

Board of Directors Meeting Summary

Meeting Date/Time: November 21, 2019, 6:30-9:00pm

Location: Ann Arbor District Library, 343 South Fifth Avenue, 4th Floor, Ann Arbor, MI 48104

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

AAATA Staff Attendees: Matt Carpenter (CEO), Bryan Smith, John Metzinger, Tim Sanderson, Rosa-Maria Njuki, Mary Boonin

Acting Chairman Roger Hewitt called the meeting to order at 6:32 p.m.

1. OPENING ITEMS
<p>1.1 Approve Agenda CEO Carpenter added an update on RTA this week under section 4. With this addition, approval of the agenda was unanimous.</p>
<p>1.2 Public Comment Jim Mogensen discussed the Governance Policy and suggested further clarity when possible for the public. He also discussed the Construction Policy. He asked how transit-orient development would be paid for.</p>
<p>1.3 General Announcements CEO Carpenter announced the nomination of Rich Chang to the AAATA Board by the Mayor of Ann Arbor.</p>
2. CONSENT AGENDA
<p>Approval of the consent agenda was unanimous.</p>
<p>2.1 Minutes</p>
3. POLICY MONITORING & DEVELOPMENT
<p>3.1 Committee Reports</p>
<p>3.1.1 Governance Committee Mr. Mike Allemang highlighted the main topics of the Committee meeting as outlined in the meeting summary. Mr. Hewitt and Mr. Allemang discussed the process underway regarding the Articles of Incorporation, bylaws, and the treasurer role.</p>
<p>3.1.1.1 Annual Work Plan Mr. Hewitt pointed out to the Board that ideas for presentations are still being collected and reminded them that Stephen Dolen and Sue Gott will be presenting at the upcoming December Board Meeting.</p> <p>Mr. Hunter asked what kind of difficulties are being met when trying to coordinate presentations. Mr. Hewitt and CEO Carpenter explained that finding local speakers with expertise on the issues of interest are difficult to come by. CEO Carpenter explained that the subjects are more practical and less academic.</p>

CEO Carpenter highlighted some of the conferences available for Board education. He noted that the Policy Governance conference in June may be of particular interest in the development of the LAC.

Ms. Gott asked what is behind the successional planning. CEO Carpenter explained that the successional planning is in regards to future governance within the Board, not staff.

3.1.2 Finance Committee

Mr. Allemang explained that the Q4 Financial Report was presented to the Financial Committee with a preliminary close of the books. Because the numbers would not necessarily be very close to the what the final numbers would be, he explained that it was decided by the Finance Committee and the CEO not to share the Q4 Financial Report at the November Board meeting. He expressed that this in no way indicates a problem with the numbers or the financial operations. He expects the numbers to actually be very good. He also reported that the audit would take place by the new auditors on December 9th, 2019.

Mr. Allemang suggested that discussions may be had as to when the Q4 Financial Report should be reviewed next year. He also reported that the mini-monitoring report 2.6 was useful and discussions will be revisited next quarter to see if these mini reports are a worthwhile endeavor or not.

He also described the progress of the Ends Task Force.

Mr. Allemang closed by congratulating Mr. Jesse Miller on the birth of his new baby.

3.1.3 Service Committee

3.1.3.1 Construction Policy

Mr. Hewitt described that the meetings main topic was the Construction Policy. He asked for Board feedback on the Executive Limitations in hopes that they could be discussed once again by the Service Committee and then brought to the Board for approval at the December Board meeting.

Mr. Allemang expressed that he doesn't recall any other policies that have a lengthy list of items that are to be met by requesting authorization. Mr. Hewitt expressed that this was done to anticipate as much as is reasonably possible, especially considering this is the first major construction project by this present Board.

CEO Carpenter expressed that the level of detail provides a comforting level of clarity. Mr. Ryan Hunter expressed that he thought there would be more flexibility but appreciated CEO Carpenter's explanation of the purpose.

Mr. Allemang and Mr. Hewitt discussed 1.1 in the policy at length as to what comes first in a construction policy. Mr. Allemang expressed feeling better having heard CEO Carpenter's support of the detail and hopes that getting the various levels of approval will not slow down the process too much. CEO Carpenter described a lesson-learned that indicates having this higher level of approval before submitting grants to be appropriate.

Ms. Gott described spending large amounts of money on construction as not done by AAATA on a regular basis and therefore merits this amount of thoughtfulness. She indicated that the clarity may actually streamline the process rather than slow it down.

Mr. Allemang expressed that he feels very good about the content of the policy.

CEO Carpenter discussed using the annual budget process and thinking further in advance going forward.

Mr. Raymond Hess suggested that defining what is considered “major” would be a good exercise. A discussion ensued as to whether a dollar amount should be added to quantify “major”. Mr. Hewitt expressed that this would be taken back to the next Service Committee to see if there is something that should be more defined in this regard.

3.2 LAC Report

Ms. Cheryl Weber described that a few LAC members are excited, and few are just getting used to the homework required of governance policy. She also reported that Tim Sanderson presented to the LAC regarding AAATA’s Long Range Plan.

Ms. Kathleen Mozak-Betts described that a process is being developed by herself, CEO Carpenter and Chairman Eric Mahler for gleaning the important information from the LAC.

3.3 Monitoring Reports

CEO Carpenter described the reformatting and consolidation of information on the reports.

3.3.1 Treatment of Staff – Policy 2.2 Monitoring Report & Survey Results

CEO Carpenter reported that the new employee handbook is about 95% complete and intended to be rolled out after the new year which would put the policy in compliance with 2.2.2 (currently non-compliant).

He also expounded upon the guidance on determining “reasonableness” of CEO interpretations.

Mr. Allemang expressed that he likes the new abbreviated and reformatted monitoring reports.

Regarding 2.2.4, Ms. Mozak-Betts asked for explanation of why the active shooter training and fire drills aren’t applicable for 2019. Mr. Rosa-Maria Njuki explained that this was done in 2018 and is only done every 2 years.

Ms. Gott complimented the staff on the monitoring report formatting and even more so expressed her appreciation for the content. Ms. Mozak-Betts also wanted to thank the staff and the staff that participated in the survey. Mr. Hewitt and Mr. Hunter both expressed appreciation of the monitoring reports and the staff.

CEO Carpenter expressed that he looks forward to seeing how the Board would like to accept the report.

Ms. Mozak-Bett proposed accepting the report as in compliance, except for item 2.2.4. This was accepted unanimously.

Mr. Allemang pointed out the CEO’s note and Mr. Hewitt suggested this be taken up at the Governance Committee.

3.3.2 Accountability of the CEO – Policy 4.2 Compilation Report

CEO Carpenter reminded that the Board's self-governing of this report is for their use as they see fit.

3.4 Ends Policies

3.4.1 Task Force Report

Mr. Hewitt explained that the task force is comprised of Jesse Miller, Mike Allemang, and himself.

Mr. Allemang described the process to date of developing the Ends and expressed the hope to get approval of the Ends at this Board meeting.

Mr. Hewitt and Mr. Allemang described that there are a couple of proposals of what 1.2.4 should be. CEO Carpenter explained the logic behind 1.2.4 and that the CEO would come back with an interpretation to accept or not.

Mr. Hess remarked that under 1.3.3 he does not like the verbiage of "transit services" and would prefer "public transportation" here instead, as well as in 1.3.4. Regarding 1.2.4 he expressed liking "relevant public policy is transit supportive" better. Mr. Hess expressed an intent to be proactive in this space, allowing the CEO to go out and have latitude to do so. Mr. Hewitt expressed that he agrees that the second option allows for a broader and more relevant interpretation. Mr. Allemang agreed with Mr. Hess' comments.

1.3 – Ms. Mozak-Betts asked why "workers" were taken out. Mr. Allemang and Mr. Hewitt explained that this was captured in labor mobility.

Mr. Hewitt agreed with changing 1.3.3 and 1.3.4 verbiage to "public transportation".

1.4 – Mr. Hewitt described the task force's decision that although there is a nature of executive limitations with this item, they felt that due to its importance it deserved a prominent place in AAATA's policy governance. CEO Carpenter expressed that he believes it does make sense as an Ends and foresees no procedural conflict with that.

1.5 – Mr. Allemang expressed a concern about the measurement of this. He suggested a survey of the community, and invited discussion as to whether or not that would be worthwhile. He expressed leaning toward taking out 1.5. Mr. Hewitt suggested that this is something that CEO Carpenter will come back with an interpretation of and he would like to wait to see what that interpretation might be.

Ms. Gott expressed struggling with not having it in and respects the challenge that it creates. She asked the staff to help with finding a way to keep the spirit of what is being said with this.

Mr. Hess asked if there was any merit to tying 1.5 to a subpoint of 1.1.

Mr. Hewitt would like to suggest that the recommended changes be made and brought back for formal approval at the December meeting, which was unanimously agreed upon.

The changes made were:

1.2.4 – "Relevant public policy is transit supportive" verbiage was chosen.

1.3.3 and 1.3.4 – "public transportation" replaces "transit services".

3.4.2 LAC Input (Verbal)

Ms. Mozak-Betts reported that a conversation was had by herself, CEO Carpenter, and Mr. Mahler that would be discussed with Ms. Weber and there is nothing further to report at this time.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 RTA Update

CEO Carpenter reported on changes to the Municipality Partnership Act that he is working to understand the implications of. He is working on a briefing of it for the Board. He expressed that the most impacted party would be the RTA. He looks forward to providing more information as it begins to become clear. He pointed out that there is a decision target of November 2020, creating a strong sense of urgency.

4.2 Detroit-to-Ann Arbor Update (Verbal)

CEO Carpenter confirmed that state and federal funding has been confirmed, with a target of starting up in January or February 2020. He reported that a contractor has been hired (Indian Trails). He also discussed that fare reciprocity may be added after the service has been launched. He explained that there has been discussion of the potential risk involved with unstable funding and having to pull back service if funding is lost.

4.3 Branding Update

Ms. Mary Boonin discussed some of the criteria put in front of the designers for the new branding. She expressed that feedback on the 4 proposed designs would be greatly appreciated.

Mr. Hess advised not choosing a color scheme that is not easily reproduced if maintenance is needed.

Ms. Mozak-Betts expressed that the design with the most color might be difficult for passenger to see coming/going and expressed a preference for design 3A.

Mr. Hunt expressed total agreeance with Ms. Mozak-Betts.

Ms. Boonin explained to Mr. Allemang that \$280,000 a year is gained from advertisement and Mr. Allemang expressed trying not to interfere with that.

Ms. Gott expressed liking the movement of design 3A but deferred to staff for their expertise such as safety issues.

CEO Carpenter confirmed that the bus route number will be on the back of each bus.

Mr. Hewitt expressed that he prefers design 6B as he does not like advertisements on buses. He expressed that he doesn't like the window logo being white.

4.4 Q4 Service Report

Mr. Bryan Smith described mixed results in the Q4 Service Report. He reported on the first snow day of the season and gave compliments to the drivers.

Mr. Allemang asked about possible factors that could be leading to the lowering ridership. Mr. Smith expressed that not adding any services to the road may have contributed to the decline of ridership

Mr. Smith also described that TheRide is still working through their software capabilities and informed that the year over year numbers will be updated soon online.

4.5 CEO Report

CEO Carpenter reported that no federal build grants were awarded in Michigan. TheRide will find out soon on the second grant submitted.

He described the presentation to the Partnership committee regarding TheRide's interest in and hopes for the Y-Lot as well received.

He added that the Washtenaw Area Transportation Study (WATS) Policy Committee met Nov. 20th. The committee approved amendments to the 2020-2023 Transportation Improvement Program (TIP), which included an allocation of CMAQ funds to the Regional Transit Authority (RTA) for the Detroit to Ann Arbor Connector.

5. EMERGENT BUSINESS

No emergent business.

6. CLOSING ITEMS

6.1 Topics for Next Meeting

6.1.1 Audit Task Force

6.1.2 Construction Policy

6.1.3 Ends Policy (added by Mr. Hewitt)

6.1.4 Q4 Financial Report (added by Mr. Allemang)

6.1.5 Mr. Hunter expressed that he may not be able to attend the December meeting due to a retreat.

CEO Carpenter reported that there may be a new Board Member attending the next Board meeting.

6.2 Public Comment

Mr. Mogensen discussed the impact of the large number of cars on Packard Rd and the need to deal with the transportation issues in Ann Arbor realistically.

He also described what leads to the community needing to have a conversation about fares and that the lack of parking leads individuals to riding buses.

6.3 Adjournment

Ms. Gott moved to adjourn the meeting, seconded by Ms. Mozak-Betts. Mr. Hewitt adjourned the meeting at 9:02pm.

Respectfully Submitted by: Keith Everett Book

Approved December 19, 2019