

## Board of Director’s Meeting Summary

**Meeting Date/Time: December 19, 2019, 6:30-9:00pm**

**Location:** Ann Arbor District Library, 343 South Fifth Avenue, **Lower Level Multi-Purpose Room**, Ann Arbor, MI 48104

**Board Member Attendees:** Mike Allemang, Raymond Hess, Eric Mahler (Chair), Jesse Miller, Kyra Sims, Sue Gott, Roger Hewitt, Rich Chang

**AAATA Staff Attendees:** Matt Carpenter (CEO), Bryan Smith, John Metzinger, Rosa-Maria Njuki

**Guest Speaker:** Steve Dolen (UofM)

Chairman Eric Mahler called the meeting to order at 6:30pm.

<b>1. OPENING ITEMS</b>
<p>1.1 Approve Agenda Mr. Hewitt moved to approve the agenda, seconded by Mr. Miller. The agenda was passed unanimously.</p>
<p>1.2 Public Comment Mr. Jim Mogensen discussed a map of where UofM staff live. He suggested a zip code map to understand where traffic is coming from. He would like to be able to see who is using the transit system via the different types of passes; this he explained would be helpful when discussing fare policy.</p> <p>Mr. Christopher Harris expressed that he has been riding TheRide since the 1990s. He described some recent same-day paratransit request experiences he has had where he was denied four times in a row. He requested that if there is a change in same-day service after 20 years, the public needs to be made aware.</p>
<p>1.3 General Announcements Chairman Mahler formally introduced new Board member Rich Chang.</p>
<b>2. CONSENT AGENDA</b>
<p>2.1 Minutes Mr. Hewitt moved to approve the minutes, seconded by Mr. Miller. The minutes were approved unanimously with one abstention from Ms. Sims.</p>
<b>3. BOARD EDUCATION</b>
<p>3.1 Presentation by UofM (30 min.) Ms. Gott and Mr. Steve Dolen presented on the U-M Land Use Planning and Transportation System. On a high level, they described UofM’s land use, its transportation and parking systems around and within the UofM campus, and how AAATA and UofM’s transit services intertwine. Ms. Gott highlighted some continued efforts that UofM is pursuing.</p> <p>Mr. Miller asked how UofM is going to accommodate the need for the increase of visitors and staff at the UofM. Ms. Gott described the continued movement of employee parking offsite. Mr. Dolen described that not all the trips are incremental.</p>

Mr. Hess described a missed opportunity if the UofM connector doesn't tie into other services in the future. He asked what the parking passes cost, as well as what a traffic ticket costs. Mr. Dolen described that the parking pass costs range from \$70/year to about \$1800/year and that citation rates may be increasing in 2020, benchmarked by those of the city.

Mr. Hewitt asked what the timeframe for further development is, but Mr. Dolen explained that the timeframe has not yet been developed. Mr. Dolen explained that the initial plan is connecting the internal sections of campus.

Mr. Allemang asked if there is an arrangement with the VA. Mr. Dolen explained that UofM faculty that work at the VA are eligible for parking passes and there is a UofM bus that connects them as well.

Mr. Miller began a discussion of creating incentives for new employees to use public transit.

Mr. Hess initiated discussion around 20% of UofM staff using public transit, describing that as an opportunity for more use of public transit by UofM staff.

Chairman Mahler asked how many parking spots have charging stations. Mr. Dolen reported that there are 14 stations.

#### **4. POLICY MONITORING & DEVELOPMENT**

##### 4.1 Committee Reports

##### 4.1.1 Governance Committee

Chairman Mahler highlighted the fare policy discussion that will come back around in January for more Board discussion with Rose Mercier's assistance.

##### 4.1.1.1 Audit Task Force

Chairman Mahler reported that we will receive an audit report in March. He asked for one more Board member to join the audit task force.

##### 4.1.2 Finance Committee

Mr. Allemang highlighted the favorable results for the year in the Q4 Financial Report. He also discussed the inclusion or exclusion of depreciation in next year's meeting. Regarding policy 2.7, Mr. Allemang reported that the Committee found the staff fully compliant and provided some input for improvements of the report. He expressed disappointment that only 3 Board members participated in the survey.

##### 4.1.3 Service Committee

Mr. Hewitt expressed agreement with the Board's recommendations on the Construction Policy Executive Limitation. The Committee recommends leaving the first paragraph as it is and waiting for the CEO's interpretation. He described that any expense would also come up in the budget discussion.

Mr. Hewitt also described the preliminary discussion of the fare policy that began, starting with review of the fare study and brainstorming on the Board's fare philosophy.

He mentioned that the staff policy will be looked at in more depth with the assistance of Rose Mercier.

Chairman Mahler expressed that he would like for a copy of the one-page issue brief on fare policy to be sent to the rest of the Board.

#### 4.1.3.1 Construction Policy Approval

Ms. Sims expressed her opinion that the language overall is flexible while also providing structure. She also described the phrase “esthetically displeasing” as being very subjective and possibly difficult to form a consensus on. Chairman Mahler expressed having similar concerns, suggesting the phrase be eliminated. He also pointed out that what is “environmentally responsible” could be subjective.

Mr. Hewitt, Chairman Mahler, and CEO Carpenter described that the end of the sentence on number 1 should end with “without Board permission”. Chairman Mahler would like it included.

Chairman Mahler asked why the phrase “strategic context” is needed, which Ms. Gott spoke to. Mr. Hewitt mentioned that this would also apply to the Long-Range Business Plan, with which Mr. Miller also agreed.

Section 3: Chairman Mahler asked why “architectural, engineering or construction services” were chosen specifically. Ms. Gott described these items as being of greater relevance and interest, that arose for special attention. Mr. Allemang agreed that there could be language in the policy that requires a contract be reviewed by a competent lawyer. Ms. Sims and Chairman Mahler agreed with Mr. Allemang’s suggestion, and Mr. Hewitt agreed to take that back to the Service Committee.

Mr. Hess expressed that he still has issue with a lack of definition of major renovations. Chairman Mahler suggested adding “Major renovation contracts that exceed \$250,000”. Mr. Hewitt pointed out that there is already a \$250,000 limit in place on contracts that must be approved by the Board. Discussion of what is considered a new facility ensued. CEO Carpenter described that a new bus station is in the budget under capital expense.

Ms. Sims expressed that without a new construction right around the corner, there is more time to continue fleshing out the executive limitation.

Mr. Hewitt and Chairman Mahler agreed that this should go back to the Committee. CEO Carpenter described that this is the first wholly new executive limitation that this Board has created, and the policy governance allows the Board to go to whatever level of detail they would like to go. He advised that the author of policy should go into as much detail as needed only until they get to where a reasonable interpretation can be made.

#### 4.2 LAC Report

Ms. Weber described that several LAC staff in attendance were able to express having difficulties with the paratransit service, while understanding the benefits of shared ride. She expressed that she hopes to have more feedback on the Ends policies for the Board at the next Board meeting. She reported that she will continue to be the Chair, with the new second chair now being Janet Nutt. She thanked Mr. Larry Keeler for his service.

#### 4.3 Ends Policies

##### 4.3.1 LAC Input (Verbal)

Discussion of this was postponed until next Board meeting in the absence of Ms. Mozak-Betts.

#### 4.3.2 Proposed Ends Policies

Discussion of 1.1 ensued with Chairman Mahler's suggestion to amend the phrase "enable them to participate fully in society" to "enables full participation in society". Mr. Hewitt agreed with this suggestion.

Mr. Allemang moved for approval with the change of "enables full participation in society", which was seconded by Mr. Hess. The motion was approved unanimously.

#### 4.4 Monitoring Reports

##### 4.4.1 Delegation to the CEO (Policy 4.3)

Mr. Miller and Chairman Mahler expressed wanting to think about whether or not some outside feedback could be helpful, as the reports tend to be overly positive. Ms. Gott suggested asking the staff to critique the Board at a retreat.

##### 4.4.2 Ends Focus of Contracts (Policy 2.7)

Discussion ensued on 5310 (a formula-based grant for rural funding transit, aiding the elderly and disabled) and other pass through grants for which AAATA is responsible.

Mr. Metzinger described how the coordinating council votes on who receives grants that pass through AAATA, following the FTA formulaic guidelines.

Mr. Allemang moved to accept the report as fully compliant (A. Ms. Sims seconded this. The motion carried unanimously.

### 5. STRATEGY & OPERATIONAL UPDATES: CEO

#### 5.1 Q4 Financial Report

Mr. Metzinger explained the \$2 million operation surplus, accredited to:

- One-time utilization of expiring federal grants
- Property tax revenue up \$840k from prior year
- Higher advertising, interest, and other income.

He also highlighted the reserve balance going above target (2.91 months), as well as the declining fare revenue trend.

Ms. Gott asked if the reserves are a place that can accumulate savings to assist with deficits. Mr. Metzinger explained that it is not.

Mr. Metzinger explained that next month the staff will be bringing a presentation on innovative transit funding options.

#### 5.2 Detroit-to-Ann Arbor Update (Verbal)

CEO Carpenter described the project as coming along well and quickly with a targeted start-up date of February 10<sup>th</sup>. He reported that AAATA will be speaking with the UofM about their Detroit Connector in January.

#### 5.3 RTA Update

CEO Carpenter explained that Mr. Allemang and he will share details of the meeting had with Washtenaw and RTA at the Governance Committee meeting on December 20th. He reported that the new tri-county property tax may get out of the legislature in January.

#### 5.4 CEO Report

No follow-up discussion ensued from the written report.

<b>6. EMERGENT BUSINESS</b>
<b>7. CLOSING ITEMS</b>
7.1 Topics for Next Meeting: Annual Ends Monitoring Report Construction Policy (added by Chairman Mahler)
7.2 Public Comment Mr. Mogensen discussed the carbon neutrality goal in Ann Arbor and how that might relate to the reasonable interpretations of the Ends Policies.
7.3 Board Assessment of Meeting
7.4 Adjournment Chairman Mahler adjourned the meeting at 9:12pm, after a motion by Ms. Gott, seconded by Mr. Allemang.

Respectfully Submitted by: Keith Everett Book

Approved January 16, 2020