many experienced problems scheduling rides, but that Paratransit was on time 90% of the time.

WATS

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

A2 Transportation Commission

Ms. Sims reported that Chris Simmons, of AAATA, presented a survey on GoPass/Get Downtown with details provided. She noted there was an update on scooters, there was a discussion about cross walks and as part of the Ann Arbor Budget, the Transportation Commission passed a resolution on the transportation portion of it. There was also an update on transportation projects in the city.

Task Forces

Ownership Linkage

Mr. Allemang reported that a week ago they met with the first legal owners, Mayor Taylor and Howard Lazarus of Ann Arbor. He noted that the goal was just to touch base, that it was a good meeting and that it was good to have Board Members attend. He also announced that they would be meeting with the new mayor of the City of Ypsilanti in May and hoped to meet with Ypsilanti Township in June.

4) Strategy and Operational Updates: CEO

1. Fare Study Introduction

Mr. Metzinger announced that he would be introducing the results of a research project completed in 2018. He stated that because it is very complicated, it will be presented in 2 pieces with the second part following next month. He reviewed the goals of the study and noted that the fare structure is very complicated because it has been created by piece meal decisions through the years with no particular

strategy. Mr. Metzinger announced that tonight he would present Memos 1,2 and 4. He then addressed where AAATA funding came from as well as gave examples of different methods used to collect fares. Mr. Metzinger noted that we were compared with peers and were very close to the average but that fares are entirely a local decision. Additional details of the study were presented, in particular the lack of consistency, that the Board Policy Manual says something about fares and the Board is who adjusts them. He announced that next month he would present more detail for a fare discussion. A discussion about fares and the study followed.

## 2. Innovation Updates

Mr. Sanderson reported what is being done, what is driving it and a vision of the final product. He stated that the goal is to leverage different technologies to meet the technological needs of the community. He summarized current projects, including the New Mobility Toolkit which is about autonomous vehicles that won't happen for many years. Other projects reviewed were about Flex Ride, Transit Signal Priorities, the Enhanced Transit Corridor, Mobil Ticketing, the Quantum Project and Humanizing Autonomy. He provided details on each project.

## CEO Report

Mr. Carpenter announced that there was not one.

## 5) Emergent Business

None.

## 6) Closed Session

Mr. Miller moved for a Closed Session seconded by Mr. Hewitt. There was a voice vote which was unanimous at 9:10 pm

## 7) Closing Items

1. Topics for Next Meeting: Board Assessment will come out, Paratransit, Q2 Reports, Retreats

2. Public Comment

1. None

3. Board Assessment of Meeting

4. Adjournment

1. Mr. Hewitt moved to adjourn seconded by Mr. Krieg. The motion carried, and the meeting was adjourned.

Submitted Respectfully,  
Geri Barnstable

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## Issue Brief: Board Education – Emerging Transportation Technologies

Meeting: Board

Date: May 16, 2019

Agenda Item # 3

### Recommended Committee Action(s):

- Receive for Information. Discuss policy implications.

### Prior Relevant Board Actions and Policies:

- Board Education is a part of policy 3.4: Agenda Planning.

### Issue Summary:

Scott Shogan will make a presentation and lead a discussion about the connected and automated vehicle market.

### Background:

Within the Policy Governance model, the main products of a board are its policies. A board organizes its priorities into an annual agenda. The result of this agenda planning is called an “Annual Plan of Work”. See policies 3.4 Agenda Planning on page 17 of the AAATA Policy Manual for more information.

Part of a board’s annual agenda includes identifying subjects about which it wishes to become better informed. These informational items are labeled “Board Education.” In general, Board Education is intended to help improve board performance and enrich input and deliberation [policy 3.4(b)]. Education topics spur dialogue about the future and can give board members insight into how to improve written policies, with a focus on Ends policies.

John Carver has made the following observations about the purpose of Board Education.

*“You may spend more than half your time learning – not about staff jobs but about issues that will enable you to make informed, visionary, creative decisions largely about Ends. This learning will come from various sources that you will select. Some will be from ownership ... Some of the learning will come from invited experts or other outsiders who have special knowledge or experience... Some of the learning will come from your CEO and staff.”*

- Reinventing your Board, John Carver (2006). Page 228.

When considering the policy implications of education material, the Board can refer to the process in policy 3.1.3.1 to help determine whether an issue is likely an Ends or a Means, and if they Board wishes to change its policies based on any new information.

File Pathway?

**Impacts of Recommended Action(s):**

- **Budgetary/Fiscal: NA**
- **Social: NA**
- **Environmental: NA**
- **Governance:** Board Education is a part of policy 3.4 Agenda Planning.

**Attachments:** Biography of Scott Shogan.

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Author: MC

Approved by: MC

# Scott Shogan



Scott Shogan is Vice President and leader for WSP's Michigan market. His expertise is in the connected and automated vehicle market, with a focus on emerging transportation technologies, future mobility solutions, and impacts to transportation agencies and urban infrastructure. He has two decades of traffic engineering and ITS experience across the U.S.

Mr. Shogan's expertise also includes traffic operations analysis, microsimulation, traffic engineering, transportation planning and the planning and design of technology applications for improving traffic operations and safety. He is currently serving as the infrastructure team leader for the Ann Arbor Connected Vehicle Test Environment (AACVTE), and previously led efforts for connected vehicle infrastructure deployment for the Safety Pilot Model Deployment and the 2014 ITS World Congress demonstrations. He has supported the Michigan Department of Transportation's (MDOT) connected vehicle program since 2006, including his current role as project manager for MDOT's Smart Corridor deployment Phase 1.

Mr. Shogan holds a bachelor's degree in civil engineering from the University of Michigan, is a registered professional engineer in five states, and is a certified professional traffic operation engineer.

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**Issue Brief: Board's Annual Plan of Work****Meeting:** Board of Directors**Meeting Date:** 5/16/2019**Information Type:** Other**Issue Summary:**

As approved by the Board, the Board's Annual Plan of Work, Item # 4.1, and Monitoring Calendar is attached to this Issue Brief for reference.

**Attachment 1:**

Annual Plan of Work Calendar

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**Author:** GB**Reviewed by:** MC**Approved by:** MC**Date:** January 18, 2019



## Meeting Summary

Ann Arbor Area Transportation Authority Board of Directors

Governance Committee

Thursday, April 25, 2019

Present: Eric Mahler (Chair), Mike Allemang, Roger Hewitt, Kyra Sims

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson, Rosa-Maria Njuki, Geri Barnstable

The meeting was called to order at 9:06 a.m. by Chairman Mahler.

## 1) Opening Items

## a. Additions to Agenda

Mr. Hewitt would like to add Policy Governance to 2.a. Governing Style.

Mr. Metzinger has 2 forms for Chairman Mahler and Ms. Sims to sign.

## b. Communications

Chairman Mahler announced that he would be out of the country next month, so Ms. Sims will be covering the Board of Directors Meeting and she is here today.

## 2) Policy Monitoring and Development

## a. Monitoring Report: 3.1 Gov Style

Chairman Mahler noted that he got few answers from the Board, but he did fill out his. He will remind the other Board Members. Ms. Njuki will put all the responses into a spreadsheet for the next Board Meeting. Monitoring Reports 3.1, 3.6 and 3.7 will be discussed then.

## b. Other Governance Issues (as assigned)

## 1. Retreat Planning

Chairman Mahler envisions the Retreat starting at 8:30 or 9:00 a.m. with cookies and bottled water later in the day. He had a call with Ms. Mercier about the agenda. He expects to take the morning to address the Ends Revision Statement. He also got a commitment from Ms. Mercier to have an agenda at the end of the month.

Mr. Hunter's term will begin May 1. Mr. Gururaja's seat remains vacant.

## Agenda Item # 4.2.1

## 2. Recruitment

Chairman Mahler summarized the present status of Mr. Hunter and Mr. Hess joining the Board, and that they are reviewing candidates for Mr. Gururaja's spot. They will send 2-3 candidates to the Mayor.

## 3. Treasurer

The Committee looked at other organizations' use of the role, the various options for it and agreed that the Board should decide if they still want to have one. There was more discussion of this.

## 4. Meeting Assessment (4/18)

Chairman Mahler reported that there were 5 respondents which was expected because 3 members are leaving. The replies indicated an overall positive opinion of the process. Mr. Carpenter asked if they would like Staff to forward the survey separate from the Board Packet next time. There was a vote and all voted "yes".

## 5. Advisory Follow Ups

Mr. Carpenter talked about the Advisory Coaching Report. He also had moved the Monitoring Report from the CEO Report to the Board Report. He could ask Ms. Mercier to review our Policy Manual with track changes for the Board to consider. Task Forces were also discussed.

## 6. CEO: Expenses + Contract

Mr. Carpenter noted that his expenses were in the packet along with his contract. He reported that on his Chicago trip, he achieved his goal of introducing his colleagues to Board Governance which is very new to the industry. There was a discussion about Policy Governance being proactive vs. reactive and the impact reports are having on the staff's time. Mr. Carpenter noted that they are in the early phase of Policy Governance.

## 7. Committee Agendas

Mr. Carpenter noted that the Board Agenda will include an introduction to Ryan Hunter, there will be feedback on Monitoring Reports 3.6 Committee Principles and 3.7 Committee Structure, as was discussed last month. He has asked staff to attend WATS and the A2 Transportation Commission. He noted that there needs to be a vote for WATS but that isn't required for the Commission. Mr. Allemang announced that he will not be at the May Board Meeting, so Ms. Sims will do both the Finance and Governance Committee Reports.

There will be a Board Education presentation at the May Board Meeting by Scott Shogan about Emergent Technology.

## Agenda Item # 4.2.1

- 3) Strategy and Operational Updates: CEO
  - a. Fare Structure and Paratransit Notes  
Chairman Mahler noted that the Board must understand the Fare Study and Paratransit, so they need time at the Board Meeting.
  
- 4) Closing Items
  - a. Topics for Next Meeting:
  - b. Adjournment at 10:55 a.m.

Respectfully submitted,  
Geri Barnstable

## Issue Brief: Draft Retreat Agenda

**Meeting:** Board,

Meeting Date: May 16, 2019

**Information Type:** Other

**Recommended Action(s):** Receive for information and provide feedback to Governance Committee.

### Issue Summary:

Following a ½ day pre-retreat, the Board worked with Rose Mercier to further define an agenda for the annual full day retreat. That final draft agenda is attach and the Governance Committee would like to hear any final feedback.

### Background:

The Board's annual retreat will be held on June 6 at the Hilton Garden Ann Arbor, 1401 Briarwood Circle, Ann Arbor 48108. The day will start at 9am.

### Impacts of Recommended Action(s):

- **Budgetary/Fiscal:** NA
- **Social:** NA
- **Environmental:** NA
- **Governance:** The retreat is a useful part of the Board's agenda planning for the year.

**Attachments:** Memo from Rose Mercier including final draft agenda.



May 13, 2019

TO: AAATA Board of Directors

CC: AAATA CEO and Deputy CEOs

FROM: Rose Mercier, Senior Consultant

I look forward to working with the AAATA Board as well as meeting the newly appointed Board members. The Board retreat on June 6<sup>th</sup> follows from the planning meeting on March 11<sup>th</sup> in which the Board agreed that the outcome of the retreat should be more precise direction that helps staff focus the Authority's resources.

As the agenda on the following page shows, there are four phases in the day. In the morning, we will briefly overview the basics of Ends policies in order that those new to the Board will have a context for the day's work. Although I am doing a full day orientation with new Board members on Friday, I have included four one-page articles as a mini-orientation to help set the stage for Thursday's retreat.

We begin the work of the retreat by looking at the current Ends policies with a view to making some initial changes to ensure the consistency with the definition for Ends.

The second piece of work in the morning is the development of long-term vision for public transportation in the Area. This will be used as a framework within which to situate the Ends. In order to prepare for this part of the retreat, I am asking you to reflect on and answer the questions contained on the one page handout "Developing a Vision". Approach this preparation in whatever way works for you: write out long form answers, jot one or two word reminders, or simply keep mental notes. Please bring this page with you as we will use to start the work.

In the afternoon, we will undertake a review of the Ends, starting with the edited version from the morning. Within the framework created by the Vision – which will likely be a working draft at this point – you will consider such questions as:

- Do the Ends policies flow from the vision? Is there anything missing?
- Are the Ends appropriate within the chosen time frame you establish for Ends policies?
- Are there any Ends policies that better fit as part of the Vision?
- Can the AAATA realistically impact the achievement of the End? Can the Board realistically hold the CEO accountable for achieving this result?

Completing this third phase will result in greater precision in the direction provided to staff. In the final piece of work, the Board will consider the relative priority of its Ends. This will help staff align the Authority's resources to the relative importance of the Ends.

The final point on the agenda is to identify the implications of revised Ends policies. For example, how does the CEO think this will impact on the current strategic plan? It may also be worthwhile to consider the effect, if any, on monitoring cycle.

## AAATA Board Retreat

June 6, 2019

### Agenda

#### MORNING

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**9:00 am – 10:30 am**

- Welcome
- Introduction, Overview and Agenda
- Review the Basics of Ends Policies
- Review the Current Ends and Possible Changes

**10:30 am – 10:45 am – BREAK**

**10:45 am – 12:00 pm**

- Finish Review of Current Ends Policies
- Developing Vision as a Framework for Ends Policies

**12:00 pm – 1:00 pm – LUNCH**

#### AFTERNOON

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**1:00 pm – 2:00 pm**

- Confirm the Vision
- Consider Timeframe of the Board's Ends

**2:00 pm – 4:00 pm**

- Reconstructing the Ends: Revise, Rewrite, Tweak to Achieve Clarity and Specificity
- Prioritize the Ends
- Identify Implications of Ends Revision and Next Steps
- Summary, Evaluation



## Initial Tips for Developing Ends

- Ends do not describe the organization. They describe **the results that will be produced** because of the organization.
- Ends never refer to results for staff, because the organization does not exist for the staff, but for someone else. This does not mean employees are unimportant! It simply means that their needs are not addressed in Ends. [The only exception is an employee-owned cooperative.]
- Beware of verbs in Ends—if you use them, be sure they are referring to what the beneficiaries of an organization will be doing, *not* to an activity that the organization is doing (e.g., "students will demonstrate mastery of mathematics consistent with their grade level", not "mathematics will be taught.")
- Avoid using words like “goals,” “objectives,” and “strategies” because they can refer to either Ends or means, so do not clearly distinguish between them.
- The largest Ends statement should always include a statement about the overall worth of the Ends, e.g., “at a cost that is justified by results” or “at an efficiency at least equal to that of similar organizations.” The largest Ends policy needs to be big enough to contain any further detail the board may wish to include at lower levels, so must contain something about all three components of Ends – benefits, beneficiaries, and cost or worth. If you haven’t said something about overall worth at the largest level, then there is no “container” for content about priorities, for example.
- For Ends below the largest level, cost may be specified by relative priority, rank, percentage, dollars per capita, complete End A before beginning End B, etc. If the board does not specify any of these, the CEO is allowed to make any reasonable interpretation.
- Don't be concerned about how to measure the End. Concentrate on clearly defining the value that is important to you in terms of results. It's the CEO's job to find a measurable way to demonstrate achievement.
- Be sure the End is defined in sufficient detail that the board is prepared to allow the CEO to make any reasonable interpretation.
- The CEO can interpret the End in any reasonable way, but cannot leave out what the Board has specified at any further level of detail.



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## Questions To Ask When Refining Ends

- ❑ Is the statement a further interpretation of an End that already exists, or is it a new area of results? (If it is a further interpretation, place it as a new lower-level statement under the existing End. If it is a new area of results, place it under the largest Ends statement. If the largest statement is not big enough to contain the new area, revisit the largest statement.)
- ❑ Is the statement free of any verbs describing what our organization will do? (If it includes verbs describing what the organization does, it is not an End.)
- ❑ Does the language used avoid terms such as *try*, *seek*, *influence*, *promote*, *foster*? (These are all verbs about effort or activity, rather than effect.)
- ❑ Is this a realistic result for which we can hold our CEO accountable? (Can our organization realistically impact its achievement, at least in the long-term?)
- ❑ In what time-frame do we expect this End to be achieved? Immediate? This year? 2 to 3 years? 4 to 5 years? 6 to 10 years? Greater than 10 years? (If it is a long-range End, do we wish to define intermediate progress steps? If so, don't define "action steps" but rather, stages of progress. For example, "In two years, 60 % of people under 35 in our city will know how to skydive." The board may choose to allow the CEO to do this as part of the interpretation.)
- ❑ Have we been sufficiently forward-thinking in our consideration of benefits we expect the organization to produce? If we achieve these Ends will our organization remain relevant? Are there new Ends that are most important in the next 3 to 5 years in moving us towards our organizational purpose?
- ❑ Would our owners agree that this is a result they want?
- ❑ Do we have sufficient data on which to base the decision that this benefit is in response to an identified need, perspective or value of the owners?
- ❑ How much of our resources are we prepared to spend to achieve this benefit? (What cost?)
- ❑ Do we wish to further quantify this End? (Are we prepared to live with "any reasonable interpretation" that the CEO may make of what we have said?)
- ❑ Do we wish to restrict the CEO's range of interpretation to this degree? (Have we said too much?)
- ❑ Are there any results we are now achieving that we should stop? Any that should receive less priority?
- ❑ What level of achievement would be considered: "acceptable"? Do we want to go farther and define what would be considered "exceptional"? (*Suggested only for boards with some Policy Governance experience behind them!*)

### Learn More About Ends . . .

"Creating a Mission That Makes a Difference." *CarverGuide 6*. John Carver. San Francisco: Jossey-Bass Publishers, 1997.

"Putting Purpose First: Deciding, Delegating, and Demanding Organizational Ends." Chapter 5 in *John Carver on Board Leadership*. San Francisco: Jossey-Bass, 2002.



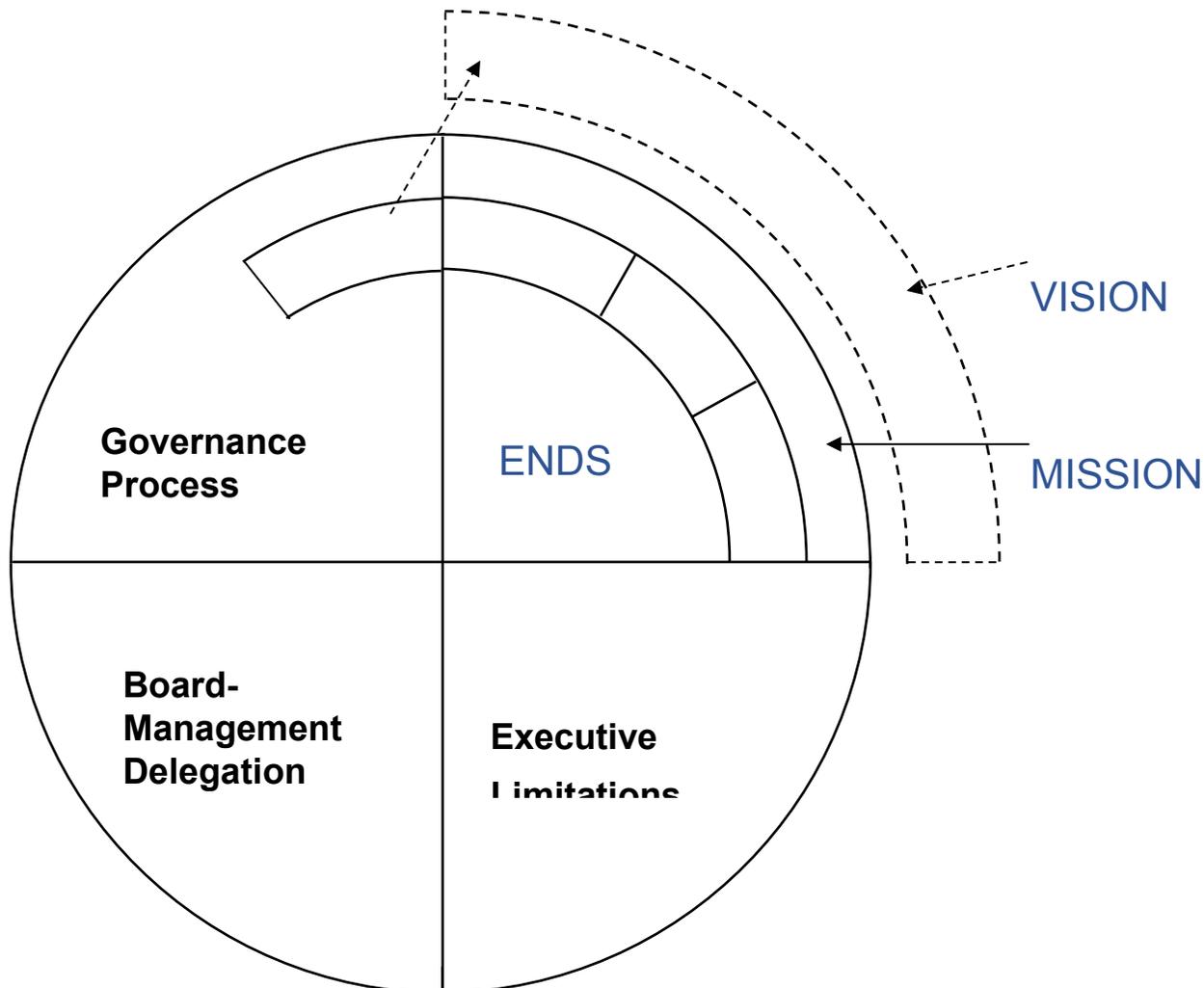
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## Relationship of Vision to Ends

A “vision” statement is not a required component in Policy Governance. However, having a succinct statement of a long-range vision may be helpful to the board in providing a framework or context within which the board itself will create Ends. Such a vision can be a “guiding star,” helping the board to focus on a very long-term desired future. However, unless it is a future result that the board intends **to hold the CEO accountable for**, it is not actually an End, because **Ends are statements for which the CEO is accountable**, even though they may be long-term.

If the board chooses to have such a vision statement, it is actually a Governance Process policy, because it provides context **to the board itself**, rather than direction to the CEO. The board may develop the largest Ends statement (which you may choose to call mission\* or “mega-End”) in the context of such a vision statement. You may choose to state the vision as a *preamble* to the Ends, as long as it is clear that it is not an End itself. The diagram below shows this relationship.



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# Policy Governance ABC's

Policy Governance® is a model of governance created by Dr. John Carver. It enables boards to provide strategic leadership in creating the future for their organization. Policy Governance ensures accountability of the CEO (if there is one) to the Board, and of the Board to the owners (shareholders). Its principles are internally consistent, designed to work effectively when used together. Policy Governance is a complete operating system for boards. If the entire system is not used, it is not Policy Governance.

Policy Governance is a complete system that helps the Board:

- Be accountable in the position of trust in which it has been placed by its ownership
- Provide strategic leadership to the organization—its key responsibility—by clearly defining, on behalf of this ownership, what needs are to be met, for whom, and at what cost or worth
- Distinguish clearly between Ends (see below) and Means (ways of doing things)
- Be involved in appropriate decisions without meddling or rubber stamping
- Set parameters for acceptable organizational performance and for itself by establishing broad policies in four logical categories that make intuitive sense

## *Policy Categories*

**Ends** – the benefits the organization is to produce, for which people, at what cost or worth. Ends are developed based on the Board's knowledge of and interaction with the owners—those to whom the Board is morally accountable.

**Executive Limitations** – the boundaries of prudence and ethics within which the Board allows staff to make further decisions about means, the way things are done.

**Board–Management Delegation** – the manner in which the Board delegates authority to staff through the CEO and measures staff performance through evaluation of the CEO.

**Governance Process** – the manner in which the Board itself operates, including its philosophy, accountability, discipline, and its own job.

With these policies in place, the Board can delegate the achievement of the Ends to the CEO, be assured that they are in fact being achieved, and that the manner in which this occurs does not exceed the Board's boundaries of prudence and ethics. This assurance is based, not simply on trust, but on a carefully structured monitoring process.



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Meeting Summary

Ann Arbor Area Transportation Authority Board of Directors

Finance Committee

Tuesday, May 7, 2019

Present: Mike Allemang (Chair), Kyra Sims, Jesse Miller

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson, Rosa-Maria Njuki,  
Geri Barnstable

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

1) Opening Items

a. Agenda (Additions, Approval)

None.

b. Communications

None

2) Policy Monitoring and Development

a. Ownership Linkage

Chairman Allemang reported that today, they had a good meeting in Ypsilanti with Mayor Bashert and her colleagues. They were very open to close communication with us and suggested we meet with City Council Members. Chairman Allemang recommended getting the whole Board involved with Ypsilanti. He suggested going to an Ann Arbor City Council Meeting in the fall as a next step and noted they are targeting meeting with Ypsilanti Township in June. Chairman Allemang suggested the next meetings be after the retreat when there will be a new Ends Policy.

b. Cash Flow

Postponed

c. Cash + Investments Monitoring Frequency

Postponed

3) Strategy and Operational Updates

a. Fare Study Preview (pt II)

Mr. Metzinger noted that this year is the 50<sup>th</sup> Anniversary of TheRide and the Executive Team celebrated by riding buses throughout the community.

Mr. Metzinger reported that after the presentation next week, the 300-page Fare Study will be posted on the website. He listed what he would be covering today with the final goal being to create a strategic direction, in particular how to simplify fares while balancing issues and equity. He reported that the impact of different fare options was studied as part of the objective of increasing revenue.

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This is a challenge as revenue has remained flat while costs increase. Mr. Carpenter noted that increasing fares would be difficult due to social and economic issues while other ways to increase revenue might include cost control and simplifying the fare structure. Mr. Metzinger noted that only the Board can change fares and Executive Limitations provides some priorities for this. He recommended a formal fare policy and creation by The Board, of a Fare Policy Task Force. He reported that there are 2 Federal Guidelines that must be met: ½ fare for those 65 and older and for the disabled plus meeting the requirement in Title VI of the Civil Rights Act. He stressed that staff would like recommendations from Board Policy and then the final proposal might go into the 2020 Budget. Chairman Allemang asked when the fares would change, and Mr. Metzinger expected them in 2021 with final recommendations coming in the spring of 2020. Then, they would be phased in over time. He also gave some examples of what riders in the Fare Study said they wanted. He advised next steps to be introduction of a fare structure in the FY2020 Budget. Mr. Carpenter noted that a Fare Policy Task Force would need direction from the Board regarding goals. In addition, he announced that the Paratransit Study changes would be implemented first because they do not require Board approval. He gave examples of cost controls that have already begun.

b. Q2 Finance Report

Mr. Metzinger noted that the report would not be ready until next week due to staff transition. He suggested waiting until the Finance Committee has seen it before presenting it to The Board and Chairman Allemang agreed so, it was decided Mr. Metzinger would present the report to the Committee in June. Separately, he suggested a presentation on the interesting topic of Questica Software.

c. Cash + Investments

Postponed

d. Cash Flow

Postponed

4) Closing Items

a. Topics for Next Meeting: 2.9 Emergency Succession, June Meeting at The Blake Transit Center, Q2 Financial Report, Cash + Investments, Cash Flow.

b. Adjournment

4:44 p.m.

Respectfully Submitted,  
Geri Barnstable

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Meeting Summary  
Ann Arbor Area Transportation Authority Board of Directors  
Service Committee  
Wednesday, May 1, 2019

Present: Roger Hewitt (Chair), Kathleen Mozak-Betts

Staff: Matt Carpenter, John Metzinger, Bryan Smith, Tim Sanderson, Mary Stasiak, William DeGroot, Rosa-Maria Njuki, Geri Barnstable

The meeting was called to order at 3:05 p.m. by Chairman Hewitt.

1) Opening Items

a. Agenda

Mr. Carpenter requested re-structuring the meeting order with Paratransit going first following by the YTC then the Q2 Service Report and the Long-Range Plan. Chairman Hewitt approved.

2) Policy Monitoring and Development

None.

3) Strategy and Operational Updates: CEO

a. Paratransit Preview Part I

Mr. Smith gave an overview of the study he would be presenting, including history and providing context of why the study was done. He noted that the transition to disability and senior services preceded the ADA which was actually meant to be shared-ride however we have significant use by single riders. With an increase in the senior population coming this "taxi" style ride is unsustainable and will put us into fiscal jeopardy. He will present a recommendation to address this at the meeting next month. He highlighted 4 goals of the study, in particular full stakeholder participation and a full assessment of A-Ride and GoldRide. There was discussion of how to encourage riders to use fixed routes, ridership vs. coverage and how to balance financial and social responsibilities. Mr. Carpenter noted that this is a good time to have this discussion and ask questions to get ahead of the issues. He noted that this is about people's independence.

b. Q2 Service Report

Mr. Smith reported that ridership is down and cited several seasonal reasons why. Mr. Carpenter added that ridership is down nationally, but we are much better off than other parts of the country. He noted that one remedy for this is changing fares which Mr. Metzinger will discuss in his report at the Board Meeting. Mr. Smith added that

they are now recording compliments received which Chairman Hewitt and Ms. Mozak-Betts liked. He also reported that there had been a low number of road calls.

c. Long Range Plan

Mr. Sanderson circulated a handout with the Long Range Preliminary Process Timeline. He reported that right now they are collecting data to get some context. The results will be brought to the public officially in October or November but to the stakeholders in August.

4) Closing Items

a. Chairman Hewitt asked if there was anything else. He questioned how to frame measy questions within the context of Policy Governance and what policies apply specifically to the projects. Ms. Mozak-Betts had similar questions. Mr. Carpenter noted that the policies guide where it goes. He encouraged them to ask any questions they had.

b. Topics for Next Meeting: Monitoring Report, YTC again, Paratransit Part II, other summer items.

c. Adjournment

Chairman Hewitt adjourned the meeting at 4:55 p.m.

Respectfully submitted,

Geri Barnstable



## April 9, 2019 AAATA Local Advisory Council

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### Meeting Final Minutes

#### **1.0 CALL TO ORDER:**

Chairperson Weber called the meeting to order at 10:00 a.m.

#### **2.0 INTRODUCTIONS:**

LAC Committee Members in attendance: Cheryl Weber (Chair), Larry Keeler (Co-Chair), Debra Poster, Stephen McNutt, Jody Slowins, Rebecca Burke, Mary Wells, Clark Charnetski (Rep. A1B), Andrea Henry (CIL), Janet Nutt

LAC Committee Members not in attendance:

AAATA Board Liaison: Kathleen Mozak-Betts (Absent)

AAATA Staff Liaison: William De Groot (AAATA), Robert Williams (AAATA), LaTonya Hargrave (AAATA), Julia Roberts (AAATA)

LAC General Members: Dana Greer

Guests: Darryl Johnson, RideCorp;

#### **3.0 REVIEW AND APPROVAL OF AGENDA:**

The agenda was approved with additions of City of Ann Arbor Pedestrian Ordinance and LAC Meeting date change discussion.

#### **4.0 REVIEW AND APPROVAL OF MINUTES:**

The March meeting minutes were accepted as presented.

#### **5.0 COMMUNICATIONS AND ANNOUNCEMENT**

Clark Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on April 17<sup>th</sup> at 7:00pm.

Mr. Charnestski discussed a meeting of the Michigan Association of Railroad Passengers during which MDOT and SMART employees talked about rail service in southeast Michigan.

## **6.0 PUBLIC COMMENT TIME**

- Ms. Nutt stated that the trunk size of the new sedans being used by RideCorp seem not to hold mobility aids, or the drivers need additional training to load mobility aids properly into the trunk.
- Mr. Keeler reported that he had discuss challenges to reserving paratransit service from our NightRide and HolidayRide service. The challenge expressed was the lack of availability and the attitude of the call staff. This will be reviewed by AAATA Staff.

## **7.0 BOARD REPORT**

Chairperson Weber gave the report. The last few meetings the Board was given land use and transportation network education presentations from professors of the University. It was mentioned that the Board is still working on the relationship with the LAC through policy governance.

## **8.0 NEW BUSINESS**

- Paratransit Report Card – Mr. Williams presented the month of March data in a simple report card illustrating: On-time performance, Average Trip Length, Reservation Adherence (Turn Down Rate), and general trip information. This information will be submitted every two months.
- LAC Regular Meeting Date Change – The LAC has been asked by the Board to move their regular meeting to the first week of every month. This was discussed by the LAC and they passed a motion to move the Meeting to the First Tuesday of each month starting at 1:30 pm
- Mobility Project Updates – Ms. Roberts gave an update on the Q-Strait test and thanked everyone who participated in the testing. She also discussed the launch of the New Mobility Tool Kit project that will include more information through the summer.
- YTC Project update – Mr. De Groot told the LAC that the project is moving forward and the Agency will be writing for a grant this year.
- City of Ann Arbor Draft Amendment to the Zoning Ordinance about pedestrian crossings within the City of Ann Arbor. The draft language

would not require motorists to stop until a pedestrian entered the street. Currently, a motorist would have to stop when a pedestrian enters the sidewalk area leading to the crosswalk. The City is looking for comment. It was agreed that Mr. De Groot would research how the LAC could give comment as a body without political bias.

## **9.0 PUBLIC COMMENT TIME**

- Mr. Charnetski mentioned that AAATA will be hosting open house discussions about the Washtenaw BRT project in the months to come..

## **10.0 FUTURE NEW BUSINESS ITEMS**

A. Advocacy Policy Discussion

B. AAATA Project Updates

## **11.0 ADJOURNMENT**

Chairperson Weber adjourned the meeting at 11:55 a.m.

Respectfully Submitted by: William De Groot (C/O), Brian Clouse, LAC Liaison /  
AAATA Paratransit Coordinator



## May 7, 2019 AAATA Local Advisory Council

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### Meeting Draft Minutes

#### **1.0 CALL TO ORDER:**

Chairperson Weber called the meeting to order at 1:30 .m.

#### **2.0 INTRODUCTIONS:**

LAC Committee Members in attendance: Cheryl Weber (Chair), Larry Keeler (Co-Chair), Debra Poster, Jody Slowins, Rebecca Burke, Clark Charnetski (Rep. A1B), Andrea Henry (CIL)

LAC Committee Members not in attendance: Stephen McNutt, Mary Wells, Janet Nutt

AAATA Board Liaison: Kathleen Mozak-Betts

AAATA Staff Liaison: William De Groot (AAATA), Tracy Byrd (AAATA), Julia Roberts (AAATA)

LAC General Members: Luanne Bullington

Guests: Darryl Johnson, RideCorp;

#### **3.0 REVIEW AND APPROVAL OF AGENDA:**

The agenda was approved with no additions.

#### **4.0 REVIEW AND APPROVAL OF MINUTES:**

The April meeting minutes were accepted with a spelling correction in Section 8.0.

#### **5.0 COMMUNICATIONS AND ANNOUNCEMENT**

Clark Charnetski mentioned the Transportation Commission Meeting will be at the Ann Arbor City Council Chambers on May 15<sup>th</sup> at 7:00pm.

Mr. Charnestski mentioned a program through the Turner Center that travel trains seniors about public transit. The instructor is Ms. Tracy Byrd from AAATA.

Mr. Charnestski discussed Visions 2019 conference in Ann Arbor which will take place on May 15 from 11 am - 4 pm.

## **6.0 PUBLIC COMMENT TIME**

- Mr. Charnestski thanked AAATA staff for the public discussion about the BRT Project along Washtenaw Avenue.
- Mr. Keeler has a concern about NightRide accessibility for people with mobility issues. He understands from riders there are limitations on vehicles and times for people to travel. Additionally, the drivers do not understand how to properly operate the lift on the vehicle and need training.
- Ms. Poster mentioned that the on time performance scheduling has been problematic this month and asked why. It was explained that AAATA and RideCorp are trying to calibrate the reservation software to allow for better shared rides and this has contributed to on-time performance concerns for the drivers.
- Ms. Weber reported that the City of Ypsilanti lost Mr. Pete Murdock over the weekend. He has been a Councilperson for more than 30 years holding time as Mayor, and Councilperson.

## **7.0 BOARD REPORT**

Chairperson Weber gave the report. The Board discussed monitoring reports for communications and investments.

## **8.0 NEW BUSINESS**

- AAATA Project Updates – Ms. Roberts gave updates on the Q-Straint, and Feonix Mobility project. These projects are all focused on helping our customers access the bus in better ways. From better securement options, and better bus arrival notifications helping riders know that a bus is arriving at a stop.
  - Ms. Mozak-Betts asked about if the push button for the passenger should be red instead of green during travel. It is

confusing to the rider if it is green during travel because one may not believe they are fully secure. She did take a bus trip and noticed that that system did not have a mirror.

- Agenda Items Advocacy Policy Discussion, and Paratransit Monthly Update were moved to the next meeting per time constraints. This was approved by voice vote.

## **9.0 PUBLIC COMMENT TIME**

- Mr. De Groot asked the LAC if this time was still proper for all of the members. It was agreed to keep this time.
- Mr. De Groot asked if the LAC would consider placing a standing agenda item called “Strategic Discussion” in order to reserve time in future meetings to discuss the Paratransit Study, and Mobility improvements. The LAC agreed.

## **10.0 FUTURE NEW BUSINESS ITEMS**

- A. Advocacy Policy Discussion
- B. AAATA Project Updates
- C. Paratransit Monthly Update
- D. Strategic Discussion

## **11.0 ADJOURNMENT**

Chairperson Weber adjourned the meeting at 3:05 p.m.

Respectfully Submitted by: William De Groot (C/O), Brian Clouse, LAC Liaison / AAATA Paratransit Coordinator

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## Issue Brief: Fare Study

Meeting: Board of Directors

Meeting Date: May 16, 2019

Agenda Item: #5.1

### Recommended Committee Action(s):

Receive as information the Fare Study completed last year. In April and May, the Deputy CEO/Finance and Administration will introduce study information to support Board discussions about fares later this year and next year.

### Prior Relevant Board Actions and Policies:

- Summary of Board Policies on Fares (see Attachment 1).

### Issue Summary:

The consulting firm *Four Nines Technologies* completed a Fare Study in 2018. AAATA received lengthy technical reports which will be summarized for the Board at the next two Board meetings, before the final report is provided for review.

- The April presentation introduced the current state of fares, how fares compare with those of industry peers, broader industry and technology trends, and an analysis on Strengths, Weaknesses, Opportunities, and Threats (SWOT analysis).
- The May presentation will summarize customer survey results and consultant recommendations, introduce additional staff perspectives, and bring forward a roadmap for further discussion about fares.

### Background:

Fares were last adjusted in 2010. Over the years, fares have developed in an ad hoc manner unguided by any particular strategic approach. The Fare Study was completed to align AAATA's fare structure, policies, and technologies with Ends Policies outlined by the Board.

### Impacts of Recommended Action(s):

**Budgetary/Fiscal:** Board policy requires AAATA to be economically viable and sustainable for the long term (Ends Policy 1.3.7).

**Social:** Many passengers are sensitive/vulnerable to the price of fares, particularly people with low incomes, disabilities or mobility impairments, the elderly, and youth. Board policy establishes the principle of equitable access to destinations (Ends Policy 1.1.2).

**Environmental:** The price of fares can attract commuters to transit to enhance the environmental vitality of the area (Ends Policy 1.2).

**Governance:** Adoption of fares is the Board's responsibility (Governance Policy 3.2.9).

**Attachments:**

1. Board Policies on Fares

## **Attachment 1: Board Policies on Fares**

### Ends Policies:

Ends policies emphasize *affordability, equity, and financial sustainability* as ends for AAATA's fare structure to achieve:

- Policy 1.1.1: "People with low incomes can afford to travel in the Area."
- Policy 1.1.2: "People including those with disabilities or mobility impairments, seniors, minors ... have equitable access to opportunities in the Area."
- Policy 1.3.7: "The Authority will remain economically viable in the long term."

### Executive Limitations Policies:

Executive limitations emphasize *respectful treatment of riders, compliance with federal regulations, Board authorization for fare changes, guidance for major decisions, and the necessity of public engagement* in considering changes to fares:

- Policy 2.1: "The CEO shall not ... allow ... procedures which are ... undignified, disrespectful, unclear, or overly intrusive."
- Policy 2.5.2: "The CEO shall not ... operate in a manner that would jeopardize federal ... funding."
- Policy 2.5.8: "The CEO shall not ... adjust transit passenger fares ... assessed by the Authority."
- Policy 2.8.4.2: "The CEO shall not ... ignore the social, environmental, and economic implications of major decisions."
- Policy 2.10.4: "The CEO shall not ... fail to reasonably engage riders, residents, and stakeholders when considering material changes to ... fares."

### Governance Process Policies:

Governance policies assign responsibility to the Board of Directors to *approve changes to fares*:

- Policy 3.2.9: "...approval of rider fare increases ... assessed by the Authority."

# Fare Study Introduction Part II

***Presented by:***

John Metzinger

Deputy CEO, Finance and Administration



# Fare Study Overview

## Deliverables



Document	Description	No. of Pages
Memo 1 & 2	Existing Fare Structure, Best Practices, Industry Review	61
Memo 3	Community Engagement Summary	17
Memo 4	Strengths, Needs, Opportunities, Challenges	12
Memo 5	Improvement Options & Recommendations	52
Memo 6	Fare Model Calibration & Assumptions	12
Final Report	Executive Summary and Final Report	171

Reports Online at <http://www.theride.org/AboutUs/Initiatives/Fare-Study>

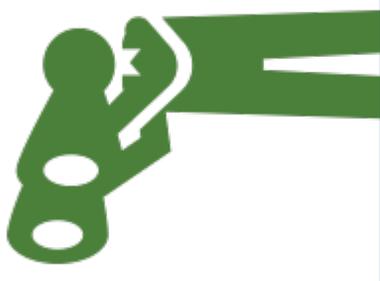
# Agenda

- Review major needs & opportunities
- Policy framework for fares
- Roadmap for continuing work on fares
- What riders want from fares
- Board feedback and questions



# Major Needs, Challenges, Opportunities

- Simplify fare payment options
- Ensure discounting methods are equitable
- Adjust price of passes to promote ridership
- Clarify transfer policy, reduce use of change cards
- Improve use of data in decision-making
- Need for increased revenue due to rising costs
- Assert a strong position on fares in advance of RTA
- **Develop strategic direction for fares**



## SWOT Analysis

# Opportunity to simplify payment choices

- 50+ ways to pay
- Need to simplify for clarity
- Focus upon retaining and improving highly used fares



## SWOT Analysis

# Equitable discounts

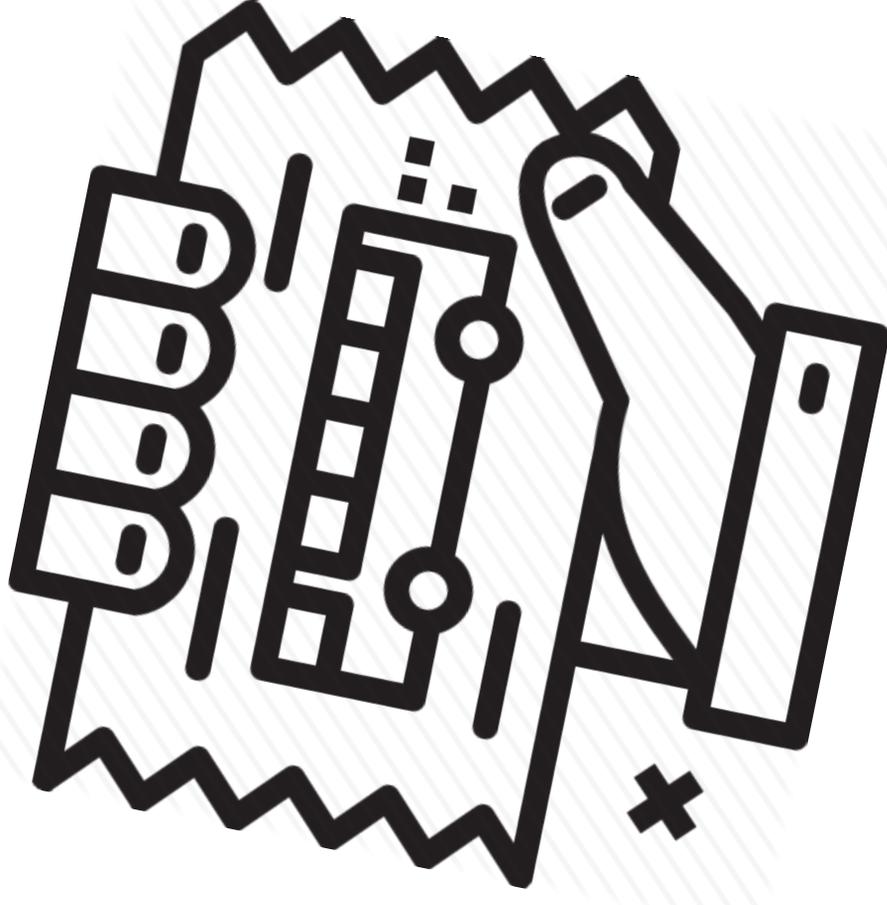
- Build equity into discounting methodologies
- Align discounts with industry/regulatory standards
- Shift enforcement of discount fares off-board
- Constraint of discounts can increase revenue



## SWOT Analysis

# Pricing promotes ridership

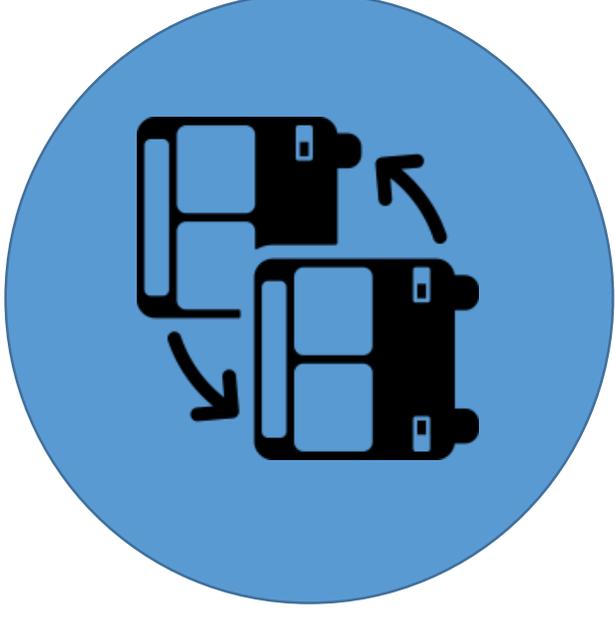
- Passes can incentivize ridership growth
- Faster boarding time
- Minimizes transfer problems
- Opportunity to price correctly



## SWOT Analysis

# Clarify transfers and reduce use of change cards

- Clarification of transfer policy will reduce customer confusion and conflicts
- Consistency needed in transfer protocol
- Change cards are overused, resulting in inconvenience and risk of loss for customers, wear-and-tear on equipment
- Incentivizing cashless fare payments can help with both



## SWOT Analysis

# Other opportunities and challenges

- Rising costs (price of fares not changed since 2010)
- Misclassification / Unclassification
- Underreporting of ridership
- Uncertainty from RTA



# Board Policy



- Ends
  - Affordability (1.1.1)
  - Equitable access (1.1.2)
  - Financial sustainability (1.3.7)
- Executive Limitations
  - Dignified, respectful, clear, non-intrusive procedures (2.1)
  - Federal compliance (2.5.2)
  - Adjusting fares is Board's responsibility (2.5.8)
  - Importance of social, environmental, economic implications (2.8.4.2)
  - Community engagement for fare changes (2.10.4)

# Need for Formal Fare Policy

- Rationale for timing of fare increases
- Indicators of need for fare increases
- The Board's expectations for cost-sharing between users and taxpayers
- Clarify values to guide new fare products, discounts, third-party relationships

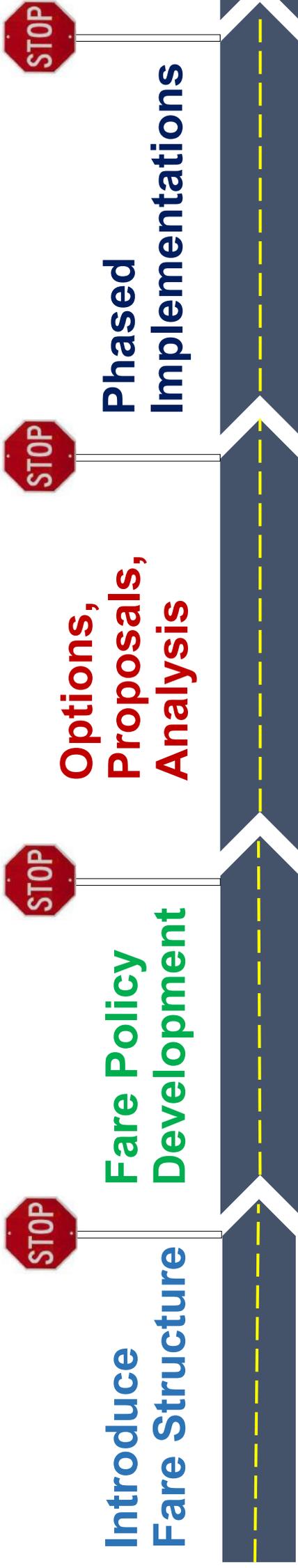


# Roadmap for Fare Changes



<b>Fare Structure</b>	<b>Policy Development</b>	<b>Options</b>	<b>Fare Changes</b>
<ul style="list-style-type: none"><li>• Included in budget documents for public and Board review, FY2020 and ongoing.</li></ul>	<ul style="list-style-type: none"><li>• Input from owners and beneficiaries</li><li>• Financial indicators</li><li>• Annual review of fares</li><li>• Operating procedures</li><li>• Discounting guidelines</li><li>• Fare recovery</li></ul>	<ul style="list-style-type: none"><li>• Fares and prices</li><li>• Technology</li></ul> <p><b>Recommendations Analysis/Modeling Public Review Title VI Review</b></p>	<ul style="list-style-type: none"><li>• FY2021 budget adoption</li><li>• Ongoing review annually or as determined by policy</li></ul>

# Roadmap for Fare Changes

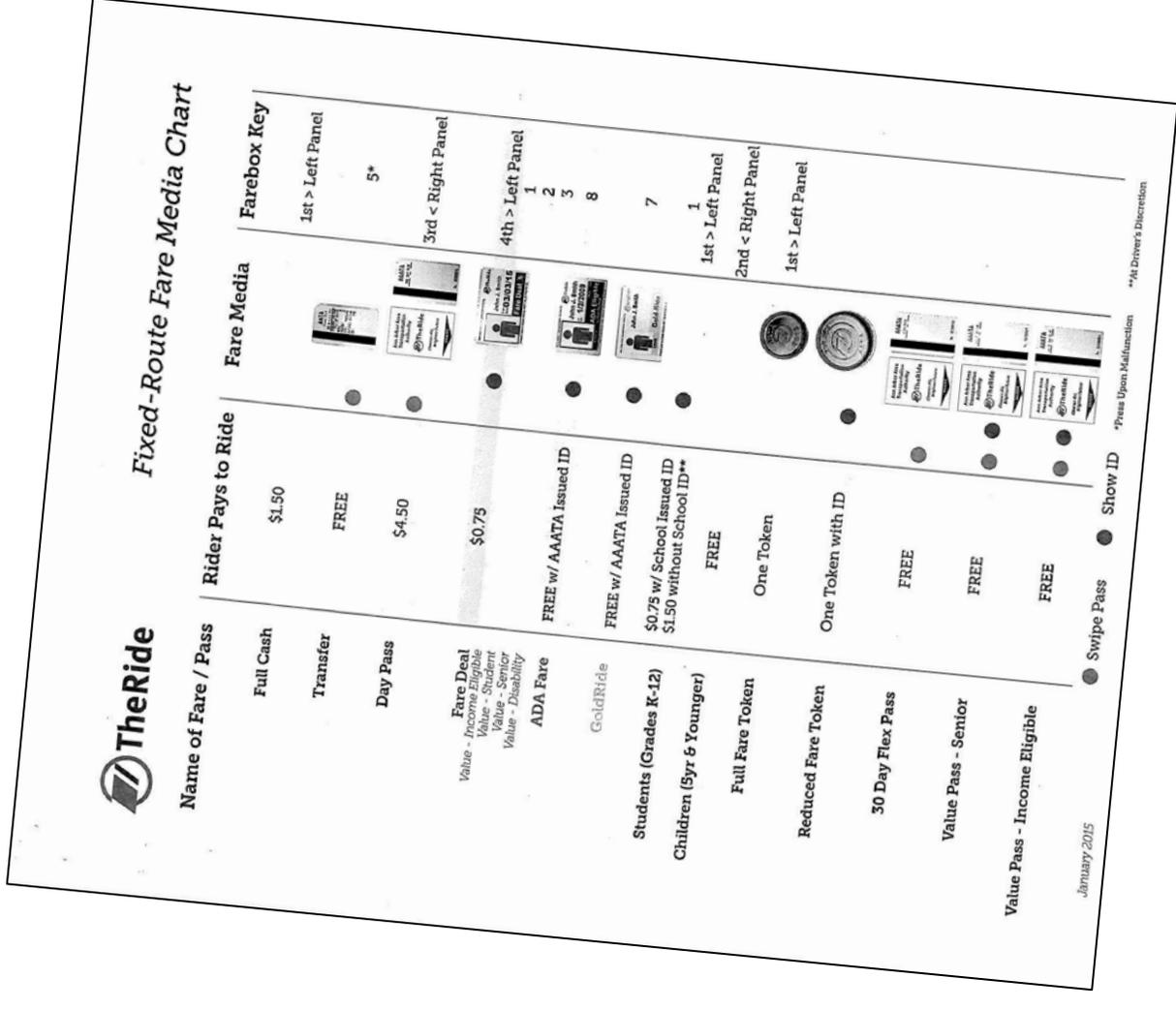


<p><b>Fare Structure</b></p> <ul style="list-style-type: none"> <li>• Included in budget documents for public and Board review, FY2020 and ongoing.</li> </ul>	<p><b>Policy Development</b></p> <ul style="list-style-type: none"> <li>• Input from owners and beneficiaries</li> <li>• Financial indicators</li> <li>• Annual review of fares</li> <li>• Operating procedures</li> <li>• Discounting guidelines</li> <li>• Fare recovery</li> </ul>	<p><b>Options</b></p> <ul style="list-style-type: none"> <li>• Fares and prices</li> <li>• Technology</li> </ul> <p><b>Recommendations Analysis/Modeling Public Review Title VI Review</b></p>	<p><b>Fare Changes</b></p> <ul style="list-style-type: none"> <li>• FY2021 budget adoption</li> <li>• Ongoing review annually or as determined by policy</li> </ul>
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# #1 Introduce Fare Structure

## Include Fare Structuring in Annual Budgeting

- Fare structure (fare categories, discounts, rates, fare media options, etc.)
- Fare operating procedures
- Use of transfers
- Pass programs
- Specialized discounts/promotional fares
- Proposed fare changes
- Adoption of fare changes



TheRide Fixed-Route Fare Media Chart

January 2015

Name of Fare / Pass	Rider Pays to Ride	Fare Media	Farebox Key
Full Cash	\$1.50		1st > Left Panel
Transfer	FREE		5*
Day Pass	\$4.50		3rd < Right Panel
Fare Deal Value - Income Eligible Value - Student Value - Senior Value - Disability	\$0.75		4th > Left Panel 1 2 3 8
ADA Fare	FREE w/ AAATA Issued ID		1 2 3 8
GoldRide	FREE w/ AAATA Issued ID		7
Students (Grades K-12) Children (5yr & Younger)	\$0.75 w/ School Issued ID \$1.50 without School ID**		1 2nd < Right Panel
Full Fare Token	FREE		1st > Left Panel
Reduced Fare Token	One Token		2nd < Right Panel
30 Day Flex Pass	One Token with ID		1st > Left Panel
Value Pass - Senior	FREE		
Value Pass - Income Eligible	FREE		

Legend: ● Swipe Pass ● Show ID

\*Fares Upon Malfunction \*\*At Driver's Discretion

## #2 Fare Policy Development



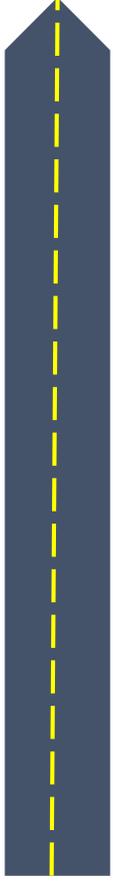
# Policy Development

- Form a Board Task Force to amend Board Policy Manual, for example:

- 2.6.8 Adjust **transit passenger fares or** tax rates assessed by the Authority.
  - 2.6.8.1 The CEO shall not request from the board a decision regarding fare adjustments without providing evidence that it meets the following criteria reasonably interpreted:
    - Criteria A
    - Criteria B

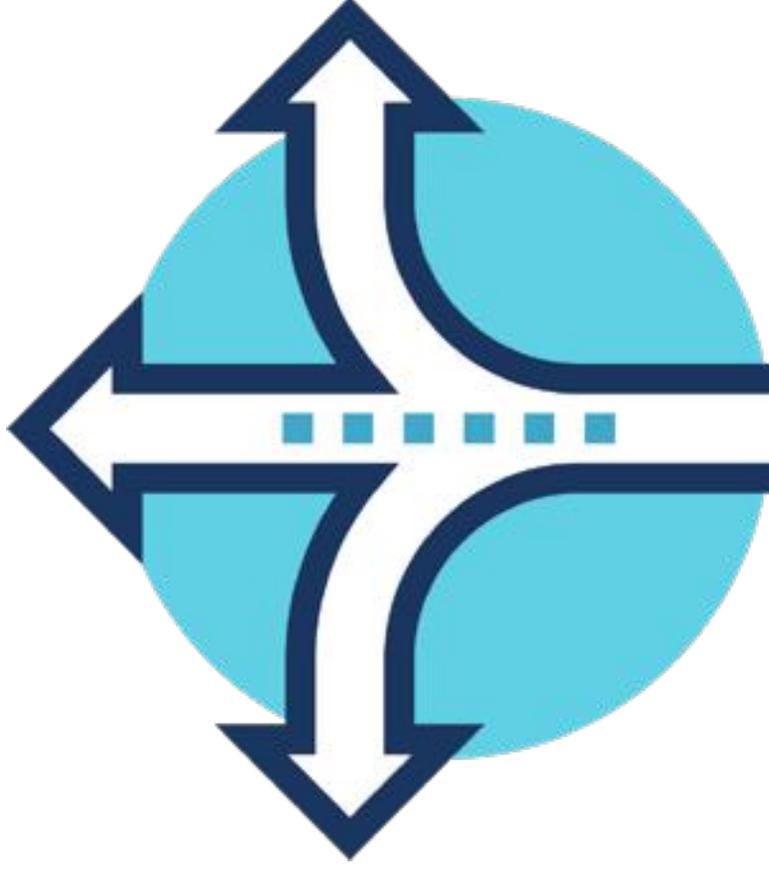
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## #3 Options, Proposals, Analysis

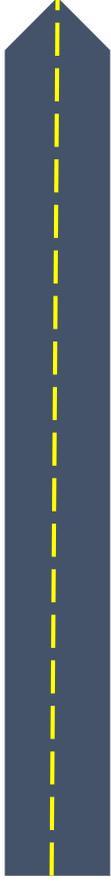


# Staff Recommendations

- Options for fare price, media, technology
- Perform analysis and modeling of options
- Public review of options
- Complete required Title VI review
- Present recommended changes to fares

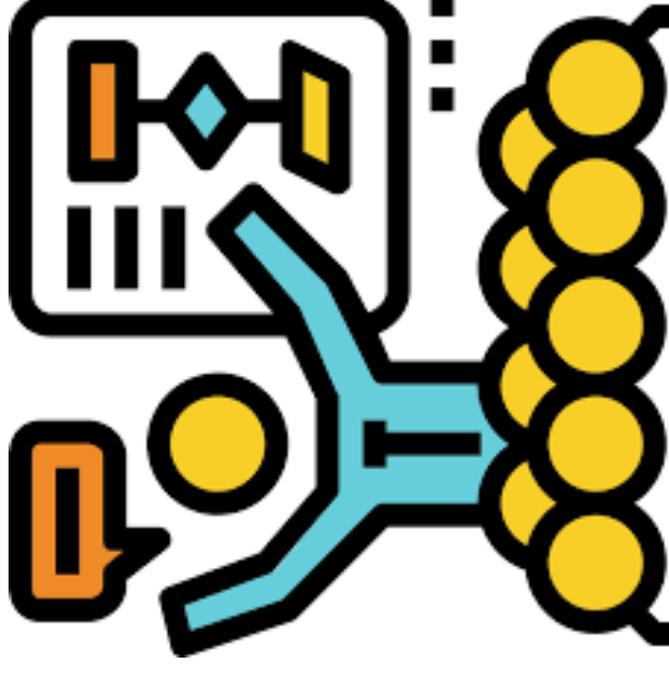


## #4 Phased Implementations



### Proposals

- Proposed fare structure for next budget year
- Multi-year fare structure proposal for phased implementation over subsequent years
- Annual public review
- Annual adoption with budget



## Customer Engagement

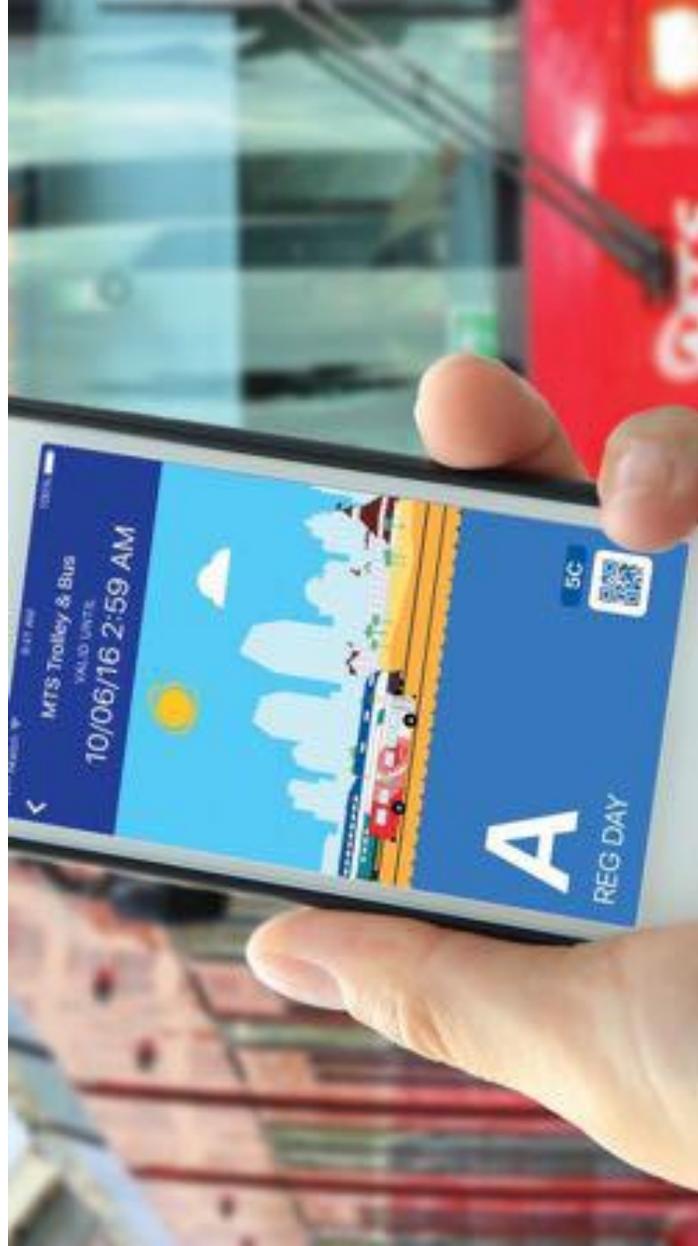
# What Riders Want From Fares

- Cash and cashless payment options
- Ability to pre-pay on demand
- Easier transfers without having to request them
- Less hassle with discounted fares



## Customer Engagement

# They Want to Use Technology to Pay

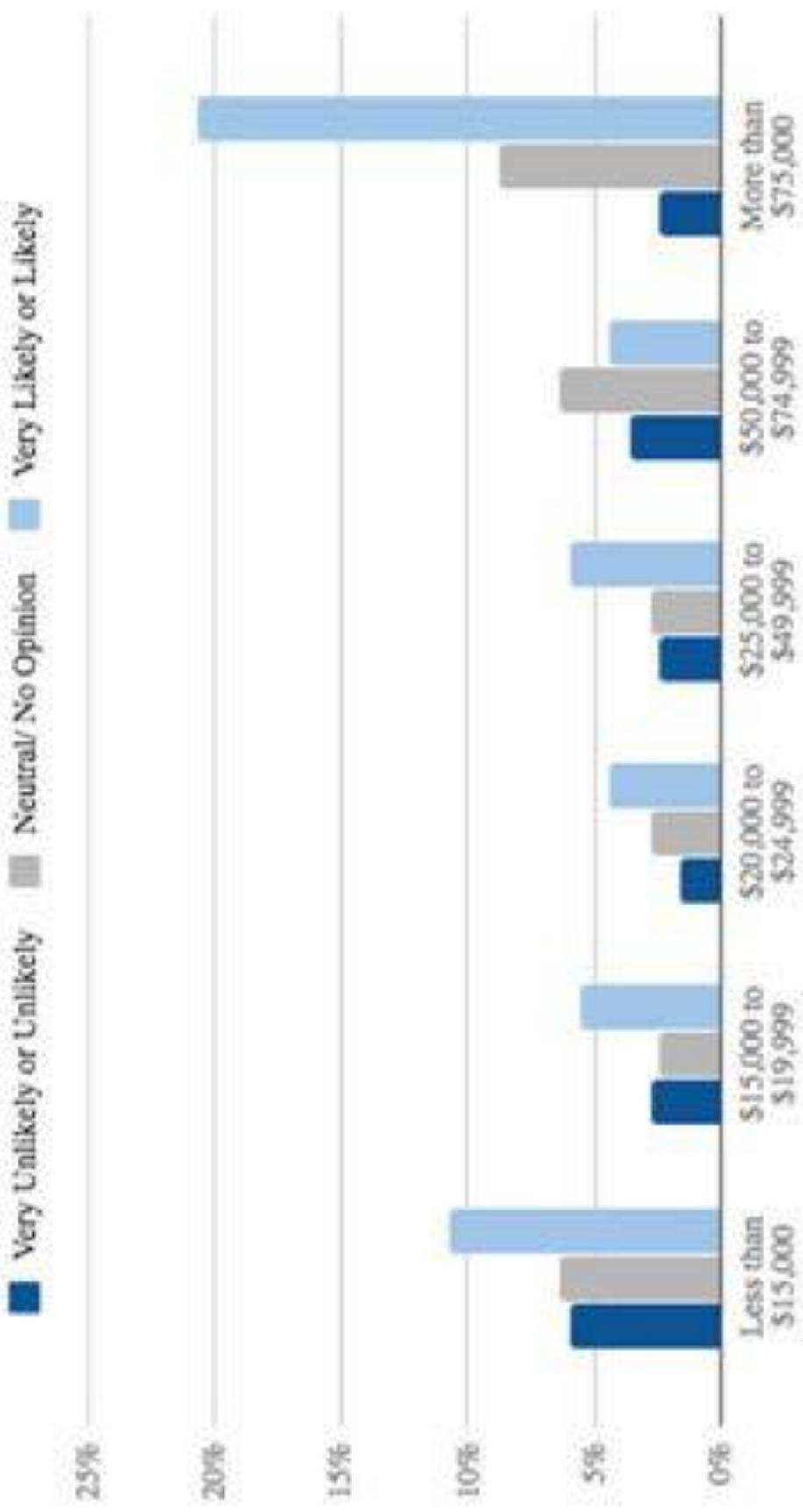


Riders want to use mobile tickets, mobile app payments, smart cards, tap credit/debit cards

# Customer Engagement

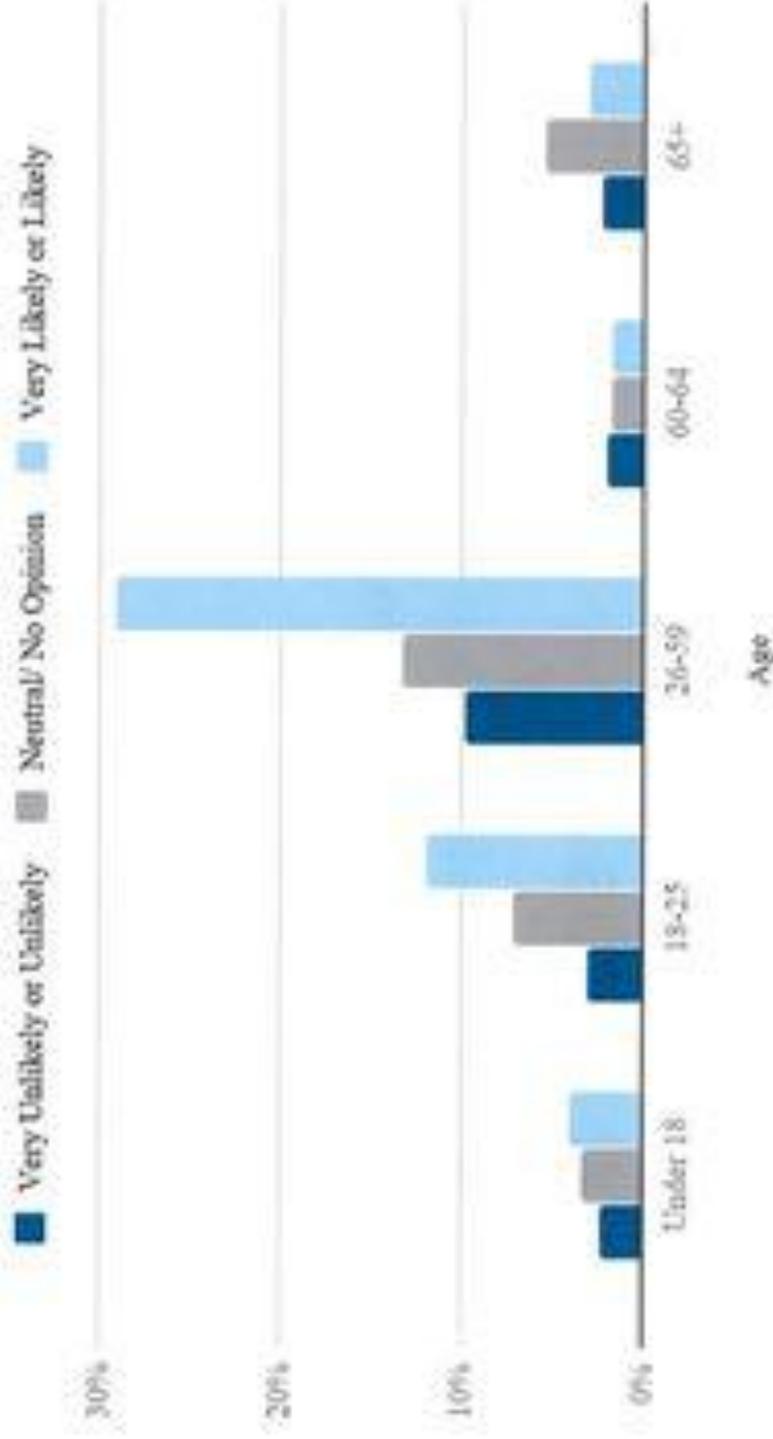


## Likelihood of Using New Fare Collection Technologies by Income



## Customer Engagement

### Likelihood of Using New Fare Collection Technologies by Age



## Next Steps

- Introduce fare structure in FY2020 budget
- Board Task Force on Fare Policy



## Questions / Feedback

For more information, see Fare Study reports online at:  
[www.theride.org/AboutUs/Initiatives/Fare-Study](http://www.theride.org/AboutUs/Initiatives/Fare-Study)

Thank you.



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**Issue Brief: Paratransit Study Overview****Meeting:** Board**Meeting Date:** 5-16-19**Information Type:** Other**Recommended Action(s):**

Receive for information

**Prior Relevant Board Actions and Policies:**

8-10-17 Paratransit Study included in 2018 Budget passed by Board (pg 29)

**Board Policy**

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

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.

2.4 Financial planning for any fiscal year...shall not...risk fiscal jeopardy.

**Issue Summary:**

Staff have prepared a short presentation on information contained in the Paratransit Study conducted in 2018 by consultant KFH. This is the first presentation on the study, giving an overview of the historical information and the current state of TheRide's demand responsive service, A-Ride.

**Background:**

In 2017, the Board approved the FY2018 budget including a line item for a paratransit study. This is part of the overall strategic plan to plan for the future and modernize TheRide. The paratransit service is an important part of providing access to the community. It is also clear that the service as currently provided is increasing in cost and exceeding its budget. The study examined the existing service and provided recommendations to bring the costs down and improve efficiency. This presentation will focus on the topic of the existing service and future presentations will cover the consultant's recommendations.

**Impacts of Recommended Action(s):**

- No Board actions are being recommended at this time.

**Attachments: Demand Response Presentation Powerpoint**

5/16/2019 12:34 PM

Author:

Approved by:

C:\Administration\readonly\Board of Director\2019 Meetings\Board Packet\May 16, 2019\sum final Paratransit Staff.docx

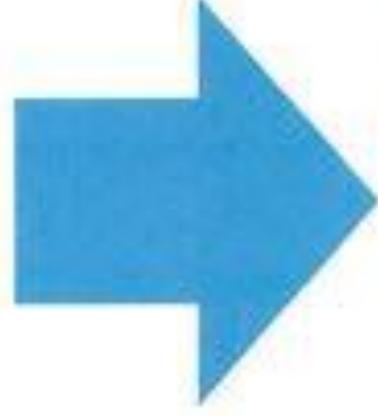
# Paratransit Study: A Clear Path Forward



# Paratransit Study: Initial Presentation

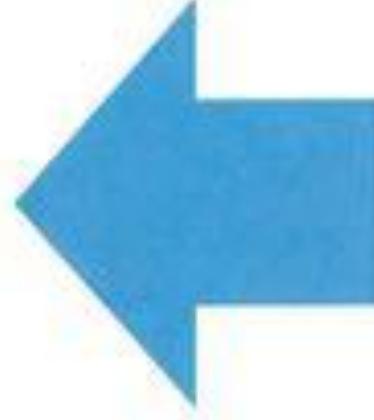
- Background of the Study
- Historical Context
- Current State of the System
- Activities Underway

# The Board's Policies



The Authority will remain economically viable in the long term.

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



## Additional Goals

- **Goal 1:** Full stakeholder participation in the study
- **Goal 2:** Full Assessment of the A-Ride and Gold-Ride Service
- **Goal 3:** Ensure Understanding of the Present and Future A-Ride Service
- **Goal 4:** Develop a Clear Path Forward

# Paratransit Study: Initial Presentation

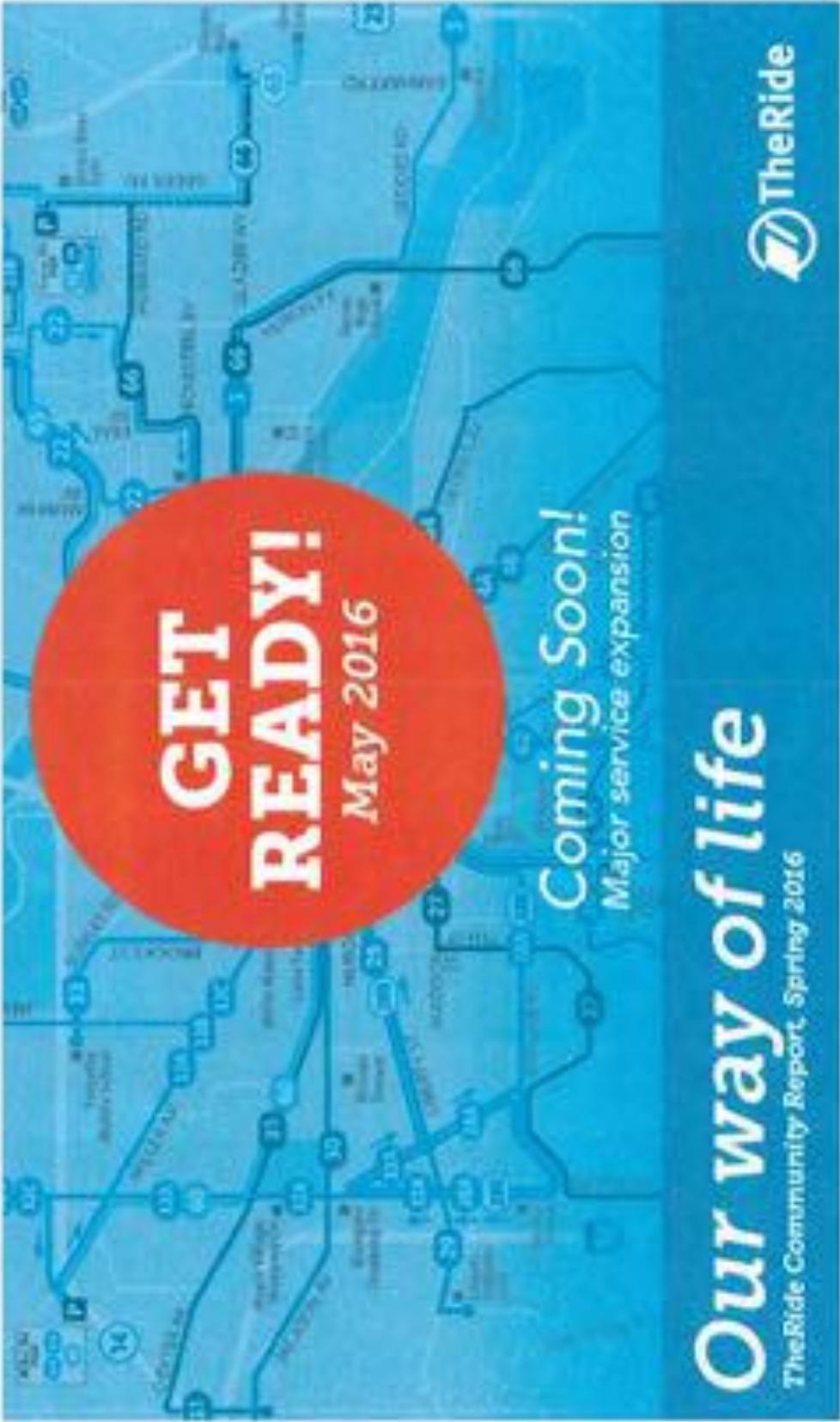
- Background of the Study
- Historical Context
- Current State of the System
- Activities Underway

# Historical Context





1990:  
ADA  
signed  
into law



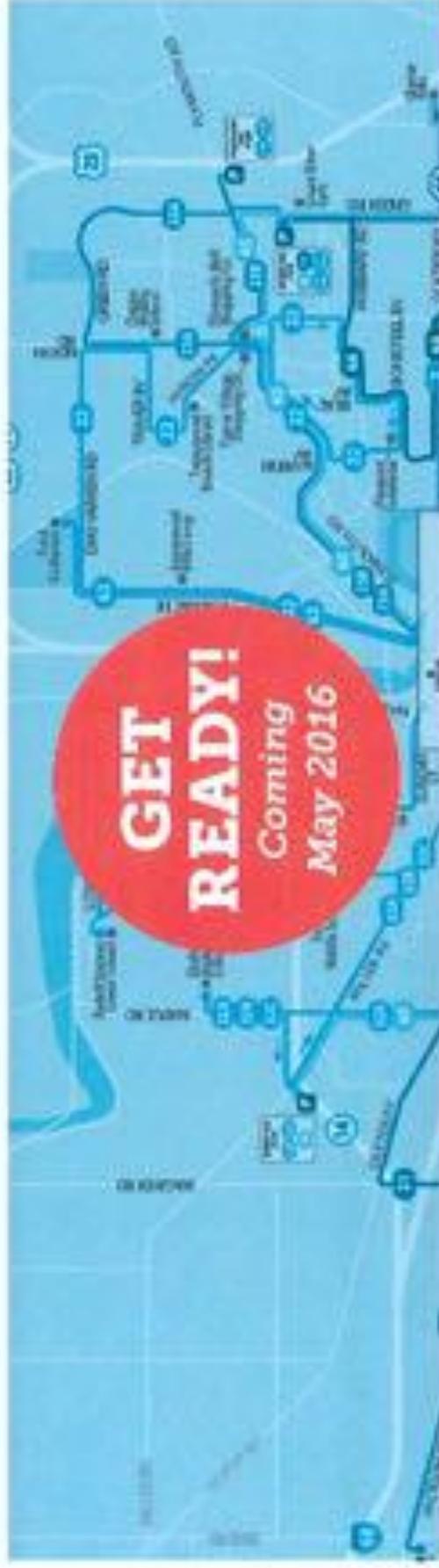
**GET  
READY!**  
May 2016

**Coming Soon!**  
Major service expansion

**Our way of life**

TheRide Community Report, Spring 2016





## Phase 3 – Service Improvements



More Routes



More Frequent Service



More Direct Routes in Ann Arbor and Ypsilanti



Expanded ARide Service



New Route Names and Numbers



New Service in Scio Township

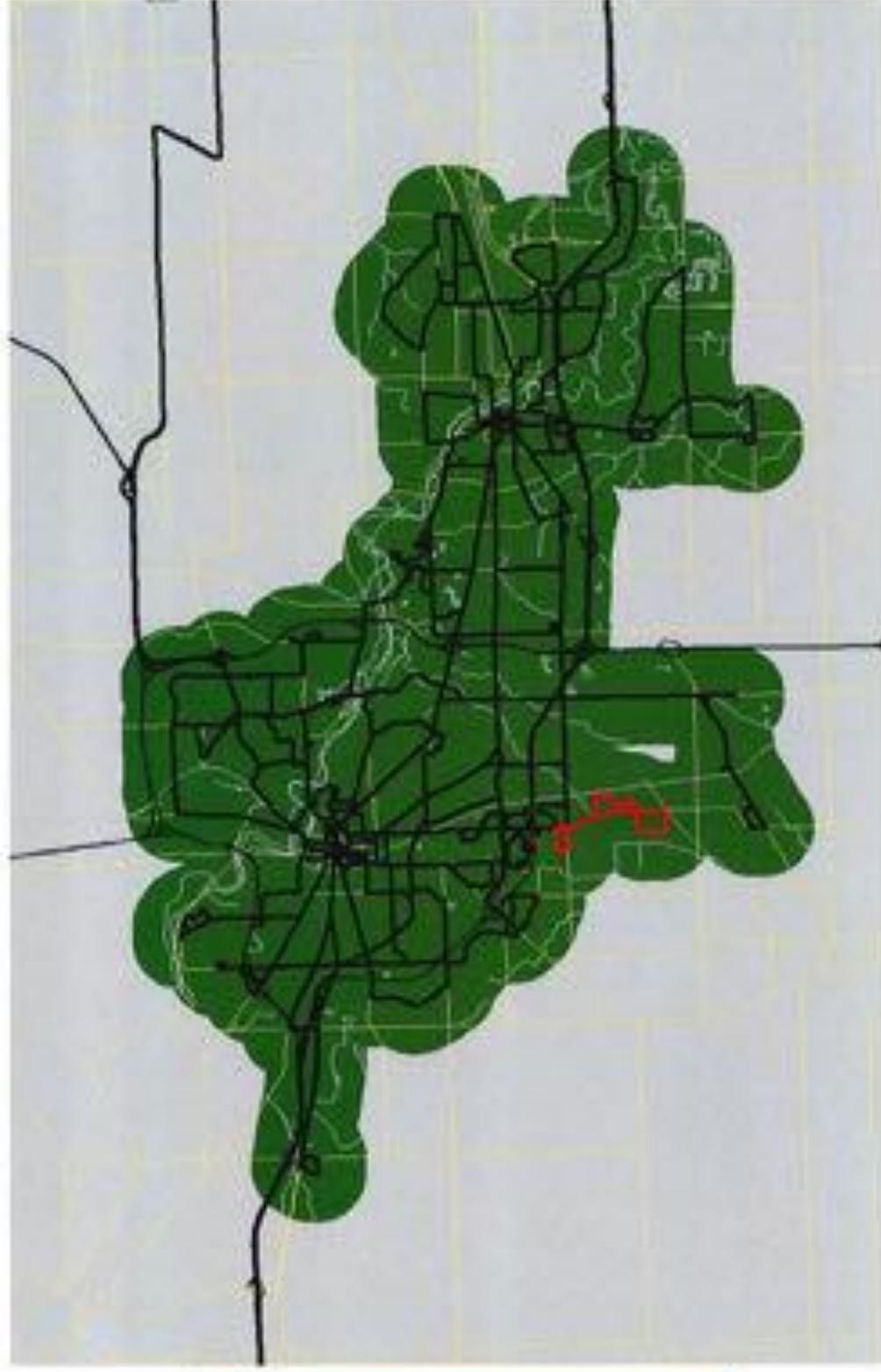


TheRide

# Paratransit Study: Initial Presentation

- Background of the Study
- Historical Context
- Current State of the System
- Activities Underway

# Minimum Required Service Area



# Today's Service Area

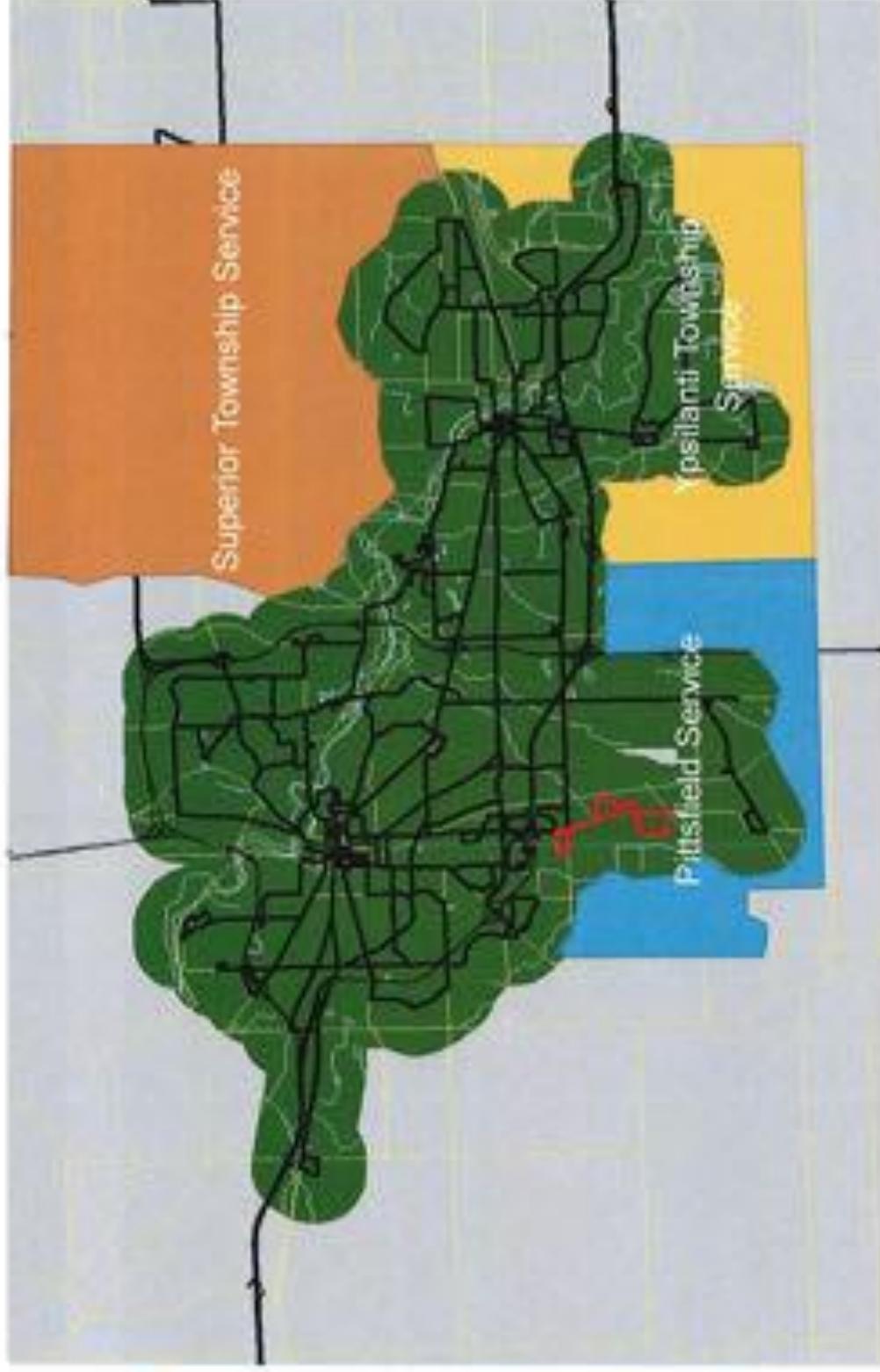


Figure 3-6: Passenger Trips per Capita

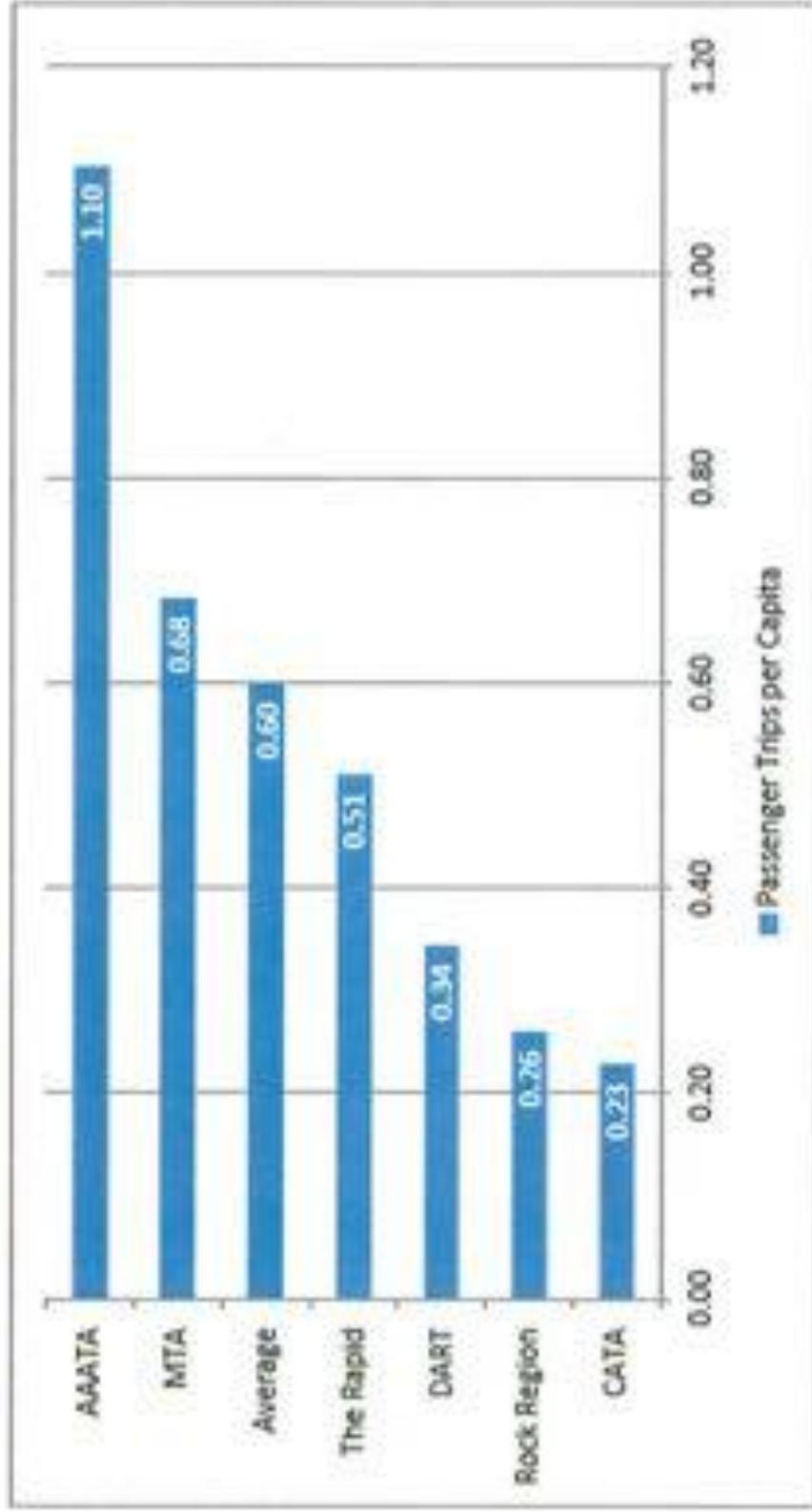


Figure 3-7: One-Way Trips per Hour

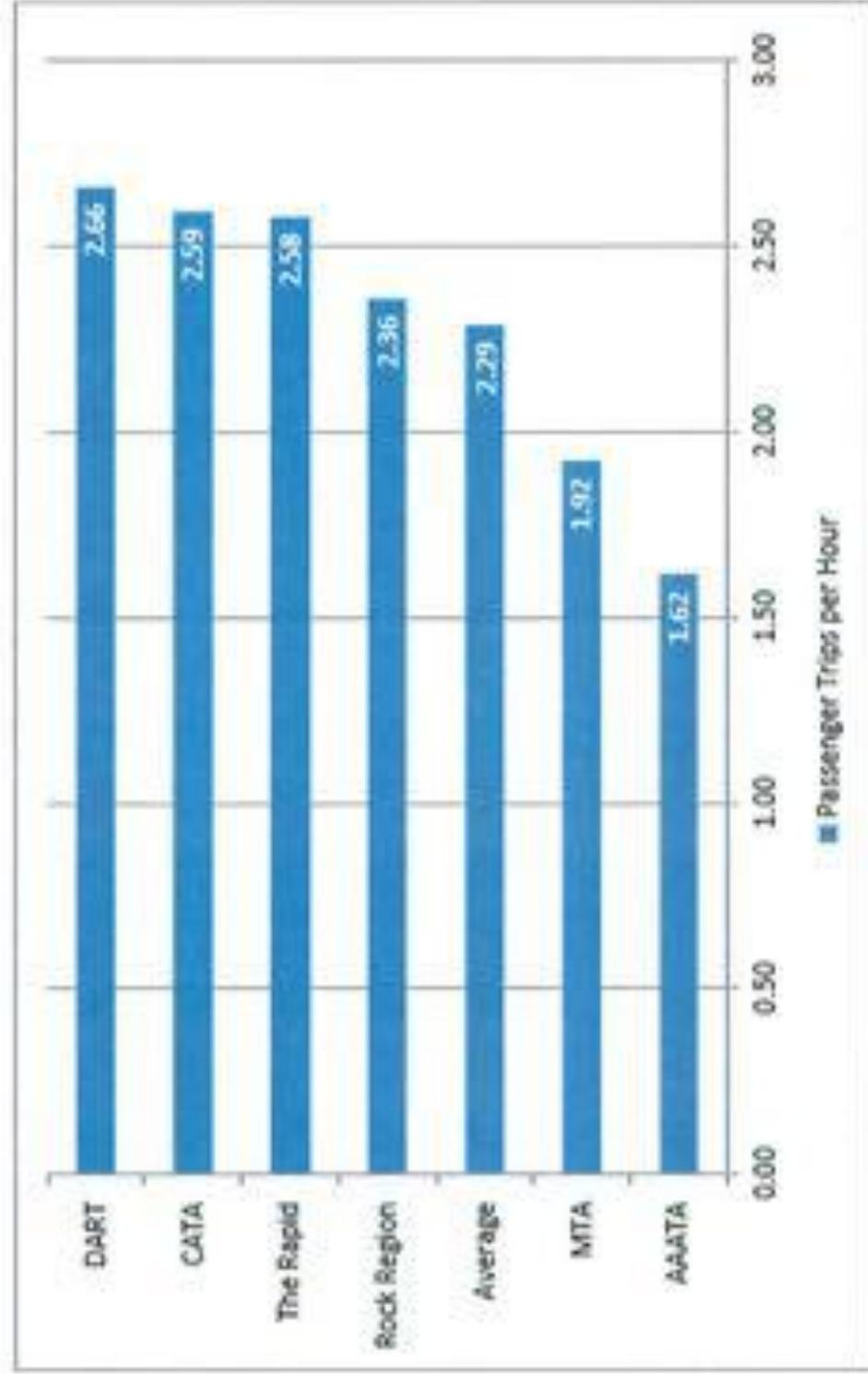
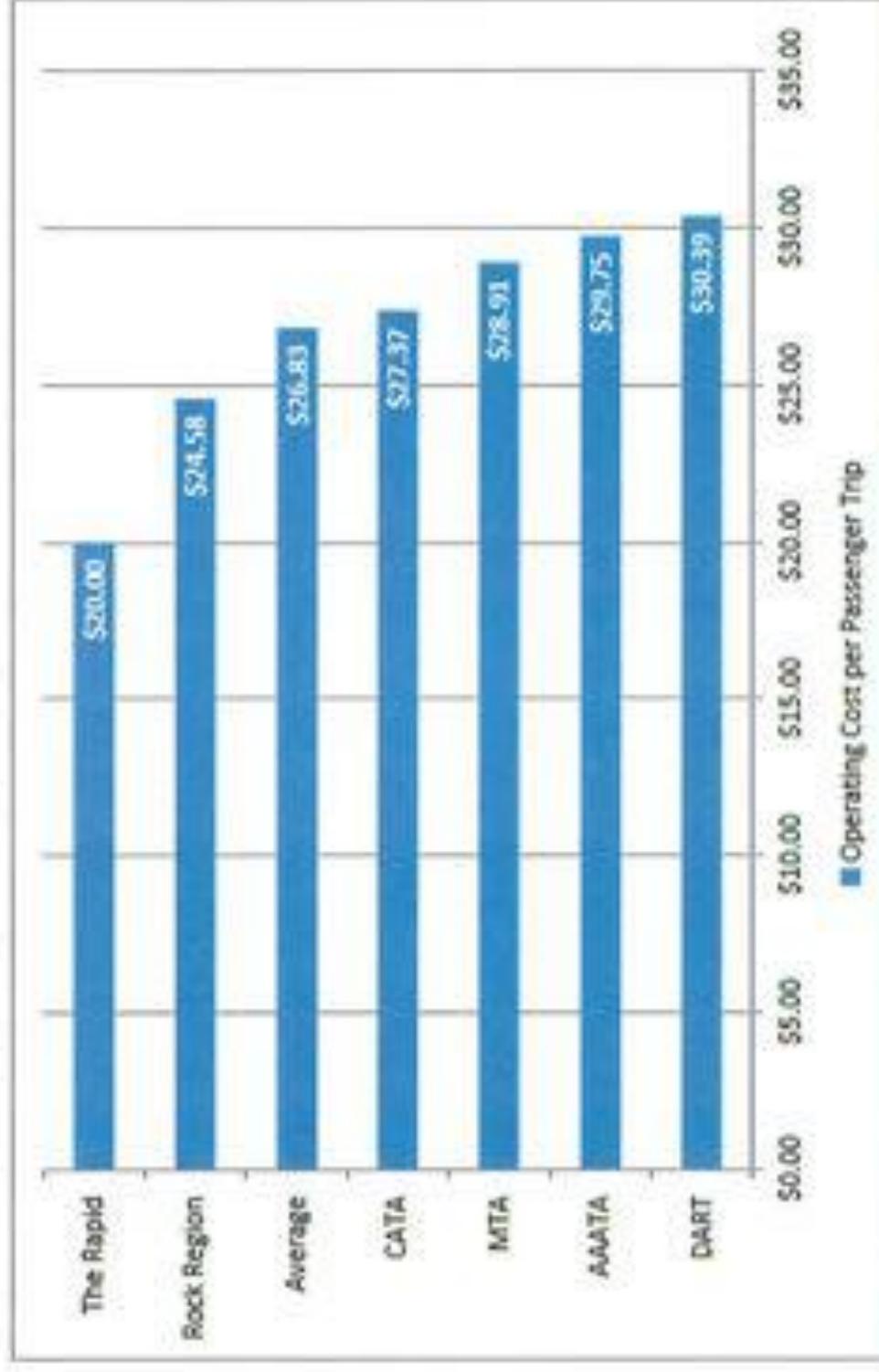


Figure 3-9: Operating Cost per Passenger Trip



# SWOT Analysis

- Many Strengths
- Serious Weaknesses
  - Low productivity
  - Lack of staff to support use of fixed route over demand response
- Threats
  - Increasing ridership
  - Unequal service for non-ambulatory riders
  - High cost per trip coupled with few trips per hour is not sustainable

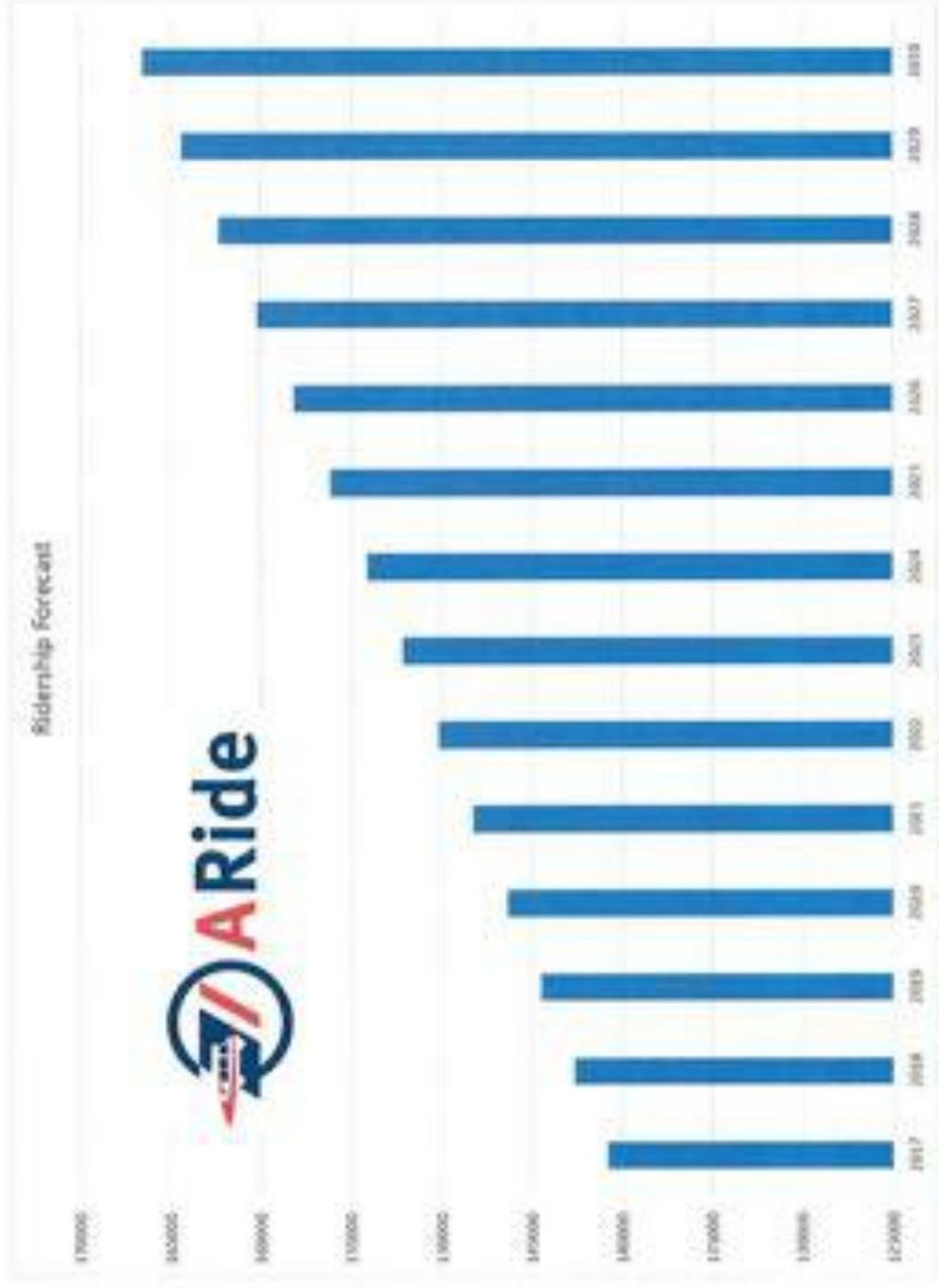
Table 4-2: TheRide A-Ride and GoldRide Service Area Senior Population, 2015-2030

Place	Baseline		Forecast			Variance		
	2015	2020	2025	2030	2015-20	2015-25	2015-30	
Ann Arbor City	13,464	15,804	18,010	20,073	17%	34%	49%	
Ypsilanti City	2,158	2,482	2,969	3,414	15%	38%	58%	
Ypsilanti Township	5,777	6,530	8,241	9,416	13%	43%	63%	
Pittsfield Township	3,950	5,629	6,917	8,170	43%	75%	107%	
Total	1,732	2,182	2,540	3,182	26%	47%	84%	
<b>TOTAL</b>	<b>27,081</b>	<b>32,627</b>	<b>38,677</b>	<b>44,255</b>	<b>20%</b>	<b>43%</b>	<b>63%</b>	

Source: Southeast Michigan Council of Governments 2045 Forecast Summary Report  
<https://maps.semcoog.org/Forecast/>



# Service Growth Forecast





## Current State of the System



## Summary

- Aride is popular service whose expense is growing beyond its budget.
- There are opportunities to modernize the service internally without changing much of the outward facing service.
- Even with those changes, the forecast shows that current service levels are not sustainable and risk fiscal jeopardy.
- The next presentation will highlight recommendations to address the issues discussed today.

## Multiple jurisdictions with varying levels

- Servicing people differently
- Where they live
- What they use
- You can't get there from here



## Issue Brief: 2019 Q2 Satisfaction and Service Report

Meeting: Service Committee    Date: May 16, 2019    Agenda Item # 5.3

**Recommended Action(s):** Receive as CEO Operational Update

### Prior Relevant Board Actions and Policies:

- 2.11.1.5 CEO shall not...Let the Board be unaware of...operational... [and] customer satisfaction metrics...
- Appendix A: Informational Reports schedule specifies quarterly Customer Satisfaction and Service Performance reports in Nov, Feb, May, Sept

### Issue Summary:

Staff present the Quarterly Satisfaction and Service Report populated with currently available and reportable data/targets for Fixed Route, Paratransit, and Vanpool service. This quarter's report contains the last two quarters of data for Vanpool, as promised. Unfortunately, it is incomplete, missing information on Fixed Route Cost Per Hour. Information is sorted into several Ends Policy categories. Staff will continue to work on defining and populating the remaining items for Fixed Route and for other services. Targets, when possible, will be set in Ends Policy Interpretations. A glossary of terms for currently tracked metrics is attached.

### Attachments:

- Highlights Brief
- FY 2019 Q2 Satisfaction and Service Report
- Glossary of Terms

---

Author: Bryan D. Smith

Reviewed by:

Approved by:

Date:

## Quarterly Satisfaction and Service Report: Guide to Terms

### **Boardings** ("Unlinked Passenger Trips," a Transit industry standard metric)

The number of passengers who board public transportation vehicles. Passengers are counted each time they board a vehicle no matter how many vehicles they use to travel from their origin to their destination. Also reported to National Transit Database.

### **Per Capita in Service Area.**

Population that lives in the AAATA service area, calculated using census tracts (retrospective measure). Also reported to National Transit Database.

### **Preventable accidents and Passenger Injuries.**

Total number of accidents that have been judged to be preventable and any passenger injuries. Serious accidents and all injuries are reported to National Transit Database.

### **On-time performance.**

Percentage of buses that leave scheduled timepoints within 0-5 minutes past the posted schedule. Transit industry standard metric.

### **Miles between Road Calls.**

The average number of times a bus must be taken out of service because of equipment issues, divided by how many miles the fleet has run. Transit industry standard metric.

### **Complaints**

A complaint is when a customer or non-customer communicates to AAATA that something is unsatisfactory or unacceptable. All complaints are looked into and referred to appropriate staff.

### **Bus Stops with Shelters**

AAATA, based on the industry standard, puts shelters at stops that have an average of 50 or more riders per weekday. A bus stop is considered to meet these standards if there is

- An AAATA shelter
- An alternative shelter is in close proximity to the stop making an AAATA installation redundant.

Only shelters that may be possible are included in the metric. Not included are several 50+ rider/day bus stops where a stop is not currently possible because property owners have declined to grant an easement (3%) or there is insufficient space in dense, downtown areas (13%).

### **Condition of Vehicle**

The image of the transit system, including the condition of the transit vehicles is an important factor in determining user satisfaction. The 100-point system is aligned with industry study: Climate Control (20), Interior Cleanliness (30), Exterior Cleanliness (10), Repair of Seats (20), Interior Lighting (10), General Repair (10).

## Service and Satisfaction Report Highlights

1/1/2019 to 3/31/2019

### Fixed Route Ridership:

**1.53M** Trips 2019 Q2  
↓  
**1.73M** Trips 2018 Q2

Ridership decreased 11.5% quarter to quarter. Boardings per revenue hour were also down 11% in the same period, indicating lower ridership on existing service. Preliminary analysis indicates that the polar vortex and weather associated with it constitute the single largest reason for the drop off. It should be noted, though, that we are seeing a general

trend downward in ridership in the last three quarters, which follows the national trend.

### Safety

The quarter to quarter trend in preventable collisions and incidents is down to 1.65 per 100,000 miles. This is well below the target of 3.5, and we will continue to work to bring it down as low as possible.

### Fixed Route: On-Time Performance

We continue to track the new metric focused on how many passengers are on a on-time bus. This factor is up 4% from last quarter, but still down 1% from the same quarter last year.

A more comprehensive set of solutions will be part of the outcome of the long-range plan, as presented by Planning and Innovation.

**76%** of our  
passengers on  
are on-time.

**3.7** compliments  
per 100,000  
boardings.

### Fixed Route: Complaints & Compliments

I am happy to introduce a new metric for Fixed Route. We are now tracking Compliments per 100,000 boardings. We continue to track complaints as well, but felt it was appropriate to highlight the good we do, too! Compliments are up 5% quarter to quarter. We investigate each complaint and take appropriate action with every one.

### Fixed Route: Bus Condition & Road Calls

The bus condition statistic has improved from last quarter yet again, and 5% better than a year ago. I would like to congratulate Anthony Sciafani, Service Crew Supervisor and Candace Moore, Fleet Manager on getting the numbers up over the last two quarters. Last quarter, we were unable to provide a road call metric due to a data collection error. This quarter,

those figures are again available. In fixing the collection error, we also uncovered the need to update the definition of road call to meet the FTA's expectation. This has resulted in a higher number of road calls being reported, and the miles between road calls to drop by half. Please be assured that we have not had a spike in road calls, but rather a new definition of the metric.

**11,687** miles  
between road calls

### Paratransit: Ridership

Paratransit ridership totals were essentially flat Q2 2018 to Q2 2019. We continue to see Senior trips drop, while ADA was flat. Our staff has examined the second quarter increase in denials for the period and found no pattern in the denials (time period, day of week, etc) upon which to take action. While the number did increase, it is still a fraction of the trips delivered. We also had a small increase in complaints and a decrease in on-time performance. Fortunately, these are issues that are on the work plan to be addressed.

**90 PMPG**(passenger miles  
per gallon)**\$28.62**average monthly  
fuel cost per user**Vanpool**

Vanpool data from the last two quarters is now available. We are also able to provide quarter to quarter trends for the first time, as we now have a year's worth of data. Quarter to quarter, we have 100 van pools, and essentially flat ridership of 59,098 trips.

## FY 2019 Q2 Satisfaction and Service Report

Service: Fixed Route (Local + Express/Ride)

End/Outcome Measure	Current Quarter							Q to Q Trend	Target
	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q2	2019 Q2		
Ridership	1,732,094	1,539,552	1,647,843	1,701,224	1,533,512		-11.5%	> last yr Q.	
Satisfaction	5.92							> 5	
Safe	2.27	2.01	1.91	2.10	1.65		-27.4%	< 3.5	
Reliable									
Preventable accidents + pass. Injuries/ 100,000 miles									
% bus stops compliant with industry standards (TCRP)	84.5%	85.3%	82.8%	73.3%	78.0%		-8%	90%	
On-time Performance (within 0-5 min at timepoints)	77%	75%	72%	72%	76%		-1%		
% passengers on an on-time bus									
Miles between road calls	26,913	22,512	20,063	N/A	11,687		-57%		
Complaints per 100,000 boardings	3.1	2.3	2.0	2.1	3.3		5%		
Compliments per 100,000 boardings					1.7				
% of qualifying, possible bus stops with shelters	88%	88%	90%	90%	90%		2%		
Condition, cleanliness of bus: % buses scoring 80+/100	80%	77%	78%	80%	84%		5%	>80%	
Boardings per Revenue Hour	24.6	22.2	23.6	23.6	22.0		-11%	>25	
Cost per Revenue Hour (note: cumulative over yr)	\$ 104.07	\$ 110.34	\$ 107.07	\$ 114.65	N/A		12%		

Service: Paratransit

End/Outcome Measure	Current Quarter							Q to Q Trend	Target
	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q2	2019 Q2		
Access									
ADA Service Denials/ ADA Boardings	0.11%	0.15%	0.07%	0.28%	0.28%		157%	"no pattern"	
ADA Trips	30,020	29,815	29,609	29,327	29,760		-1%		
Senior Trips	3,834	3,362	2,604	3,159	3,386		-20%		
Total ADA and Senior Trips	33,854	33,177	32,213	32,486	33,146		-2%		
ADA Boardings/Capita	0.13	0.13	0.13	0.13	0.13		0%		
Reliable									
On-time Performance (% within 30 min Service Window)	96%	98%	97%	97%	96%		0%	97%	
Courteous									
% of Complaints/Boardings	0.10%	0.05%	0.03%	0.03%	0.05%		-52%	< 0.50% trips	
Convenient									
Avg on hold time Advance Reservations									
Avg on hold time Same-Day Reservations									
Boardings per Revenue Hour	1.42	1.46	1.45	1.41	1.53		-7%		
Cost/Boarding	\$ 32.85	\$ 34.89	\$ 35.84	\$ 36.94	\$ 37.37		11%		

Service: Vanpool

Current Quarter

End/Outcome	Measure	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	Q to Q Trend	Target
Ridership	# of vanpools (at end of Q)	102.7	109.0	107.0	104.7	103.3	1%	110 by yr end
	# of rider trips taken	60,517	60,754	58,316	59,467	59,698	-1%	
Alt to Auto	Avg Monthly Fuel Cost to User	\$ 30.94	\$ 31.95	\$ 34.33	\$ 30.39	\$ 28.62	-8%	
	Avg monthly passenger miles/traveller	1,156	1,115	1,099	1,102	1,124	-3%	
Stewardship	Subsidy per passenger trip (federal)	\$ 2.67	\$ 3.01	\$ 3.17	\$ 2.97	\$ 2.92	9%	
	Passenger miles/gallon	93.8	93.0	92.0	90.8	90.4	-4%	

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## CEO's Report

Meeting Date: May 16, 2019

Agenda Item # 5.5

### OPERATIONAL AND PROJECT UPDATES:

- **MOBILE DAY PASS PILOT**

TheRide is partnering with SPARK and Token Transit to test a mobile day pass for registered attendees at AZTech360.com events the week of June 2 – June 10, 2019 in Ann Arbor and Ypsilanti. More information will be available at [TheRide.org/About-Us/Initiatives/New-Mobility](http://TheRide.org/About-Us/Initiatives/New-Mobility).

- **QUANTUM WHEELCHAIR SECUREMENTS**

The installation of QUANTUM Securement Stations completed on 10 buses and all motor coach operators have been trained to use the system. The buses with Quantum wheelchair securement stations are being tested on all routes.

- **BUDGET SOFTWARE**

The Finance and IT departments have nearly completed the implementation of Questica Budget Software. The software will be used to produce the FY2020 operating, capital, and salaries/fringes budgets. With the Manager of Finance position vacant, John Metzinger is leading the project along with Dave McReynolds from CSP Municipal Solutions. The draft budget will be produced by early June. The Questica Budget software be provided to Management personnel to monitor budget performance during the next fiscal year. The software and ongoing monitoring by staff are representative of continuous improvement in financial management and cost controls at TheRide.

- **WATS**

The May meeting of the WATS Policy Committee was cancelled.

- **CITY OF ANN ARBOR TRANSPORTATION COMMISSION**

City of Ann Arbor Transportation Commission meeting will be held on May 15<sup>th</sup>. AAATA staff will attend and prepare a report for the June Board meeting.

- **BIKESHARE/ARBORBIKE**

The new ArborBike operator, Shift has submitted permits for all stations in downtown Ann Arbor and they are preparing and testing all equipment. All preparations are being made to relaunch in May, provided the permits are approved in time. (Stations are essentially remaining as they were before, with 8 stations on University property and 5 stations on City right-of-way, connecting from the southern portions of central campus (S. Division and Hill) up to Kerrytown and from downtown (Main and Washington) up to the medical center and North Campus (Murfin & Hubbard).

- **COMMUTER CHALLENGE**

May is the annual Commuter Challenge organized by getDowntown. With hundreds of organizations and thousands of commuters registered for this year's campaign, we invite the members of the Board who work in Washtenaw County to register and participate at [commuteandwin.org](http://commuteandwin.org).

- **50<sup>TH</sup> ANNIVERSARY CUSTOMER CELEBRATION**

Our 50<sup>th</sup> anniversary celebrations are underway! We celebrated the dedication of our employees on April 26. On May 7, we celebrated our customers by holding table events at the Blake Transit Center and Ypsilanti Transit Center with giveaways. The E-Team hopped on board and gave free 30-Day passes to 12 lucky passengers, and three A-Ride passengers received Scrip Coupons. We'll continue to celebrate throughout the year. You'll also notice window paintings at our transit centers and main office as well as on the inside and outside of buses, and at Pioneer High School's Park & Ride lot thanking the community for their support.

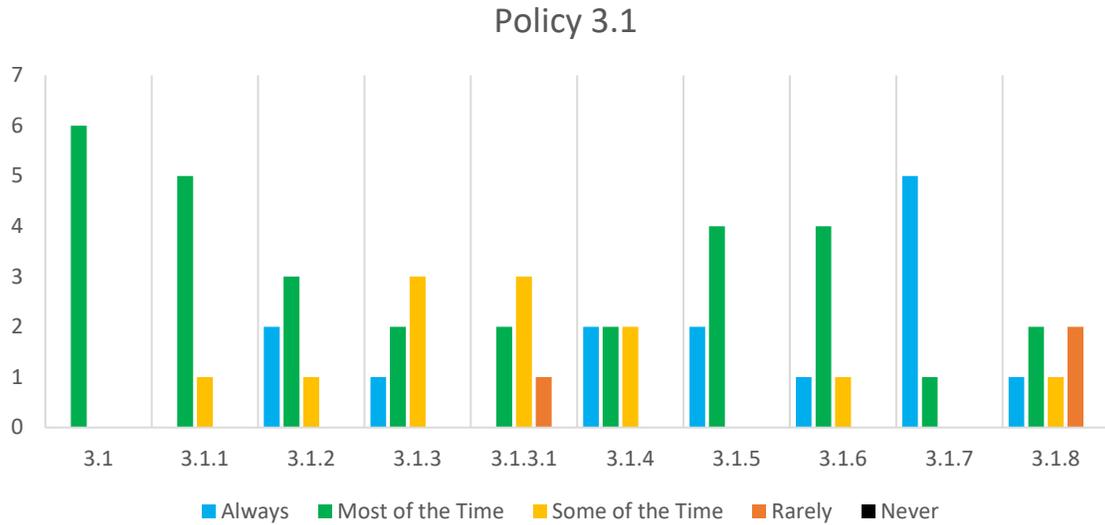
- **WASHTENAW BUS RAPID TRANSIT**

Public input pop-up sessions were held at April 23-24 at the Blake and Ypsilanti Transit Centers for the Washtenaw Bus Rapid Transit Study Update. In addition, a presentation was delivered to the WATS Technical committee. Public comments are being accepted through May 31, 2019. The next steps and more details about the project are at [www.TheRide.org/AboutUs/Initiatives/Reimagine-Washtenaw](http://www.TheRide.org/AboutUs/Initiatives/Reimagine-Washtenaw).

- **MAIN OFFICE – STATE OF GOOD REPAIR**

Bids have been received for a new roof and heating and cooling (HVAC) system for the Dawn Gabay Operations Center located on S. Industrial Highway. Work is on schedule to begin in June. As a reminder, Board committee meetings are being moved to the Blake Transit Center until further notice.

## Feedback on Policy 3.1: Governing Style



6 participants

Policy Number	Board member feedback
<b>3.1</b>	<ul style="list-style-type: none"> <li>We are currently in the process of becoming better stewards by having identified our owners and beginning outreach. As we become more connected to our legal and moral owners, we will broaden our relationships and inherently become better stewards.</li> </ul>
<b>3.1.1</b>	<ul style="list-style-type: none"> <li>The Board spends much of its time reacting to staff initiatives, and not enough discussing how those initiatives meet our ends.</li> <li>We occasionally wait for Matt/Staff to suggest things, but we rely on this input at the same time.</li> <li>I am concerned that, at times, the board seems to rely on the staff for guidance.</li> <li>The board has come a long way with this.</li> <li>Board agendas allow for this to occur</li> <li>The Board does a good job of acting as one (group responsibility) and is becoming more proactive at monitoring its own governing. I do notice that staff (more often than the Board) is suggesting edits to our policies (often in response to completing monitoring reports).</li> </ul>
<b>3.1.2</b>	<ul style="list-style-type: none"> <li>We do not make decisions as a Board without a vote and do not make policy decisions without full Board input.</li> <li>I think we are doing pretty well in this area.</li> <li>I believe board members are still somewhat reluctant to express a minority opinion, particularly when meetings are running long.</li> <li>Frank conversation is encouraged and respectful</li> <li>All Board members are given the opportunity to express their thoughts and opinions at committee meetings as well as full-board meetings. Some Board members have more technical</li> </ul>



	transit/planning/etc. knowledge and their viewpoints are appreciated though not decisive when making Board level decisions.
<b>3.1.3</b>	<ul style="list-style-type: none"> <li>• I like the way the Board has come to recognize and acknowledge when it has strayed into operational issues (not that we always pull back). I believe we are normally externally focused.</li> <li>• I hope that the retreat moves the ends beyond the very general vision we now have for ends.</li> <li>• I believe that board does this through the current policy governance model. And will continue to do so through self-monitoring.</li> <li>• Not enough focus on long-term external impacts.</li> <li>• I think this is our intent, but I can think of fewer examples</li> <li>• The Board’s policy governance manual is focused on the long-term impact of the Agency and is forward looking. As this method of governance is still relatively new, we often do still focus on the “administrative or programmatic means”, but we consistently strive to focus on our Ends/big picture.</li> </ul>
<b>3.1.3.1</b>	<ul style="list-style-type: none"> <li>• We do not often use this analysis formally but do incorporate parts of it into our thinking.</li> <li>• I think we are just starting to follow this process. We need a lot more work on this procedure.</li> <li>• How are we assuring this is done? Is this something we are mindful of? Or, have circumstances been that we rely on the chair to direct us?</li> <li>• I can’t recall when anyone referred to this even though we see in in writing all the time.</li> <li>• I think the Board did a better job of this when we were first struggling through policy governance as this list was discussed often before discussing monitoring reports. I also think it has been difficult to keep track of what the Board has previously said on a subject. Sometimes the Board does speak as a whole on a topic that we may want to see changes to/improvements on, etc. that do not necessitate a change in actual policy – however, I believe that we need a system to help us keep track of these suggestions.</li> </ul>
<b>3.1.4</b>	<ul style="list-style-type: none"> <li>• Some Board members wish we would spend less time on monitoring, but in my opinion, we have a good balance of monitoring and visioning. We always have an eye on whether we have the right Ends for the organization.</li> <li>• Again, I hope the retreat will address this.</li> <li>• We’re pretty good at this and getting better. Still, I think we spend too much time on monitoring reports.</li> <li>• We should spend more time on this</li> <li>• The Board is making good strides on this policy with the ownership linkage task force and review/prioritization of ends.</li> </ul>
<b>3.1.5</b>	<ul style="list-style-type: none"> <li>• I would never say we are perfect, but we are always checking ourselves for perfection and looking to strike a balance between what we want to accomplish and how we want to accomplish it. We don’t consult our Manual with every decision, but we are aware enough of our policies to avoid violating our own codes.</li> <li>• I believe we are getting pretty good at this.</li> <li>• I am probably too literal here in defining “always”, but we’re very good here.</li> <li>• I don’t believe I can adequately rate this question as most of these falls under the purview of the governance committee.</li> </ul>
	<ul style="list-style-type: none"> <li>• We have been more diligent about orientating new Board members to our system of</li> </ul>



<p><b>3.1.6</b></p>	<p>governance. Building a pipeline of Board members takes time but we are doing it. And hardly a Board or Committee meeting takes place that where process improvement is not discussed.</p> <ul style="list-style-type: none"> <li>• We are also getting pretty good at this.</li> <li>• We depend on Matt too much in this area.</li> <li>• Still evolving</li> <li>• I don't believe I can adequately rate this question as most of these falls under the purview of the governance committee.</li> </ul>
<p><b>3.1.7</b></p>	<ul style="list-style-type: none"> <li>• Close enough to my literal definition.</li> </ul>
<p><b>3.1.8</b></p>	<ul style="list-style-type: none"> <li>• We have had false starts on this issue for various reasons and not quite gotten off the ground. We are looking for a way to do this efficiently, while at the same time not bogging ourselves down with yet more monitoring activity.</li> <li>• This is the first real try at this. We need to have a broad-based board discussion on accomplishing it.</li> </ul>



## **POLICY 3.1: GOVERNING STYLE**

Version: 2.9

The Board will govern lawfully, observing the principles of the policy governance, with an emphasis on

- (a) the best interests of the entirety of the ownership and stewardship of the agency,
- (b) outward vision rather than an internal preoccupation,
- (c) encouragement of diversity in viewpoints,
- (d) strategic leadership more than administrative detail,
- (e) clear distinction of Board and chief executive roles,
- (f) collective rather than individual decisions,
- (g) future rather than past or present, and
- (h) proactivity rather than reactivity.

On any issue, the Board must insure that all divergent views are considered in making decisions yet may not require the CEO to act without majority approval from a quorum of the Board.

Accordingly:

**3.1.1** The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives.

**3.1.2** The Board will encourage a diversity of viewpoints and work to ensure all views are heard. The Board may use the expertise of individual members to enhance the ability of the Board as a body. However, the Board will not allow dominant personalities or individual agendas to usurp the Board's broader perspective, collective responsibilities or values.

**3.1.3** The Board will direct, control and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.



**3.1.3.1** The Board will only allow itself to address a topic after it has answered these questions:

1. What is the nature of the issue? Is the issue within the scope of the agency?
2. What is the value that drives the concern?
3. Whose issue is this? Is it the Board's or the CEO's?
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?

**3.1.4** The Board must provide the strategic leadership for the AAATA and recognizes that its greatest contribution to long-range planning is an explication of its vision for the AAATA through creating ends policies with a long-range perspective. The Board also recognizes that the operational planning of the AAATA to meet Board end policies is a staff function, and organizational performance on ends will be closely monitored by the Board. Accordingly, the Board will periodically review its ends policies to ensure alignment with its owners and the long-range demands of the AAATA.

**3.1.5** The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the Board can change its governance process policies at any time, it will observe them scrupulously while in force.

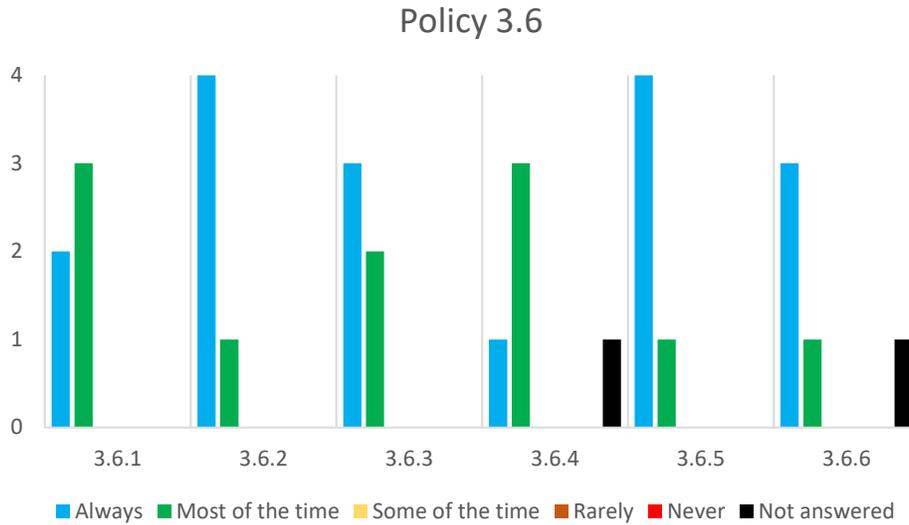
**3.1.6** Continual Board development will include orientation of new Board members in the Board's governance process, periodic Board discussion of process improvement and timely identification of quality candidates to be recommended for appointment by our municipal partners.

**3.1.7** The Board will allow no officer, individual or committee of the Board to hinder or be an excuse for not fulfilling its governance commitments.

**3.1.8** The Board will monitor its process and performance according to its established schedule. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-Management Delegation categories, following the monitoring schedule in Appendix A.



## Feedback on Policy 3.6: Board Committee Principles



5 participants

Policy Number	Board member feedback
3.6.1	<ul style="list-style-type: none"> <li>Usually committee outcomes are recommendations for board.</li> <li>Occasionally committees will get hung up on operational issues; but in general (at least in finance committee) we spend the majority of the time discussing monitoring reports interpretations in relation to our ends.</li> </ul>
3.6.2	<ul style="list-style-type: none"> <li>I'm pretty sure when requests are made to staff, it's understood committee is not speaking for board and staff can disagree.</li> </ul>
3.6.3	<ul style="list-style-type: none"> <li>3.6.3 seems almost identical to 3.6.2.</li> <li>I have not observed a committee direct the CEO to take an action without approval from the full board.</li> </ul>
3.6.4	<ul style="list-style-type: none"> <li>Don't understand this. (Didn't answer)</li> <li>See 3.6.1 comment- (Occasionally committees will get hung up on operational issues; but in general (at least in finance committee) we spend the majority of the time discussing monitoring reports interpretations in relation to our ends.)</li> <li>There has been some over attention to some details of the operations, but I think that will improve in the future.</li> </ul>
3.6.5	<ul style="list-style-type: none"> <li>I believe these are the task forces.</li> <li>Use of task forces to work on items that are important to the board. May relate back to the committees but require stand-alone work.</li> </ul>



	<ul style="list-style-type: none"><li>• Task forces are functioning for specific areas, but these could be improved.</li></ul>
<b>3.6.6</b>	<ul style="list-style-type: none"><li>• I don't see that this can be rated. (Didn't answer)</li></ul>



## **POLICY 3.6: BOARD COMMITTEE PRINCIPLES**

Version: 2.9

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to CEO.

Accordingly:

**3.6.1** Board committees are to help the Board do its job, not to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations.

**3.6.2** Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.

**3.6.3** Board committees cannot exercise authority over staff. Because the CEO works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action.

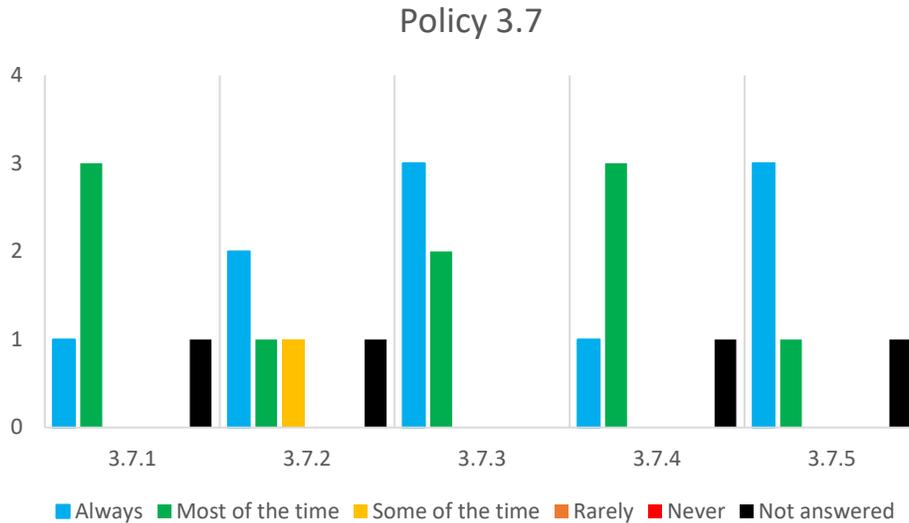
**3.6.4** Board committees are to avoid over-identification with organizational parts rather than the whole.

**3.6.5** Other work groups will be used in an ad hoc capacity.

**3.6.6** This policy applies to any group which is formed by Board action, whether or not it is called a committee and regardless whether the group includes Board members. It does not apply to committees formed under the authority of the CEO.



## Feedback on Policy 3.7: Board Committee Structure



5 participants

Policy Number	Board member feedback
3.7.1	<ul style="list-style-type: none"> <li>• Our committee agendas do a pretty good job of following the required products.</li> <li>• I believe this is being complied with, but not everything listed has been done in the last year.</li> <li>• I think more could be done in regard to orientation and training of board members. There have been sufficient opportunities/resources for learning policy governance but not as much for learning more about the details of the organization.</li> </ul>
3.7.2	<ul style="list-style-type: none"> <li>• I don't know if this committee has met.</li> <li>• More transparency from Executive committee to full board would be helpful</li> <li>• I don't believe this committee has ever met. Therefore, no rating.</li> <li>• Have not had to use emergency powers since I have been on the board.</li> </ul>
3.7.3	<ul style="list-style-type: none"> <li>• I am not on this committee, but it appears to be doing a thorough job.</li> <li>• We stay on track</li> <li>• Only reason not "always" is there has been very little 3.7.3 A. d.</li> </ul>
3.7.4	<ul style="list-style-type: none"> <li>• This committee generally produces the required products.</li> <li>• We could broaden our focus to cover more topics</li> <li>• Don't know. (no rating provided)</li> <li>• I don't recall discussing quarterly Customer Satisfaction reports at the full-</li> </ul>



	board level in some time although it's possible I don't remember.
<b>3.7.5</b>	<ul style="list-style-type: none"><li>• I not sure this committee has met, or its function is done by the Finance Committee.</li><li>• This is an are of huge strength and discipline</li><li>• Don't know. (no rating provided)</li></ul>



## **POLICY 3.7: BOARD COMMITTEE STRUCTURE**

Version: 2.9

Committees are intended to expedite work of the Board so that monthly meetings can be efficient and as advisory bodies. The full Board retains all decision-making powers. Committees are, therefore, empowered to:

- Conduct detailed reviews of monitoring reports, and recommend acceptance or rejection to the full Board,
- Conduct reviews of policy language and make recommendations for changes to the full Board,
- Receive preliminary Strategy Updates from the CEO,
- Discuss Ends policies, and
- Advise the Board.

Standing committees are arranged by function and have formal responsibility for monitoring certain policies which have been grouped by theme (governance, financial, service) so the committees can emphasize those subjects.

### **3.7.1 Governance Committee**

#### **A. Products:**

- a. Plans Board annual agenda, retreat planning, etc.
- b. Monitors Governance policies and practices. Advise on possible changes to policy.
- c. CEO/Board relationship (annual evaluation, expenses, pay, etc.).
- d. Board Development & Self-Assessment (Recruitment, Orientation, Training, etc.).
- e. Strategy Update (CEO seeks feedback) & Ends Discussion.
- f. Will have primary responsibility for monitoring governance-related Executive Limitations (Global Governance Process, Agenda Planning, Governing Style, Board Job Description, Board Member's Code of Conduct, Chair's Role, Board



Committee Principles & Structure, Cost of Governance, Accountability of CEO, Monitoring CEO Performance).

B. Membership: Chair of the Board, Chairs of other Committees. Chaired by Chair of Board.

C. Term: One year.

### **3.7.2 Executive Committee**

A. Products:

a. Limited emergency powers (Acting CEO Appointment, Urgent Purchases Only).

b. Task-force appointments, one-off issues, Emergent Issues.

c. Will have primary responsibility for monitoring Board-CEO delegation and other Executive Limitations (Global Board-Management Delegation, External Relations, Unity of Control, Delegation to CEO, Emergency CEO Succession).

B. Membership: Elected Board Officers – Chair, Treasurer, Secretary. Chaired by Chair of Board.

C. Term: One year.

### **3.7.3 Finance Committee**

A. Products:

a. Assists Board by pre-vetting monitoring reports. Will have primary responsibility for monitoring finance-related Executive Limitations (Compensation & Benefits, Financial Planning/Budgeting, Financial Condition & Analysis, Investments, Asset Protection)

b. Advise on possible changes to policy.

c. Reviews quarterly Financial Reports. d. Strategy Update (CEO seeks feedback) & Ends Discussion.

B. Membership: Appointed by Chair of Board (as per Bylaws).

C. Term: One year.



### **3.7.4 Service Committee**

#### **A. Products:**

- a. Assists Board by pre-vetting monitoring reports (See table for assigned policies). Advise on possible changes to policy. Will have primary responsibility for monitoring service and customer related Executive Limitations (Treatment of Riders, Treatment of Staff, Ends Focus of Contracts, Communication & Support).
- b. Reviews quarterly Customer Satisfaction Reports.
- c. Strategy Update (CEO seeks feedback) & Ends Discussion.

**B. Membership:** Appointed by Chair of Board (as per Bylaws).

**C. Term:** One year.

### **3.7.5 Audit Task Force**

#### **A. Products:**

- a. Conduct annual Board audit of agency finances.

**B. Membership:** Appointed by Chair of Board (as per Bylaws). Cannot include chair of Finance Committee.

**C. Term:** One year.

The only Board committees are those which are set forth in this policy or the Bylaws (Governance Committee). Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

