

Board of Director's Meeting Agenda

Meeting Date/Time: June 17, 2021, 6:30-9:00pm

Location: REMOTE – Via Zoom

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

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

To join by phone:

1. Dial any of these numbers: (For higher quality, dial a number based on your current location): 301-715-8592 or 312-626-6799 or 929-205-6099 or 253-215-8782 or 346-248-7799 or 669-900-6833.
International numbers available: <https://theride-org.zoom.us/j/abkny2eC7q>
2. Enter the Webinar ID: 966 0850 4155

Meeting Chair: Eric Mahler

Agenda Item	Info Type	Details	Page #
1. OPENING ITEMS			
1.1 Approve Agenda	D	Mahler	
1.2 Public Comment	O	Mahler	
1.3 General Announcements	O	Mahler	
1.3.1 Introduction: Dina Reed Deputy CEO	O	Carpenter	
2. CONSENT AGENDA			
2.1 Minutes	D		3
2.2 Committee Meeting Reports	D		11
3. POLICY MONITORING & DEVELOPMENT			
3.1 Committee Meeting Discussion	O	All	
3.2 Bylaw Task Force Update	D	Mahler	20
3.3 Ownership Linkage Task Force Update (Verbal)	O	Allemang	
3.4 Monitoring: Treatment of Staff (Policy 2.2)	M	Mahler	31
4. STRATEGY & OPERATIONAL UPDATES: CEO			
4.1 Final Aug Service Plan	O	Yang	50
4.1.1 GoldRide Updates: Forthcoming Fares and Contract Authorizations (July)	O	Yang/Smith	68
4.2 Fare Proposal Introduction	D	Thompson	70
4.3 RTA Update (Verbal)	O	Carpenter	
4.4 CEO Report	O	Carpenter	78
5. BOARD EDUCATION			
5.1 Closed Session (as per OMA)	O	Mahler	
5.2 Collective Bargaining Policy (Decision)	D	Mahler	80
6. EMERGENT ITEMS			

7. CLOSING ITEMS			
6.1 Topics for Next Meeting:		Thurs., July 22, 2021	
6.2 Public Comment			
6.3 Adjournment			

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

If additional policy development is desired:

Discuss in Board Agenda Item 3.0 Policy Monitoring and Development. It may be appropriate to assign a committee or task force to develop policy language options for board to consider at a later date.

Emergent Topics

Policy 3.13 places an emphasis on distinguishing Board and Staff roles, with the Board focusing on “long term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.” Policy 3.1.3.1 specifies that that Board use a structured conversation before addressing a topic, to ensure that the discussion is appropriately framed:

1. What is the nature of the issue? Is the issue within the scope of the agency?
2. What is the value [principle] that drives the concern?
3. Whose issue is this? Is it the Board’s [Policy, 3.0 and 4.0] or the CEO’s [running the organization, 1.0 and 2.0]?
4. Is there already a Board policy that adequately covers the issue? If so, what has the Board already said on this subject and how is this issue related? Does the Board wish to change what it has already said?

Board of Director's Meeting Summary**Meeting Date/Time: May 20, 2021, 6:30-9:00pm****Location:** Remote via Zoom**Board Member Attendees:** Jesse Miller, Roger Hewitt, Kathleen Mozak, Richard Chang, Mike Allemang, Kyra Sims, Raymond Hess, Eric Mahler (Chair)**AAATA Staff Attendees:** Matt Carpenter (CEO), Bryan Smith, Forest Yang, LaTasha Thompson, Rosa-Maria Njuki**Guest Attendees:** Rose Mercier (Governance Coach)**Meeting Chair:** Eric Mahler

Chairman Eric Mahler called the meeting to order at 6:31 pm.

Discussion Items**1. OPENING ITEMS****1.1 Approve Agenda**

Mr. Rich Chang moved to approve the agenda, seconded by Mr. Jesse Miller.

In support of the motion:

Mr. Mike Allemang: Yes

Mr. Chang: Yes

Mr. Raymond Hess: Yes

Mr. Roger Hewitt: Yes

Mr. Miller: Yes

Ms. Kathleen Mozak: Yes

Ms. Kyra Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

1.2 Public Comment

Mr. Robert Pawlowski asked for the June public engagement dates regarding the August Service Restoration Plan to be posted to the AAATA website as soon as possible. He also expressed thanks for the restoration of the AirRide service and hopes for D2A2 to be back up and running again soon.

Mr. Jim Mogensen described his perception of how GoldRide came to only be offered in Ann Arbor. He described that Chris White was attending a meeting of the then City of Ann Arbor Community Development Group and some senior advocates had done some strategic planning to find extra ways for senior citizens to get around. Eventually it was incorporated into TheRide's service and was essentially a fare subsidy for taxis in Ann Arbor. He noted that the reason it was in Ann Arbor was due to Ann Arbor having the 1973 transit millage and the overlay. The City of Ypsilanti and Ypsilanti Township only had the overlay (.7 mills), whereas Ann Arbor initially had 2.5 mills. This was a special service for people in Ann Arbor because there was more property tax money for transit collected that was needed to run the fixed route bus service. He also suggested that if paratransit is tightened up, some seniors may not qualify.

1.3 General Announcements

None.

2. CONSENT AGENDA

2.1 Minutes & Committee Meeting Reports

Mr. Chang moved to approve the consent agenda, seconded by Ms. Sims.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Abstained due to his absence at the April 22nd Board meeting.

Mr. Hewitt: Yes

Mr. Hunter: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3. POLICY MONITORING & DEVELOPMENT

3.1 Committee Meeting Discussion

None.

3.2 Monitoring: External Relations (Policy 2.9)

Per a new law, Chairman Mahler asked the Board members to state their name and the location from which they joined this virtual meeting:

Mr. Mike Allemang reported in from Ann Arbor, Washtenaw County.

Mr. Rich Chang reported in from Pittsfield Township, Washtenaw County.

Mr. Raymond Hess reported in from Ann Arbor, Washtenaw County.

Mr. Roger Hewitt reported in from Onkama Township, Manistee County.

Mr. Jesse Miller reported in from Ypsilanti, Washtenaw County.

Ms. Kathleen Mozak reported in from Ann Arbor, Washtenaw County.

Ms. Kyra Sims reported in from Ann Arbor, Washtenaw County.

Chairman Mahler reported in from Ann Arbor, Washtenaw County.

Chairman Mahler noted that the monitoring report indicates that the staff's interpretation was compliant with all of the policies and sub policies. He described that there were a number of comments from Board members about difficulties deciphering and interpreting the applicability of some of the policies.

Mr. Hewitt described policies 2.9.3 and 2.9.4 as prescriptive and pretty subjective, making it difficult to find objective evidence to show compliance. He reported that the suggestion of the Service Committee was that these policies go back to the Governance Committee involving Governance Coach Rose Mercier to rewrite several of the policies so that they can be objectively verified.

Mr. Miller expressed issues with the interpretation of 2.9.3. He described that the threshold of a public figure calling for the disillusion of the Authority as too extreme. He also expressed his perception that the interpretation only includes elected officials and not community stakeholders and is not reasonable. He agreed that it is a flawed policy that requires development, however, expressed that if the Board is to vote on it, they may need to vote on it as it was written and presented to them. In this case, he would recommend voting not in compliance on policy 2.9.3. In regard to 2.9.4, Mr. Miller described the amended text in red on page 35 of the monitoring report as a fair recollection of what happened, which is understandable, but that it is evidence of not being fully in compliance with the policy.

Mr. Allemang expressed that many of the policies in 2.9 cannot be measured or proved and should be rewritten.

Mr. Hewitt moved to accept the CEO as in compliance except for items noted (B). Those items will be reviewed by the Governance Committee for possible rewriting, seconded by Ms. Mozak.

In support of the motion:

Mr. Allemang: Yes

Mr. Chang: Yes

Mr. Hess: Yes

Mr. Hewitt: Yes

Mr. Miller: Yes

Ms. Mozak: Yes

Ms. Sims: Yes

Chairman Mahler: Yes

The motion passed unanimously.

3.3 Ownership Linkage Task Force

Ms. Rose Mercier presented on ownership linkage ([page 72 of the May 20, 2021 Board Meeting Packet](#)).

Mr. Allemang described the next round of meetings with the legal owners as focusing on the Ends. Ms. Mercier noted that in addition to discussing alignment of the Ends with legal owners, the Board may wish to follow-up with a question of what the legal owners might see as the challenges in the next decade to address.

Mr. Chang described that Board members have a responsibility to help be a bridge between the legal / moral owners and the staff. Ms. Mercier encouraged the Board not to completely delegate ownership linkage to staff.

Mr. Miller and Ms. Mercier discussed aggregating the range of priorities and values from the governing bodies, identifying common themes that come out of those conversations, to then adding the Board's wisdom to that. Ms. Mercier described the public advisory group being formed as a management tool to achieve the Ends, but not ownership linkage.

Ms. Mozak described that the Ownership Linkage Task Force (OLTF) might arrange meetings with owners and then invite Board members to attend those. Mr. Allemang confirmed that plan of action.

Mr. Allemang walked the Board through the summary of OLTF's recommended 3-year plan to conduct linkage on [page 31 of the May 20, 2021 Board packet](#).

Chairman Mahler suggested that the Board may want to be directly involved in all of the transit-oriented development talk that the City is engaging in right now, the climate control office, as well as the regional planning of transit in the area (RTA).

Mr. Allemang agreed that Board members could be involved in transit-oriented development discussions, though it may be difficult to know where to draw the line with involvement in the details of those.

Ms. Sims described the first step as having meetings with legal owners and getting the momentum going that had been started pre-pandemic. Those meetings could begin as a follow-up to the Ends discussion, followed by other big picture topics that may naturally come up in discussions of how to accomplish the Ends.

Chairman Mahler asked if the Board members are looking for the approval, a different direction, just some input, or all of the above from the legal owners. He noted that legal owners many times look to AAATA for their expertise and posed the question of whether the Board should be more proactive or reactive in the meetings.

Mr. Allemang suggested that the Board is being proactive by having the legal owners focus on AAATA's Ends, and then should be reactive to their input on that.

CEO Carpenter and Mr. Miller described that discussions with legal owners oftentimes start with an operational ask from the legal owners that then broadens to a discussion of values and priorities affiliated with that ask. Mr. Miller encouraged allowing Board members to drive the conversations.

Ms. Mercier described determining the specific meetings the Board might want to have in year 1. She also noted that discussions may also inform executive limitations and the risk tolerance of legal owners.

Mr. Chang walked the Board through the draft Ownership 3-year Linkage Plan on [pages 32-34 of the May 20th 2021 Board packet](#), highlighting that the majority of the focus would be in year 1 because years 2 and 3 will actually be the result of the outcomes from year 1.

Mr. Hewitt suggested that meeting in small groups is probably most effective, starting with anyone that already has a working relationship with specific legal owners.

Mr. Hess and Chairman Mahler shared their appreciation for all the work that the OLTF has done thus far and complimented the draft plan as a good framework from which to start.

Mr. Allemang reported that the OLTF will be having another meeting again to develop some additional, more specific proposed actions before the next Board meeting.

Chairman Mahler asked the OLTF to continue focusing on the balance of discussing both the Ends as well as the secondary issues with the legal owners. He also asked them to think specifically about who those legal owners are and perhaps expanding that circle to include others that can be influential for and to AAATA.

4. STRATEGY & OPERATIONAL UPDATES: CEO

4.1 Federal Advocacy Update

CEO Carpenter reported on his attendance at the recent virtual APTA Legislative Conference, along with Mr. Miller and Mr. Allemang. They met virtually with the staff of Congresswoman Debbie Dingell, Senator Peters, and Senator Stabenow. He described the meetings as successful overall, gathering some good information and more contacts, specifically who to call about future earmarking and legislative opportunities.

Mr. Miller described that he has become more involved with APTA on their Transit Board Member's Committee. He expressed his perspective that the legislative staff were actively involved and asking questions. He noted that having CEO Carpenter as a lead in all three of the meetings was helpful as he was able to clearly state the asks and communicate how important reverting to the pre-2012 formula would be. Mr. Miller also

expressed his confidence in the relationships formed that will serve locally going forward.

Mr. Allemang agreed with Mr. Miller and described the meetings as quite productive. He complimented CEO Carpenter as the lead in the meetings, highlighting that CEO Carpenter knew the details of what bills were in front of Congress and what role transportation might play in them. He shared that attending the meetings gave him a better understanding of the CEO's role and the operations of AAATA.

Mr. Miller described looking forward to doing more public outreach like this as a Board member and telling the story of where money is going and how it is benefiting the community.

4.2 Long-Range Plan / Board Retreat Follow-up / GoldRide

Mr. Smith presented a new proposal for the future of GoldRide for the Board's consideration. This presentation can be found [on page 77 of the May 20th, 2021 Board meeting packet](#).

Mr. Smith shared that the proposal for GoldRide is from Golden Limousine (who provides TheRide's current FlexRide, HolidayRide, and NightRide services). The new contract with Golden Limousine for GoldRide would be proposed for a 12-month or a maximum of 2 years agreement. With the probable 12–18-month agreement period, Mr. Smith explained to Mr. Chang that the cost would stay the same throughout that time frame. He emphasized that although there may be alternate ways of providing this service that might not be quite so costly, AAATA could not get any of those alternate ways up and running by August 2021. Mr. Chang expressed his appreciation for the expansion of the service area.

Mr. Miller and Mr. Smith discussed the proposed GoldRide full fare cost of \$20. Mr. Smith described that the \$20 rate was initially set such that it would not be in competition with private vendors, but that Uber and Lyft have dramatically raised their prices in the last two weeks due to hiring problems, making this rate a potential bargain for a senior that has the means. Anyone that would qualify for a low-income program (via multiple agencies that AAATA has certified as low-income representatives) would be able to ride for \$5.

Ms. Mozak shared her appreciation for GoldRide being brought back online, the low-income fare being reduced to \$5, and the expanded service area. She expressed concern about the \$20 full fare. She described her preference to hear what the public has to say about the GoldRide proposal during the June public engagement meetings before the Board makes a decision on the proposal.

Mr. Smith explained to Mr. Chang that capacity denials for GoldRide are permissible since it would be no longer affiliated with the ADA paratransit service ARide. He also explained that AAATA is on the hook to pay the cost of a trip (variable, but around \$42 depending on the demand) whether the passenger pays \$20 or \$5. He noted that the vendor has proposed a floor amount due from AAATA of about 20% of AAATA's highest estimated ridership.

Chairman Mahler deduced that a decision on the proposal will be postponed until the July Board meeting, after the June public engagement feedback.

4.3 August Service Recovery Plan Update

Mr. Yang thanked all who provided their feedback on the plan. He reported that over 300 comments have been reviewed and adjustments have been made to the proposed service plan. Staff are in the process of finalizing the materials for the public communication. The public town hall meetings will happen in mid-late June regarding both fare proposals and the service plan. These details will be posted to the AAATA website and in the Newsletter.

He emphasized that feedback received in June will not be incorporated into the August service plan but will be taken into consideration for the future planning cycle, like January 2022 or later.

4.4 Q2 Service Report

The Q2 Service Report can be found [here](#) on the website.

4.5 Q2 Finance Report

The Q2 Finance Report can be found [here](#) on the website. Ms. Thompson's presentation can be found on [page 96 of the May 20th, 2021 Board meeting packet](#).

Ms. Thompson confirmed to me Mr. Hewitt that AAATA is pulling federal funds to cover any revenue loss, when expenses exceed the revenue. Chairman Mahler expressed looking forward to the reflected amended budget next quarter.

4.6 CEO Report

CEO Carpenter's report can be found on [page 70 of the May 20th, 2021 Board meeting packet](#).

CEO Carpenter highlighted that staff are starting discussions of how and when to bring staff back into the office buildings. He highlighted that one challenge is staff parking. Before the pandemic, due to the expansions of 2013 and 2014 increasing the number of bus drivers and office staff, there was not enough staff parking. As a result, staff were parking within the bus garage. Once the pandemic hit, the paratransit fleet began operating in-house, and now there is not enough space for the fixed route fleet, the paratransit fleet, and staff parking in the bus garage. There will be a new paratransit contractor on board in August, which will move the paratransit fleet back out, making space for the fixed route fleet and staff parking. The earliest that office staff can be brought back into the office will be September, logistically speaking. He also noted that there is a discussion ensuing about hybrid work, staff working from both the office and home, considering that productivity has been excellent with staff working from home over the past year.

In regard to the LAC, he shared that he is putting a lot of focus on their annual report to the Board regarding policy matters, particularly the Ends.

CEO Carpenter reported that the RTA who sat down with the WATS Policy Committee again to try to get input from elected officials across the county into the update to their regional transit plan. In the next couple of months, the public may start seeing communication from the RTA about public input on transit's future in the region.

In regard to the D2A2 service, CEO Carpenter reported that the RTA staff may begin presenting options for restarting the service to their Board this and next month.

5. EMERGENT BUSINESS

None.

6. CLOSING ITEMS

<p>6.1 Topics for Next Meeting: Monitoring: Treatment of Staff (Policy 2.2)</p>
<p>6.2 Public Comment Mr. Jim Mogensen described ownership linkage as incredibly complicated. He also described envisioning a situation in which people come to AAATA wanting them to use the capital money that is set aside on electric buses rather than the Ypsilanti Transit Center. He suggested that AAATA may get a lot more input in the coming year than they have in the past.</p>
<p>6.3 Closed Session Briefing (as per OMA) Mr. Allemang motioned to go into closed session pursuant to section 8(h) of the Open Meetings Act in order to discuss a written attorney-client privileged communication, which is material that is exempt from disclosure under state and federal law. This was seconded by Ms. Sims.</p> <p>Chairman Mahler conducted a roll call vote for this. In support of the closed session: Mr. Allemang: Yes Mr. Chang: Yes Mr. Hess: Yes Mr. Hewitt: Yes Mr. Miller: Yes Ms. Mozak: Yes Ms. Sims: Yes Chairman Mahler: Yes</p> <p>The Board went into the closed session at 9:00 pm.</p> <p>Ms. Mozak motioned to go out of closed session, seconded by Mr. Hewitt. Chairman Mahler took a roll call vote. In support of going out of closed session: Mr. Allemang: Yes Mr. Chang: Yes Mr. Hess: Yes Mr. Hewitt: Yes Mr. Miller: Yes Ms. Mozak: Yes Ms. Sims: Yes Chairman Mahler: Yes</p> <p>At 9:22pm, the Board voted unanimously to come out of the closed session.</p>
<p>6.4 Adjournment Mr. Miller moved to adjourn, seconded by Mr. Chang. In support of the motion: Mr. Allemang: Yes Mr. Chang: Yes Mr. Hess: Yes Mr. Hewitt: Yes Mr. Miller: Yes Ms. Mozak: Yes Ms. Sims: Yes Chairman Mahler: Yes</p>

The motion passed unanimously.

Chairman Mahler adjourned the meeting at 9:25pm.

Respectfully submitted by: Keith Everett Book

DRAFT

Governance Committee Meeting Summary

Meeting Date/Time: May 27, 2021, 9:00-10:30am

Location: REMOTE – Via Zoom

Meeting Chair: Eric Mahler

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

AAATA Staff Attendees: Matt Carpenter, Forest Yang, Bryan Smith,
LaTasha Thompson, Rosa-Maria Njuki, Mary Boonin

Chairman Eric Mahler called the meeting to order at 9:04 am.

Discussion Items	
1. OPENING ITEMS	
1.1	Agenda (Additions, Approval) Chairman Mahler moved the RTA Update to agenda item 3.1 and the External Relationship Policy Discussion to agenda item 3.4.
1.2	Communications CEO Carpenter reported that the new Deputy CEO, Finance and Administration, Dina Reed, begins on Tuesday, June 1.
2. POLICY MONITORING & DEVELOPMENT	
2.1	<p><u>Committee Agendas</u></p> <p><u>Service Committee:</u> Mr. Hewitt suggested determining when the next Board retreat will be scheduled. Mr. Yang will speak with the Long-Range Plan consultants to see if they could be ready by July or August for their presentation at a retreat. The Committee discussed that early August might be the best time to suggest. Chairman Mahler will send an e-mail out to the rest of the Board with the suggestion of the first two weeks of August for a half-day retreat.</p> <p><u>Finance Committee:</u> Keith Book will invite Governance Coach Rose Mercier to this meeting to discuss the Capital Reserve Policy. Mr. Allemang suggested adding Financial Reporting to the next Governance Committee meeting as well.</p> <p><u>Board of Directors:</u> Chairman Mahler noted that an RTA Update may be added to the Board meeting agenda in the Strategy and Operational section near the top.</p>
2.2	Other Governance Issues (as assigned)
2.2.1	<p><u>Bylaw Task Force Update</u> Chairman Mahler reported that there will be another meeting of the task force on May 28th. His goal is to introduce the work done by the task force to the Committees first, followed by sharing it with the entire Board at the July Board</p>

Discussion Items	
	meeting.
3. STRATEGY & OPERATIONAL UPDATES: CEO	
3.1	RTA Update Discussion ensued regarding RTA's proposed federal funding plans.
3.2	Capital Plan, Earmarks, Reserve Update LaTasha Thompson and her staff will be bringing the Capital Plan to the Board as soon as possible. CEO Carpenter noted that an Earmark deadline for Senator Gary Peters' office due within the week is being handled by staff.
3.3	CEO Personal Expense Report This topic will be discussed at the next Governance Committee meeting.
3.4	External Relationships Policy Discussion This topic will be discussed at the next Governance Committee meeting.
4. CLOSING ITEMS	
4.1	Topics for Next Meeting CEO Personal Expense Report External Relationships Policy Discussion
4.2	Adjournment Chairman Mahler adjourned the meeting at 10:29am.

Respectfully submitted by: Keith Everett Book

Service Committee Meeting Summary

Meeting Date/Time: June 2, 2021, 3:00-5:00pm

Location: REMOTE – Via Zoom

Meeting Chair: Roger Hewitt

Committee Meeting Attendees: Kathleen Mozak, Jesse Miller, Ryan Hunter

AAATA Staff Attendees: Matt Carpenter, Bryan Smith, Forest Yang, Dina Reed,
LaTasha Thompson, Rosa-Maria Njuki, Gwyn Newsome

Meeting Chair: Roger Hewitt

Chairman Hewitt called the meeting to order at 3:04 pm.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) CEO Carpenter asked to add an RTA Update at agenda item 3.2. Chairman Hewitt added a discussion of the next Board Retreat at agenda item 3.3.
1.2 Communications None.
1.2.1 Introduction Dina Reed Deputy CEO CEO Carpenter introduced the new Deputy CEO, Finance & Administration, Dina Reed who was welcomed by the Committee.
2. POLICY MONITORING & DEVELOPMENT
2.1 Monitoring: Treatment of Staff (Policy 2.2) CEO Carpenter walked the Committee through the monitoring report and survey results. He described the survey results as disappointing and emphasized the importance of analyzing the responses for understanding and resolution. In reaction to a Board member's comment in the survey, CEO Carpenter suggested that "lost worked days/100K miles of service" in the chart on page 5 could be relabeled as "injury rate (lost worked days)" to define more clearly what that data is. He noted that the non-compliance on policy 2.2.2 for the prior two years has been resolved with the updated Employee Handbook. In regard to policy 2.2.3, CEO Carpenter pointed out that the questions in the survey are designed by a third party, not staff or the Board. In this case, the question in the survey is related to this policy but is not exactly the same question and could use more understanding. CEO Carpenter described that staff were up front about not being prepared for a pandemic. He also noted that the survey measurements declined most significantly in the Operations Division, which were largely front-line staff who had to continue coming into the office to work. Chairman Hewitt described that in more than one policy, the Board is trying to measure subjective fields, which presents a number of difficulties.

Ms. Mozak described that the report was difficult to see. She described that to the 38% that responded to the survey, this is very important and should be addressed as such. She asked what can be learned from this experience with the pandemic in order to be more prepared for the future and helpful to the staff. She also asked what was done for the employees mentally and emotionally. CEO Carpenter noted that virtual counseling has been available to the staff for some time prior and during the pandemic.

Mr. Miller asked the CEO to explain the methodological flaws he described in the report. He responded that the biggest methodological challenge is giving evidence of compliance that is not totally based on subjectivity, but does not discount it either. He suggested that he may have relied too heavily on the survey results in the past for measuring treatment of staff. He suggested that something more than a perception survey may be needed, perhaps attrition rates. He also pointed out that he did not want to update the interpretations and evidence this year to avoid the perception of him moving the goal posts because of the survey but going forward he may need to revisit them some.

Ms. Njuki reported for Mr. Miller that the survey response rates were 35% in 2019, 52% in 2020, and 38% in 2021.

In regard to harassment complaints, Ms. Newsome confirmed for Mr. Miller that there have not been any recent harassment complaints reported, which would be investigated by Human Relations, the labor attorney, and the union representative. There have not been any recent complaints to the EEOC (Equal Employment Opportunity Commission) regarding this either.

Mr. Miller described his perception of a trend in the survey that staff may feel like they are not being heard or do not speak up for fear of retaliation. CEO Carpenter described multiple means available to staff for feedback. He further described the use of the survey as a barometer of areas to pay attention to, a conversation starter for next steps.

Mr. Hunter asked if pandemic fatigue may have something to do with the responses and response rate. He suggested an additional survey in six months from now that may reflect post-pandemic opinions. Ms. Njuki noted that there were two other surveys conducted around the same time as this survey, which could have caused survey fatigue. She also noted that the survey does show that staff feel that there is more transparency and more opportunities to provide feedback thanks to the frequent town halls that are being conducted.

CEO Carpenter described that discrimination is handled very seriously when it is brought to staff's attention, but specifically addressing it in an anonymous survey is difficult. Ms. Newsome described that focus groups might be an option to consider that could be comprised of volunteers, not to include members of the Executive staff. Mr. Hunter and Ms. Newsome discussed the considerations that should be taken in regard to who would be conducting the focus groups in order to make staff feel the most comfortable. Ms. Newsome emphasized ensuring that staff feel heard and that their suggestions are taken into consideration. CEO Carpenter described work being done to conduct a formal diversity, equity, and inclusion assessment of staff, conducted by a consultant.

Ms. Mozak described needing to make sure that staff feel safe speaking up. CEO Carpenter described the channels that staff have for speaking up to HR and himself. He also described the potential for a hotline to the corporate attorney if staff have issues with the CEO.

Mr. Hewitt noted that everyone is suffering from some level of pandemic fatigue. He suggested having a follow-up monitoring report in less than a year on this policy.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 Final August Service Plan Update

Mr. Yang walked the Committee through the details of the final August Service Plan.

He reported for Ms. Mozak that the August Service Plan materials will be available on the website by Monday, June 7th. He also expressed his hope to send these materials to the Board on June 3rd. Staff town halls on the matter have already begun, which will be followed by public feedback being conducted June 15th – 26th. He emphasized that the presentations will address both the service and fare proposal.

Mr. Miller described concern with Route 4 not serving the central campus transit center. Mr. Yang described that UofM has reviewed the plan and has not shared any concerns with the proposal thus far, but once service is in place and commuters are back, feedback will be monitored and service tweaked as needed.

Ms. Mozak noted that weather changes put a different spin on some of the areas. Mr. Yang described that the earliest changes could be made would be in November, but much more likely in January.

3.2 RTA Update

Discussion ensued regarding RTA's proposed federal funding plans.

3.3 Board Retreat

Chairman Hewitt described the plan to have another half day Board retreat in the first two weeks of August. He expressed his hope and that of the Governance Committee for the retreat to be less informational and more discussion-oriented than the previous two retreats.

In regard to the preliminary fare recommendations provided to the Board by LaTasha Thompson via e-mail, Chairman Hewitt offered his compliments and agreeance with not raising fares at this time.

Chairman Hewitt suggested changing the timing of the Service Committee meetings to the morning. Ms. Mozak expressed her support for changing the timing. Chairman Hewitt suggested something along the lines of a 9:00am start time. The Committee will revisit this topic at the next meeting.

4. CLOSING ITEMS

4.1 Topics for Next Meeting

Timing of Service Committee Meetings

4.2 Adjournment

Chairman Hewitt adjourned the meeting at 4:45pm.

Respectfully submitted by: Keith Everett Book

Finance Committee Meeting Summary

Meeting Date/Time: June 8, 2021, 3:00-5:00pm

Location: REMOTE – Via Zoom

Meeting Chair: Mike Allemang

Committee Meeting Attendees: Raymond Hess, Kyra Sims, Rich Chang

AAATA Staff Attendees: Matt Carpenter, Bryan Smith, Forest Yang, LaTasha Thompson, Dina Reed

Guests: Rose Mercier (Governance Coach)

Chairman Mike Allemang called the meeting to order at 3:02pm.

Discussion Items
1. OPENING ITEMS
1.1 Agenda (Additions, Approval) CEO Carpenter asked to discuss the Fare Proposal before the RTA Update. The Committee approved the agenda with that amendment.
1.2 Communications None.
1.2.1 Introduction Dina Reed, Deputy CEO CEO Carpenter introduced Dina Reed, the new Deputy CEO, Finance & Administration, who was welcomed by the Committee.
2. POLICY MONITORING & DEVELOPMENT
2.1 Ownership Linkage Task Force Update Chairman Allemang reported that the task force will meet again on June 9 th .
2.2 Capital Reserve Policy CEO Carpenter described the need for a Board policy that pertains to a capital reserve. He noted that the planning and budgeting language of Policy 2.4 already in the manual may be a good starting point. Ms. Mercier described that most capital reserve policies she has seen are integrated into existing planning policy. She suggested adding it to Financial Planning/Budgeting (Policy 2.4), Financial Conditions and Activities (Policy 2.5), and/or Asset Protection (Policy 2.7). As a starting point, Ms. Mercier pointed out policy 2.4.6: <i>Does not provide for adequate reserves</i> . CEO Carpenter noted that this policy has been interpreted as pertaining to operational reserves, not capital reserves. Ms. Mercier suggested adding references to a capital reserve in a new policy 2.4.7. Ms. Mercier described that the Board deciding to contribute to or use funds from the capital reserves could be added within Financial Conditions & Activities (Policy 2.5). CEO Carpenter noted that funds going into the capital reserve will be a part of the staff's budget recommendation to the Board for consideration. Funds coming out of

Discussion Items

the capital reserves may be more of the question – he posed the question of what pocket funds should come from to pay for projects. He asked if the Board wants to approve expenditures from the capital reserve specifically, either through the budget approval process or capital amendment.

Mr. Hess described setting a dollar threshold similar to that set for the operational expenditures, perhaps \$200,000. Ms. Reed asked if the threshold is for spending or saving? She noted that placing limits on expenditures may be more difficult with the large amounts needed. She suggested approval of the capital plan as part of the budget process, which would include expenditures from the capital reserves.

Mr. Chang suggested using percentages to determine the approval needed, perhaps a 35% expenditure requiring Board approval.

Chairman Allemang described his understanding that the capital reserve was meant to fund major capital projects, not routine expenditures. Mr. Hess agreed with CEO Carpenter and Chairman Allemang that the capital reserve should probably be allocated to expenditures on major capital projects only.

Chairman Allemang asked if the capital reserve should be in a separate investment account.

Mr. Hess asked if this policy would manifest as an executive limitation, which Ms. Mercier confirmed is most likely. She asked if there is an expectation that would reflect a specific amount or percentage to be kept in the capital reserve.

Mr. Hess suggested putting a constraint around the funds only being used for capital projects and agreed with Mr. Chang that a hybrid expenditure threshold requiring Board approval of \$200,000 or 25% of the entire capital reserve, whichever is higher at the time, could be determined.

CEO Carpenter noted that the routine capital expenditures are already able to be afforded and that he is not sure he would need a minimum amount for expenditures on this capital reserve.

Mr. Chang asked if the funds in the capital reserve are expected to just be the federal pandemic relief funds that will be spent down completely and not restored in the future, or if this is a longer-term reserve that may have a goal of being replenished somehow. CEO Carpenter and Mr. Chang discussed that the federal pandemic relief funds are one-time funds.

Ms. Reed suggested that in the future, due to the operating deficit, staff may recommend placing only surplus funds generated beyond funding the budget into reserve. Careful consideration could be taken as to what reserve (operating or capital) surplus funds are placed due to restrictions upon the expenditure of said funds based on the reserve wherein they are placed.

Chairman Allemang suggested making a list of what should be considered in the policy. Ms. Mercier and Chairman Allemang discussed that the best place for the policy may be Policy 2.5.

Chairman Allemang noted that the capital reserve would be approximately equal to the amount of the pandemic relief funding.

Discussion Items

CEO Carpenter asked:

- What restrictions are placed on funds once funds are in the capital reserve?
- Who approves a capital expenditure?
- What should be done with funds while it is waiting to be used? Is today's investment policy adequate for this particular situation?

Ms. Sims shared concern with funds being co-mingled. She described being more comfortable with the capital reserve being held in a separate account with the Board approving expenditures.

Chairman Allemang asked Ms. Mercier to draft some policy language for the Finance Committee to consider at their next meeting. He also said he would draft a list of potential issues that might be included in the policy. Mr. Mercier will join the July 13th Finance Committee meetings as such.

3. STRATEGY & OPERATIONAL UPDATES: CEO

3.1 Financial Reporting

Chairman Allemang described that funds may need to first appear as significant income before they are moved into the capital reserve. Ms. Reed will review the schedule of the budget amendment to see if it needs to be amended further or if this can simply be reflected in the quarterly reporting. AAATA Staff confirmed that the third quarter results will represent the amended budget and the expected surplus with a line item to represent the transfer to the capital reserve.

3.2 Final August Service Plan

Mr. Yang shared the new system map and provided a highlight of the adjustments made to the final plan after receiving March and April's feedback.

He noted that the public townhall meetings in mid-late June will include discussion of both the fare proposal and final service plan.

3.3 Fare Proposal

Ms. Thompson presented on the 2022 proposed fare adjustments. Highlights included a proposed lower price for bus passes and discontinuation of the NightRide/HolidayRide surcharge of \$2.00 in order to simplify fare payment options, promote ridership, and improve equity. Analysis is projecting that these adjustments may increase ridership by about 35,000 and revenue could decrease by about \$59,000.

Mr. Chang noted the use of fares being described as a "key component" of revenue may not be the best description. He also suggested a discount for using the mobile app and asked that the means for downloading the mobile app be more prominent on the website.

CEO Carpenter cautioned against discounts that may not be easily accessed by all, considering that not everyone has a smart phone. CEO Carpenter and Mr. Chang discussed the importance of fare revenues. Because there are few revenue sources eligible for TheRide, fare revenues are considered key though they may only account for about 10-15% of the revenues.

Discussion Items	
<p>Mr. Hess described confusion with a fare proposal that describes a net loss. He shared not being convinced that lowering fares would increase ridership. He also described that 10-15% is not the industry's average fare revenue recovery; 35% may be closer to the average. He suggested attracting more riders by providing the best service, which could be enhanced by recovering more fare revenue. He reminded the Committee of the pre-pandemic budget deficit which may still be a problem in the future after expenditure of one-time federal pandemic relief funds.</p> <p>CEO Carpenter noted that correcting the multiplier for the day pass and the equity for the surcharges were goals to fix with the fare proposal. Chairman Allemang described similar concerns as Mr. Hess in regard to a structural budget deficit that the pandemic may have worsened.</p> <p>Ms. Thompson noted that simplification and adjustment of fares to promote more ridership is in line with the fare study. She also pointed out that the fare study recommended raising fares as well (which is not being done at this time due to the hardship of the pandemic on the community). She described the fare simplification, bus pass incentivization, and equity improvements as first steps toward addressing additional fare study recommendations. Ms. Sims shared her support of fare simplification.</p>	
3.4 RTA Update	Discussion ensued regarding RTA's proposed federal funding plans.
4. CLOSING ITEMS	
4.1 Topics for Next Meeting	Financial Reporting Capital Reserve Policy Ownership Linkage Task Force Update
4.2 Adjournment	Chairman Allemang adjourned the meeting at 5:05pm.

Respectfully submitted by: Keith Everett Book

ISSUE BRIEF: Proposed Bylaw Changes

Meeting: Board of Directors

Meeting Date: June 17, 2021

INFORMATION TYPE:
Decision Preparation
RECOMMENDED ACTION(S):
That the Board receive these proposed changes to the AAATA Bylaws in June for preliminary discussion and feedback to the Governance Committee. A vote is anticipated before October 2021.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
The Board approved an Annual Plan of Work in 2020 that included updating the Bylaws.
ISSUE SUMMARY:
<p>The Governance Committee was charged with updating the AAATA's Bylaws, which were last amended in 2017. The proposed changes are seen in Attachment 1. No decision is expected in June, but the Committee wishes to introduce the proposed changes. In addition to these changes, complementary resolutions will be needed to fully clarify the roles of the Secretary and Treasurer positions.</p> <p>The Committee wishes to introduce the proposed changes and solicit feedback from the Board.</p>
BACKGROUND:
The Committee enlisted the assistance of Dykema, the AAATA's corporate counsel. Dykema polled all board members, reviewed best practices and Michigan law, and worked with the Committee over several sessions to review each section of the Bylaws. Numerous minor and substantive changes are being proposed.
IMPACTS OF RECOMMENDED ACTION(S):
<ul style="list-style-type: none">• Budgetary/Fiscal: NA• Social: NA• Environmental: NA• Governance: Bylaw enshrine expectations for corporate behaviors and actions at a higher level than the Board's policy manual.
ATTACHMENTS:
1. Proposed Edits to AAATA Bylaws

BYLAWS OF THE ANN ARBOR AREA TRANSPORTATION AUTHORITY

As Amended ~~June 15~~_____, 20~~21~~17

INSERT TABLE OF CONTENTS

The following Bylaws are adopted by the Board of Directors of the Ann Arbor Area Transportation Authority Board (hereinafter referred to as the Board) pursuant to Article IV, Section 4 of the Articles of Incorporation of said Authority (hereinafter referred to as the Articles), as incorporated under the Mass Transportation Systems Authorities Act 55 of 1963, MCL 124.351-.359 ~~as adopted by the Ann Arbor City Council, which Articles shall be made available together with these Bylaws:~~

ARTICLE I

Board Memberships

Section 1. Appointment.

The members of the Board shall be those individuals appointed by the ~~Mayor of the~~ City of Ann Arbor, ~~with the concurrence of Ann Arbor City Council; the Mayor of~~ the City of Ypsilanti, ~~with the concurrence of Ypsilanti City Council;~~ and the Charter Township of Ypsilanti ~~Supervisor, with the concurrence of the Charter Township of Ypsilanti Board of Trustees,~~ pursuant to the Articles.

Section 2. Term.

Except as provided for in Article IV Section 2 of the Articles, tThe term of office of a Board member shall be five years, and commence on May 1. ~~other than for members of the Ann Arbor Area Transportation Authority Board as of June 15, 2013, who shall serve for the remainder of their terms, as provided by the Articles.~~

Section 3. Removal From Board.

Members of the Board may be removed only by the jurisdiction that appointed the member, as provided in the Articles and in accordance with the jurisdiction's adopted policies and procedures. If a Board member engages in conduct that is against the AAATA's best interests, the Board may, by majority vote of currently serving board members, recommend removing that member to the jurisdiction that appointed the member. majority vote of that representative's jurisdiction's governing body. ~~In the case of Ann Arbor representatives this would be the Ann Arbor City Council; in the case of an Ypsilanti representative, this would be Ypsilanti City Council; and in the case of a Charter Township of Ypsilanti representative, this would be the Charter Township of Ypsilanti Board of Trustees.~~

Section 4.

~~The Board may appoint ex-officio members of the Board for specified terms, as it may deem appropriate. Ex-officio members may be removed or replaced at any time by six affirmative votes of the Board.~~

ARTICLE II

Board Officers

Section 1. Officers.

The Board shall ~~elect~~ hold elections from its membership, for the offices of a Chair, a Secretary, and a Treasurer. The Secretary will also serve as the Vice Chair.

Section 2. Election and Term of Office.

Nominations for each Board Officer position shall be made from the floor. Offices will be filled one at a time by roll call vote. with one office to be filled at a time by secret ballot. Officers shall be elected in September to take office October 1 for a one-year term.

Section 3. Vacancies; Reassignment of Duties.

If an officer position becomes vacant, the Board shall fill said office by election from its membership. In the absence or incapacitation of any officer, or for any other reason the Board may deem sufficient, the Board may delegate, for a specified time, any or all powers or duties of an officer to any other Board member.

Section 4. Removal.

Any officer may be removed from office by a vote of ~~six~~ a majority of currently serving Board members, provided that notice of such removal proceedings be given to the Board members not less than one day prior to the distribution to Board members of the agenda ~~four days prior to~~ for the meeting at which removal is to be considered.

ARTICLE III

Board Officers

Section 5. Duties~~1~~.

The duties of the Chair, Secretary, and Treasurer shall be as provided in the Articles, with additional duties as specified in these Bylaws and Board policies. As provided in the Articles, the Chair shall preside at meetings of the Board and the Secretary shall preside at meetings of the Board in the absence of the Chair. Personnel of the Authority shall assist the Secretary and the Treasurer in the performance of their duties. The Board may authorize the CEO to perform, or assign, the duties of the Secretary or Treasurer whenever, for any reason, it is impracticable for the Secretary or Treasurer to act personally.

Section ~~2~~.

~~In the absence of any officer, or for any other reason the Board may deem sufficient, the Board may delegate, for a specified time, any or all powers or duties of an officer to any other Board member.~~

Section 6. Limitation on Duty~~3~~.

No officer shall have the authority to bind the Board or Authority to any contract or obligation without the ~~consent~~ approval of the Board ~~by resolution~~, provided, however, that the Board may designate general classes of obligations which may be assumed by an officer or officers on the Authority's behalf without further Board approval.

Section ~~4~~.

~~It shall be the responsibility of the Chair to notify Board members of regular meeting agendas, as provided in Article IV, Section 7.~~

ARTICLE ~~III~~IV

Board Meetings

Section 1 Regular Meetings; Notice.

The Board shall meet in public session generally once each month. For each fiscal year, t~~The Board shall set the date and time of that year's regularly scheduled Board meetings, before the end of the previous at such time as the budget is passed for the~~ fiscal year. To the extent allowed by the Open Meetings Act: (1) Board meetings may be held electronically or (2) Board members may attend in-person Board meetings electronically and be considered present at the meeting.

Section 2. Public Meetings; Closed Meetings.

All meetings of the Board at which a quorum is present shall be ~~public~~, provided, however, that the Board may ~~determine by a majority vote of the Board (or a higher number, if provided by law) to consider in executive session those matters allowed under the applicable laws of the State of Michigan~~ vote to go into closed session as permitted by the Open Meetings Act.

Section 3. Special Meetings.

Special meetings for any purpose or purposes may be called by the Chair. In addition, a special meeting shall be called by the Chair or the Secretary at the written request of two Board members. Such requests shall state the purpose or purposes of the special meeting.

Section 4. Notice of Special Meetings.

Notice of a special meeting stating the time, place, and agenda shall be provided to all Board members at least ~~eighteen~~ twenty-four hours prior to such meeting. Notice to Board members is the duty of the officer calling the meeting. Notice of a special meeting must also be provided to the public to the extent, and in the manner, required by the Open Meetings Act.

Section 5. Quorum.

~~Six members of the Board, or a~~ majority of the Board members duly appointed ~~and confirmed~~, constitute s a quorum.

Section 6. Voting.

Unless otherwise provided by the Open Meetings Act or in these Bylaws, an action of the Board, whether by resolution, motion, or otherwise, requires a majority vote of board members present, provided a quorum is present. The affirmative vote of at least sixty percent of currently serving board members is required to Resolutions of the Board to adopt or amend the annual budget and service plan; hire or terminate the Chief Executive Officer; or adopt a labor contract, approve a financial transaction in excess of five percent of the annual budget, amend the Bylaws or challenge a member's right to vote under Section 12, shall require at least six affirmative votes for passage. All other resolutions may be adopted by a majority vote of board members present, provided a quorum is present.

Section 7. Meeting Agenda.

A specific agenda, ~~prepared~~ approved by the Chair, shall be furnished to Board members, at least four days prior to regular meetings, and shall be posted at Ann Arbor Area Transportation Authority ~~offices~~ headquarters, all other Ann Arbor Area Transportation Authority buildings open to the public ~~the Ann Arbor Downtown Facility,~~

~~Ann Arbor City Hall, the Washtenaw County Building, Ypsilanti City Hall, Ypsilanti Township offices, on the Authority's website, and elsewhere, as required by law, no less than eighteen hours prior to regular meetings. Any member of the Board may put~~ propose adding ~~an item on to~~ an item to the agenda by contacting the Chair and the Chair will then decide whether to add the proposed item to the agenda. This shall not prohibit the addition of items to the agenda at the time of the meeting by ~~the affirmative vote of a majority of the members present~~ Board vote. Failure to comply with the requirements of this Section shall not invalidate action of the Board.

~~Section 8-~~

~~By resolution of the Board, a member of the audience shall be permitted to address the Board at a time other than during Public Time or Public Hearing; provided, however, that unless otherwise approved by resolution of a majority of the Board members present, no member of the audience may address the Board more than once during each Public Time and once during any public hearing, nor address the Board for longer than three minutes (the time can be extended by the Chair) during any presentation.~~

~~Section 9-~~

~~Public hearings shall be held on any item when so determined by resolution of the Board or when legally required.~~

~~Section 810. Manner of Voting.~~

~~The Chair shall preliminarily determine whether the vote of each question coming before the Board shall be by voice vote, show of hands, roll call vote, or any other form of voting that the Chair deems appropriate and that can be recorded in the minutes. The vote of all questions coming before the Board shall be by voice vote with the Chair announcing the results. Any~~ If the Chair does not choose a roll call vote for a particular question, any Board member may call for a roll call vote on ~~any that question and the Chair shall then either take a roll call vote on that question or ask the Board to vote (using any voting method the Chair deems appropriate) to determine whether to take a roll call vote.~~ In such case the ~~All~~ roll call votes will ~~shall~~ be ~~taken and~~ recorded in the minutes. Board members may not engage in proxy voting.

~~Section 911 Conflict of Interest.~~

Each member present shall either cast a yea or nay vote, or state that he or she is abstaining, on each ~~resolution-matter~~ voted upon by the Board, except that each member is obligated to refrain from voting, or otherwise influencing the debate or vote upon, a matter in which the member shall have a personal financial interest beyond that of general public interest, ~~or a matter involving his or her own conduct,~~ or a matter in which the member otherwise has a conflict of interest. If a member's right to vote is challenged, the Board may, by vote of the majority of currently serving board members, and upon good cause shown by the moving board member, it shall be in the form of a resolution directing the member to abstain from voting on a particular pending motion. ~~Such a resolution shall require a simple majority of affirmative votes of~~

~~voting Board members for adoption.~~

Section 10~~2~~ Meeting Procedures.

~~The Board may rely on Robert's⁴ Rules of Order for meeting procedures or other subjects covered by those Rules that are not covered by shall govern in all applicable cases, provided said rules are not in conflict with~~ these Bylaws, the Articles of Incorporation, or laws of the State of Michigan. Any disputes as to procedure at Board meetings shall be resolved by the Chair.

Section 13 Policy Governance.

The Board has adopted Policy Governance as a model for directing and controlling the Authority. This model shall govern the Board as long as it is not in conflict with these Bylaws, the Articles of Incorporation, or laws of the State of Michigan. The Board's Policy Governance model may be amended from time to time, but adopting an alternative governance model would require amending these Bylaws.

ARTICLE IV

Committees

Section 1. Governance Committee. There shall be a Governance Committee of the Board of Directors which shall be responsible for coordinating the work of the Board and of any ~~governing~~ committees that the Board establishes; for developing the Board in terms of its composition and its members' governing skills; for maintaining the Board- Chief Executive Officer ~~partnership~~relationship; and for carrying out other duties as prescribed for it in the Bylaws and by Board ~~resolution~~motion.

The Governance Committee shall consist of the Board Chair (who shall chair the Governance Committee), the Treasurer, the Secretary, the any other chairs of the other Board ~~governing~~ committees the Board Chair deems appropriate to appoint to the Governance Committee, and the Chief Executive Officer (non-voting). Other Board members may attend Governance Committee meetings with the approval of the Chair, in a non-voting capacity, as long as that does not lead to a quorum of the Board being present.

Section 2. Board Governing Committees. The Board of Directors may establish ~~governing~~ committees and other working bodies that are not otherwise enumerated in these Bylaws as it deems necessary to assist in carrying out its governing responsibilities. Such ~~governing~~ committees shall be recommended by the Board's Governance Committee and shall be established by ~~the Board passage of a resolution by a simple majority of the Board of Directors. Board governing~~ Such committees shall consist only of Board members, and the Board Chair shall appoint ~~governing committee~~ chairs and assign Board members to ~~the governing committees~~ them. Other Board members may attend committee meetings with the approval of the Chair, in a non-voting capacity, as long as that does not lead to a quorum of the Board being present. A ~~Board governing~~ committee may not exercise the powers of the Board with respect to management of the affairs of AAATA, and can take action on behalf of the full Board only as explicitly

authorized by the Board of Directors ~~by formal resolution~~ in advance.

Section 3. Meeting Procedures. Any dispute as to procedure at a committee meeting shall be resolved by the committee chair.

Section 4. Quorum. A majority of the appointed committee members shall constitute a quorum of the committee and the act of a majority of the appointed members present at a meeting at which a quorum is present shall be the act of the committee.

ARTICLE VI

Indemnification

Section 1 General.

Unless otherwise provided by law or its Articles of Incorporation or Bylaws, the Authority shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Authority) by reason or the fact that the person is or was a board member, officer, or agent of the Authority, or is or was serving at the request of the Authority as a board member, officer, or agent of another corporation, business corporation, partnership, joint venture, trust, or other enterprise; against expenses (including attorney's fees) judgments, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, or in defense of any claim, issue, or matter therein, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Authority, and with respect to any criminal action or proceeding, had no reasonable cause to believe that conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Authority and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

The indemnification provided in this Section shall continue as to a person who has ceased to be a board member, officer, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

In each specific situation where indemnification under this Section is warranted, may be warranted, or is claimed to be warranted by the person seeking indemnification, the Authority shall determine whether indemnification will be provided by either a majority vote of a quorum of Board members consisting only of members who were not parties to such action, suit, or proceeding or, if such a quorum is not obtainable (i.e., because half or more of the Board members are parties to the action, suit, or proceeding) or a quorum of board members consisting only of members who were not parties to such action, suit, or proceeding so directs, by independent legal counsel in a written opinion.

The Authority may also use that same voting procedure to authorize paying expenses incurred in defending a civil or criminal action, suit, or proceeding under this Section in advance of the final disposition of such action, suit, or proceeding but only upon receipt of an undertaking by or on behalf of the board member, officer, or agent to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Authority.

Section 2 Action by Authority.

Unless otherwise provided by law or its Articles of Incorporation or Bylaws, the Authority shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Authority to procure a judgment in its favor by reason of the fact that the person is or was a board member, officer, or agent of the Authority, or is or was serving at the request of the Authority as a board member, officer, or agent of another corporation, business corporation, partnership, joint venture, trust, or other enterprise agent expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, or in defense of any claim, issue, or matter therein, if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Authority and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of a duty to the Authority unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses which such court deem proper.

The indemnification provided in this Section shall continue as to a person who has ceased to be a board member, officer, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

In each specific situation where indemnification under this Section is warranted, may be warranted, or is claimed to be warranted by the person seeking indemnification, the Authority shall determine whether indemnification will be provided by either a majority vote of a quorum of Board members consisting only of members who were not parties to such action, suit, or proceeding or, if such a quorum is not obtainable (i.e., because half or more of the Board members are parties to the action, suit, or proceeding) or a quorum of board members consisting only of members who were not parties to such action, suit, or proceeding so directs, by independent legal counsel in a written opinion. The Authority may also use that same voting procedure to authorize paying expenses incurred in defending a civil or criminal action, suit, or proceeding under this Section in advance of the final disposition of such action, suit, or proceeding but only upon receipt of an undertaking by or on behalf of the board member, officer, or agent to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Authority.

Section 3:

- ~~(a) — Unless otherwise provided by law or its Articles of Incorporation or Bylaws, to the extent that a board member, officer, or agent of Authority has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 1 or 2 of Article VI or in defense of any claim, issue, or matter therein, the successful party shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred in connection therewith.~~
- ~~(b) — Any indemnification under Section 1 or 2 of Article VI (unless ordered by a court) shall be made by the Authority only as authorized in the specific case upon a determination that indemnification of the board member, officer, employee, or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 1 and 2 of Article VI. Such determination shall be made in either of the following ways:
 - ~~(i) — By the board by a majority vote of a quorum consisting of members who were not parties to such action, suit, or proceeding.~~
 - ~~(ii) — If such quorum is not obtainable, or, even is obtainable, a quorum of disinterested board members so directs, by independent legal counsel in a written opinion.~~~~

Section 4:

~~Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 1 or 2 of Article VI may be paid by the Authority in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Section 3 (b) of Article VI upon receipt of an undertaking by or on behalf of the board member, officer, or agent to repay such amount unless it shall ultimately be determined that the person is entitled to be indemnified by the Authority.~~

Section 5:

~~A provision made to indemnify board members or officers in any action, suit, or proceeding referred to in Section 1 or 2 of Article VI, whether contained in the Articles of Incorporation, the Bylaws, a board resolution, an agreement or otherwise, shall be invalid only insofar as it is in conflict with Sections 1 through 5 of this Article. Nothing contained in Sections 1 or 5 of this Article shall affect any rights to indemnification to which persons other than board members and officers may be entitled by contract or otherwise by law. The indemnification provided in Sections 1 through 5 of this Article continues as to a~~

~~person who has ceased to be a board member, officer, or agent and shall inure to the benefit of the heirs, executors, and administrators of such person.~~

Section 6 Insurance.

The Authority shall have power to purchase and maintain insurance on behalf of any person who is or was a board member, officer, or agent of the Authority, or is or was serving at the request of the Authority as a board member, officer, or agent of another corporation, business corporation partnership, joint venture, trust, or other enterprise against any liability asserted against the person and incurred by the person in any such capacity arising out of the person's status as such, whether or not the Authority would have power to indemnify the person against such liability under Sections 1 ~~through 5 and 2~~ of this Article.

ARTICLE VI

Amendment of Bylaws

Section 1. Amendment.

These Bylaws may be amended ~~or repealed, with new bylaws revised or adopted, by affirmative vote of at least sixty percent of currently serving board members by resolution~~, provided that notice of proposed changes and a written copy thereof shall be given to the Board no less than one week in advance. ~~The, those~~ requirements of notice and provision of written copy may be waived by ~~affirmative vote of seven Board members~~ the Board for immediate adoption of a specific Bylaw amendment. Amendments of these Bylaws, or new Bylaws, shall take effect immediately after adoption unless otherwise stipulated in the amendment.

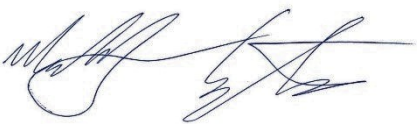
ISSUE BRIEF: Monitoring Report for Policy 2.2: Treatment of Staff









Monitoring period: Dec 2019- April 2021

Meeting: Board of Directors

Service Committee Meeting Date: June 2, 2021

Board Meeting Date: June 17, 2021

INFORMATION TYPE
Decision
RECOMMENDED ACTION(S):
Board accepts the Monitoring Report as level E – Cannot be determined.
BACKGROUND
<p>This monitoring report significantly relies on staff responses from the Annual Employee Engagement Survey with the target of incremental improvement from year to year. This year's survey revealed some methodological flaws with the CEO's previous interpretations and evidence (presented below without change). These flaws are severe enough that I do not feel the staff survey results are entirely reliable, leaving the report without a key piece of evidence. The chief challenges with the survey are that the relatively low scores may be an artifact of the low response rate (38% total, and ¾ of which were from one department), frustration with the pandemic, or fatigue with too many surveys (3 in 6 months). Of course, the results may accurately reflect staff sentiment, a possibility I am concerned about.</p>
ISSUE SUMMARY:
<p>TheRide's Board of Directors establish policies that define what methods are unacceptable to use to achieve expected results, called Executive Limitations. This monitoring report provides the CEO's interpretations of those policies, evidence of achievement, and an assertion on compliance with the Board's written goals. As with other monitoring reports, the Board decides whether the interpretations are reasonable, and the evidence is convincing.</p> <p>I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.</p> <div><div>CEO's Signature  _____</div><div>Date May 25, 2021 _____</div></div>
ATTACHMENTS:
1. Monitoring report for Policy 2.2: Treatment of Staff

Policy title: Treatment of Staff:	Page #	Compliance
2.2 The CEO will not cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear. Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:	3	
2.2.1. Operate in a manner that undermines the organization as a workplace of choice.	5	
2.2.1.1 Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.	6	
2.2.2. Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons	8	
2.2.2.1 Fail to provide internal controls necessary to enforce such policies.	8	
2.2.3 Allow retaliation against any staff member for non-disruptive expression of dissent.	9	
2.2.4 Allow staff to be unprepared to deal with emergency situations.	10	
2.2.5 Operate without an adequate labor agreement covering unionized personnel.	12	

 Fully Compliant
  Partially Compliant
  Non-Compliant
  Cannot be determined

Preliminary CEO Interpretations and Evidence

EXECUTIVE LIMITATIONS POLICY 2.2:

Cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.

Degree of Compliance: Cannot be determined

Interpretation

Compliance with this policy during the period will be demonstrated when:

1. Any formal charges of discrimination and harassment are infrequent and are addressed, the FTA endorses our Equal Employment Opportunity (EEO) program,
2. There are no workplace fatalities, injury rates are within norms, and the agency has a robust workplace safety program
3. We are compliant with the sub-policies of this section (below).

Our specific metrics, targets and results for this period are outlined below.

Evidence

The following table illustrates compliance with many of the elements of the interpretation:

	CY 2019	CY 2020	Target
Valid Instances of discrimination	0	0	0
Valid Instances of harassment	0	0	0
Employee fatalities	0	0	0
Lost workdays/100,000 miles of service	2.7	6.37*	Decrease

*With a reduction in service levels following the stay-at-home orders, service mileage significantly decreased leading to an increased number in lost workdays/ 100,000 miles.

Since compliance with subsequent subpolicies cannot be determined, this policy is also noted as so. We will achieve compliance in the next annual report as the amount of service will increase to natural levels of the statistical anomaly of this year will resolve itself.

Evidence (*continued*)

In September 2018, the Federal Transit Administration reviewed our employment practices and found no deficiencies for EEO requirements. The procedures are still in place today. This section of their report is reproduced below (FTA, p. 21, sec 13).

13. Equal Employment Opportunity

Basic Requirement: The recipient must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving Federal financial assistance under the Federal transit laws. (Note: Equal Employment Opportunity Commission's regulation only identifies/recognizes religion and not creed as one of the protected groups.)

Finding: During this Triennial Review of AAATA, no deficiencies were found with the FTA requirements for Equal Employment Opportunity.

EXECUTIVE LIMITATIONS POLICY 2.2.1:

Operate in a manner that undermines the organization as a workplace of choice.

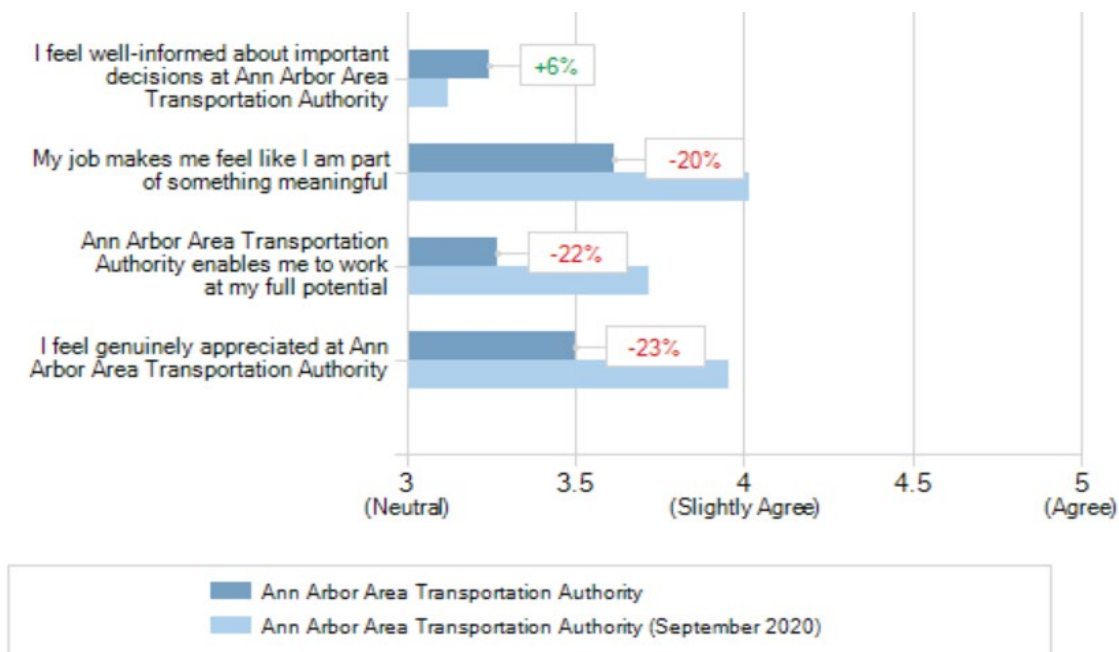
Degree of Compliance: Cannot be Determined

Interpretation

Compliance with this policy during the period will be demonstrated when overall annual staff survey results indicate that the majority of staff feel relatively satisfied with the intangible elements of our workplace culture. Our specific metrics, targets and results for this period are outlined below.

Evidence

The graph below illustrates overall staff responses to two similar surveys conducted in 2020 and 2021. Our target for staff responses in the following questions is incremental improvement over time.



The CEO and Safety Officer kept staff abreast of evolving agency decisions and changes as the pandemic unfolded. An increasing number of staff noted in the survey that they 'felt well informed about important decisions at the agency. Staff however struggles with feeling that they were a part of something meaningful, enabled to work at their fullest potential or fully appreciated at the agency. While survey scores did decline, the low response rate, and survey and pandemic fatigue make it difficult to assess compliance. For those reasons, the CEO cannot clearly state whether the staff survey results support compliance

Compliance with this policy is expected by the next annual survey. However, methodological weaknesses with the interpretations and evidence suggest the CEO may need to change both (see policy 2.10.1.5).

EXECUTIVE LIMITATIONS POLICY 2.2.1.1:

Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.

Degree of Compliance: Cannot be Determined

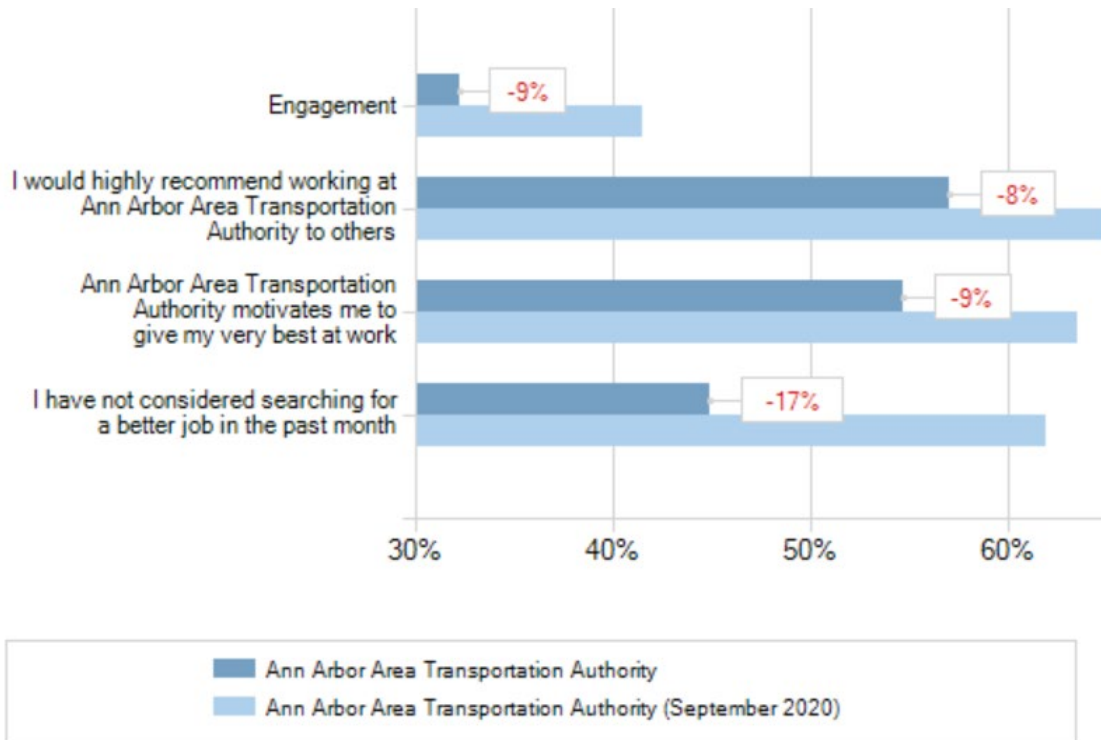
EXECUTIVE LIMITATIONS POLICY 2.2.1.1: Interpretation

Compliance with this policy during the period will be demonstrated when annual staff survey results indicate that staff feel motivated and that the AAATA is a desirable place to work. Our specific metrics, targets and results for this period are outlined below.

EXECUTIVE LIMITATIONS POLICY 2.2.1.1: Evidence

The graph below shows changes in relevant staff responses in 2020 and 2021. Our target for staff responses is incremental improvement over time. We did not meet this target for 2021. While survey scores did decline, the low response rate, and survey and pandemic fatigue make it difficult to assess compliance. For those reasons, the CEO cannot clearly state whether the staff survey results support compliance.

Compliance with this policy is expected by the next annual survey. However, methodological weaknesses with the interpretations and evidence suggest the CEO may need to change both (see policy 2.10.1.5).



EXECUTIVE LIMITATIONS POLICY 2.2.2:

Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy during the period will be demonstrated when (A) there is a handbook for non-union staff meeting the expectations listed above, and (B) the above issues are addressed in an active labor contract with the union or being negotiated.

Evidence

A revised and updated non-union staff handbook is complete and in effect. Union negotiations are scheduled to take place and a final contract to be adopted by March 2022.

EXECUTIVE LIMITATIONS POLICY 2.2.2.1:

Fail to provide internal controls necessary to enforce such policies.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy during the period will be demonstrated when adequate mechanisms for holding staff accountable to expectations exist.

I further interpret this policy to mean that staff and management are held accountable for complying with personnel rules, and that all rules are applied in a consistent and timely manner. The AAATA must have mechanisms in place to monitor compliance, and correct noncompliant behavior, whether that be through coaching, training or disciplinary actions. Such internal controls should be written down and documented when used.

Evidence

The staff handbook and union contract provide detailed disciplinary processes and procedures coaching and if necessary, disciplining staff in a consistent and fair manner. Both the contract and the handbook are available for Board inspection upon request.

EXECUTIVE LIMITATIONS POLICY 2.2.3:

Allow retaliation against any staff member for non-disruptive expression of dissent.

Degree of Compliance: Partial Compliance or Cannot be Determined

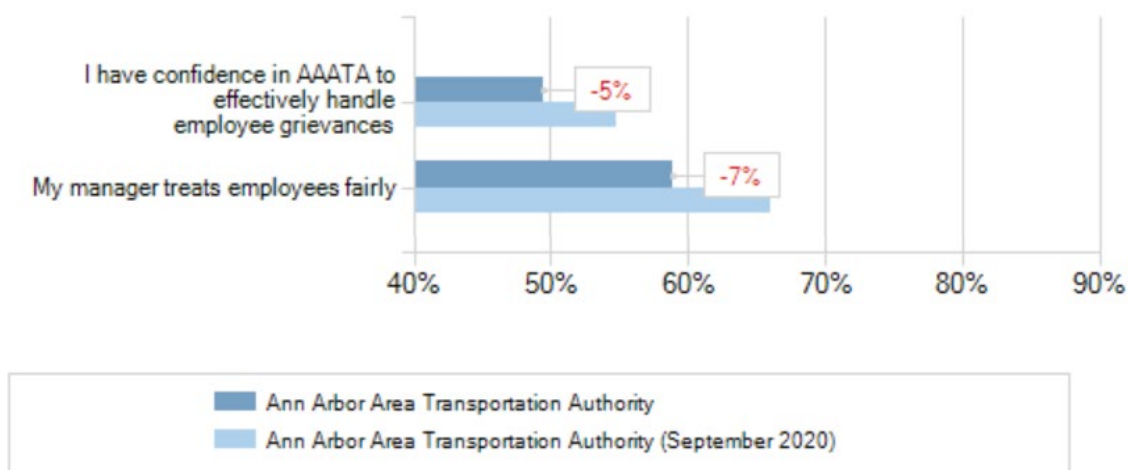
EXECUTIVE LIMITATIONS POLICY 2.2.3: Interpretation

Compliance with this policy during the period will be demonstrated when responses to staff surveys indicate that a majority of staff feel that they are confident in how dissent is handled and that management treats staff fairly. Our specific metrics, targets and results for this period are outlined below.

EXECUTIVE LIMITATIONS POLICY 2.2.3: Evidence

The graph below shows changes in staff responses to the engagement survey in 2020 and 2021. Our target for staff responses is incremental improvement over time. We did not meet this target for 2021. While survey scores did decline, the low response rate, and survey and pandemic fatigue make it difficult to assess compliance. In addition, the general survey questions are not worded specifically enough to compare with this policy directly. For those reasons, the CEO cannot clearly state whether the staff survey results support compliance.

Compliance with this policy is expected by the next annual survey. However, methodological weaknesses with the interpretations and evidence suggest the CEO may need to change both (see policy 2.10.1.5).



EXECUTIVE LIMITATIONS POLICY 2.2.4:

Allow staff to be unprepared to deal with emergency situations.

Degree of Compliance: Partially Compliant or Cannot be Determined

Interpretation

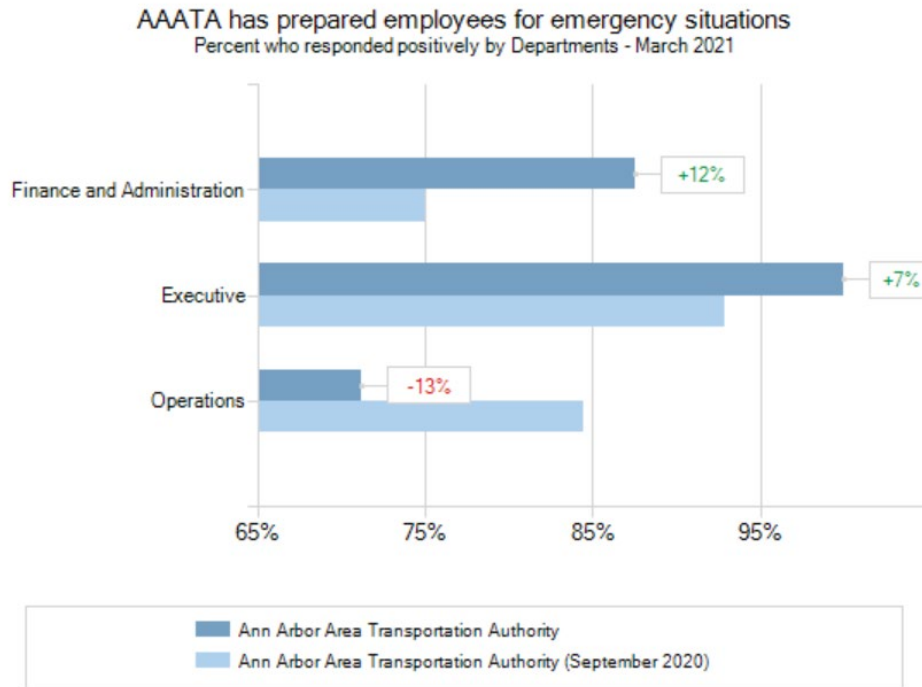
Compliance with this policy during the period will be demonstrated when staff receive adequate training for emergency situations, and a majority of staff report perception of preparation in annual surveys. Our specific metrics, targets and results for this period are outlined below.

Evidence

This table summarizes the emergency preparation conducted during the period and our targets.

	FY 2019	FY 2020	Target
Safety Orientation for New Hires	100%	100%	100% within the first week
Severe Weather Drills	100%	Cancelled	Twice/Year
Active Shooter Training	N/A	Cancelled	Each staff within 2 years
Fire Drills	N/A	Cancelled	Each staff within 2 years
Emergency Procedures for Bus Drivers when on-route	100% 100%	100% 100%	All new drivers. 100% of drivers once a year
<ul style="list-style-type: none"> Safety efforts focused on recovery. Drills that required people to congregate in one location were cancelled for safety reasons. A new active shooter system was installed in October 2020, activated, and tested. General notifications were sent to staff via email and text to alert them of the system capabilities. Additional system activations/drills are being incorporated by the safety offices in future emergency plans. 			

The graph below illustrates the results of staff feedback regarding their perceptions of safety.



Our target is incremental improvement, and we met this target in 2 of the 3 departments with the highest number of respondents. 98% of respondents came from these three departments. Staff in the operations department did not feel fully prepared for emergency situations, majority of them were on the front line during the pandemic.

It must be noted that, in retrospect, TheRide did not adequately prepare staff for the likelihood of a worldwide pandemic prior to March 2020. Like most organizations, we were caught by surprise and had to improvise after the fact. While we feel we did fairly well as demonstrated by the absence of widespread staff infections, we want to acknowledge that we did not prepare staff in advance for this situation. This lack of preparation would have affected Operations staff directly while Executive and Finance staff were required to work from home. This explain the differing perceptions of readiness.

While survey scores did decline, the low response rate, and survey and pandemic fatigue make it difficult to assess compliance. For those reasons, the CEO cannot clearly state whether the staff survey results support compliance. Compliance with this policy is expected by the next annual survey. However, methodological weaknesses with the interpretations and evidence suggest the CEO may need to change both (see policy 2.10.1.5).

POLICY 2.2.5:

Operate without an adequate labor agreement covering unionized personnel.

Degree of Compliance: Compliant

Interpretation

Compliance with this policy will be demonstrated when the AAATA has a labor agreement in force during the monitoring period. I further interpret this policy to mean that operations are to continue even if a contract has lapsed or negotiations have reached an impasse.

Evidence

In July 2017 TheRide agreed to a five-year contract with all unionized personnel. The contract will expire in March 2022.

CEO Notes

While it is possible that the staff are generally less engaged, it is unclear why or whether this sentiment is as widely shared as the survey suggests. Certainly, management was surprised by this survey and is eager to understand why the results look this way.

This report has also illuminated the challenges of relying on a survey of perceptions rather than objective facts. The CEO and management staff will be using the next year to new tools, possibly including focus groups, to try to determine why these results occurred and how to improve them going forward. This may cause the CEO to change the interpretations or evidence. As per policy 2.10.1.5, he is letting the Board know about this in advance.

Board's Conclusion on Monitoring Report

Guidance on Determining “Reasonableness” of CEO Interpretations

The International Policy Governance Association has developed the following guidance for Board members to use in deciding whether a CEO's interpretation is “reasonable”:

An interpretation is deemed to be reasonable when it provides an operational definition which includes defensible measures and standards against which policy achievement can be assessed...

Defensible measures and standards are those that:

- *Are objectively verifiable (e.g., through research, testing, and/or credible confirmation of observable phenomena.)*
- *Are relevant and conceptually aligned with the policy criteria and the board's policy set.*
- *Represent an appropriate level of fulfillment within the scope of the policy.*

- “What makes an Interpretation Reasonable and What are the Expectations for the Operational Definition: Policy Governance Consistency Framework Report Number 2”. International Policy Governance Association. June 11, 2016. Available on the IPGA website.

Board's conclusion after monitoring the report.

Following the Board's review and discussion with the CEO, the Board finds that the CEO:

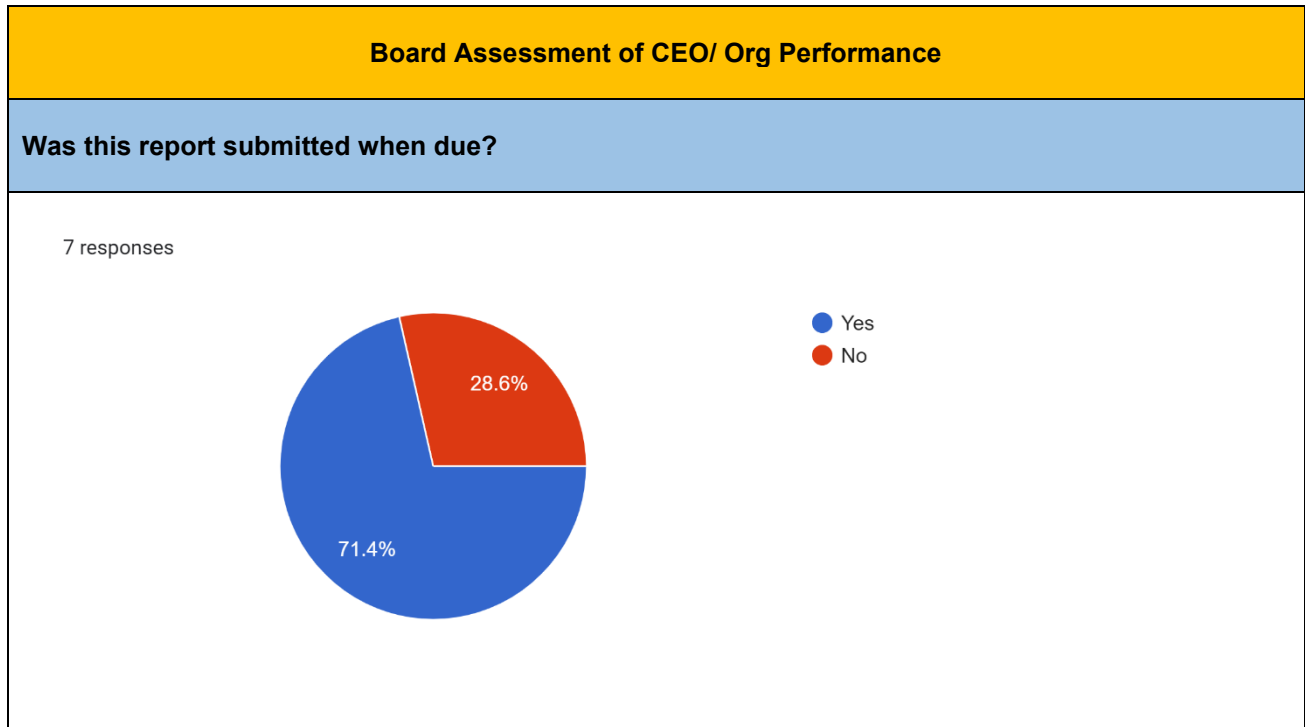
- A. Is in compliance.
- B. Is in compliance, except for item(s) noted.
- C. Is making reasonable progress toward compliance.
- D. Is *not* in compliance or is *not* making reasonable progress toward compliance.
- E. Cannot be determined.

SURVEY RESULTS: Treatment of Staff (Policy 2.2)

Service Committee Review Date: June 2, 2021
Board Meeting Review Date: June 17, 2021

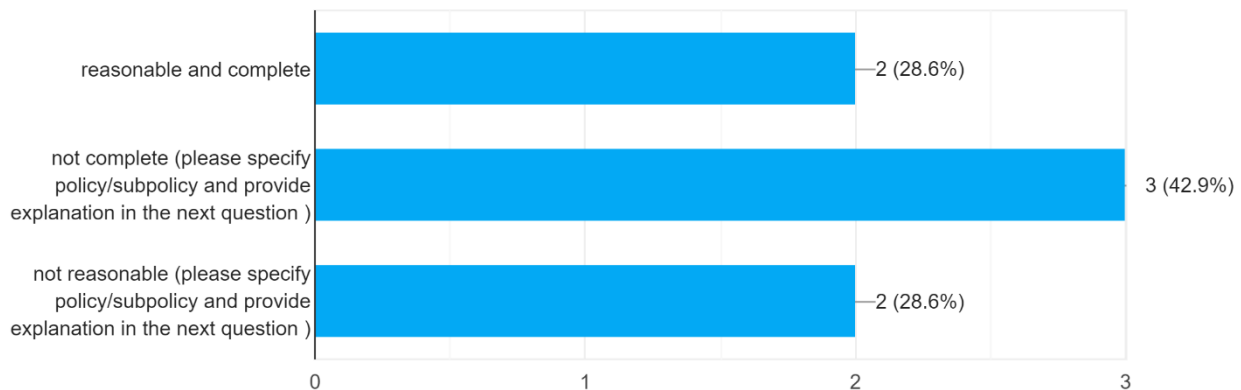
Survey Participants: 7 Board Members

Note: Each bullet represents a comment by a different Board member.



Do you find the CEO Interpretation for each policy/sub policy to be:

7 responses



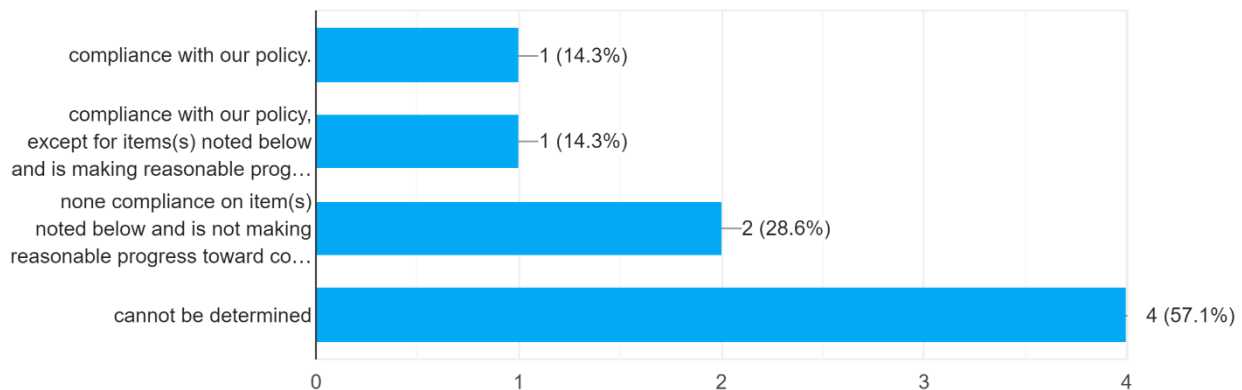
Board Assessment of CEO/ Org Performance

CEO Interpretations that were incomplete or unreasonable (if any):

- I think some of the policies with, "cannot be determined" can be determined (2.2.1 and 2.2.1.1)
- Several "cannot be determined".
- CEO staff survey may not be an effective mechanism for determining compliance.
- 2.2.3 The CEO sites the survey as the sole artifact for staff members working in an environment that supports and protects employees when raising issues of dissent. I do not feel that one document or survey is a complete picture. Has AAATA experienced litigation from employees that experienced retaliation or have staff resigned from the agency and collected unemployment based on retaliation to grievances?
2.2 and sub policies. It seems that the employee survey is relied upon heavily to provide evidence for most of this report. There must be other metrics to help give a broader range of interpretation such as staff retention.
- I find the new "cannot be determined" compliance category troublesome. The CEO interprets the ends, means, and limitations and it is incumbent upon the CEO to come up with an interpretation he can monitor. If the response rate on a survey from employees is off target or not representative, then the CEO should take measures to get it within a degree of reasonableness. Yes, the circumstances over the past year are unique, but that does not mean that results from a survey should be dismissed or considered indeterminant. Rather, the results should be explained and a strategy should be presented to address the deficiency. Waiting another year to determine compliance is unacceptable.
Another concern is that injury rates are not reported under 2.2, just fatalities. Injury rates should be reported to the Board as the CEO interpretation mentions it ("injury rates are within norms" is not at all informative). Additionally, the Board was informed that a driver passed away last calendar year and the report is suspiciously quiet on this matter.

Do you find the CEO's evidence and data shows..?

7 responses



Items not in compliance (if any):

- I think there are ways to ensure compliance, especially when it comes to staff engagement and happiness/excitement to work at AAATA. As a result, I think there are ways we should have/could have taken to raise the survey response rate and also the ratings that would have affected 2.2.1 and 2.2.1.1.
- 2.2.1, 2.2.3, 2.2.4,
- As previously mentioned, I disagree with the "cannot be determined" label and think those should be presented as "non-compliant" unless evidence to the contrary can be presented. As such, 5 of the 8 policies presented would be non-compliant.

Optional: Potential Policy Development

Is there any area associated with this policy that concerns you that is not clearly addressed in existing policy? What is the value that drives your concern?

- We should probably look at maybe rewording/reframing policy 2.2
- Several "cannot be determined". Maybe these policies should be rewritten.
- No
- While the circumstances over the past year are unique and nobody was prepared for a sustained global pandemic, it is not reasonable to attribute dissatisfaction solely to external factors. The ability to adapt, keep employees engaged, and reinforce their worth to the agency is still of paramount importance - perhaps now more than ever. This report illustrates the deficiency to these latter points; and is not solely attributable to lack of specific global pandemic response plan.

What policy language would you like to see incorporated to address your worry?

- Maybe use and expand the table provided in evidence section of 2.2 to show what we will measure against and whether it is pass/fail/other for each one .
- If our emergency response plans are too rigid, miopic, or outdated, then the agency will need to develop plans or strategies that are more flexible or adaptive to the situation at hand.

Optional: Comments for the CEO

Commendations on this topic:

- No responses yet for this question.

Potential Improvement(s):

- Staff happiness can be very subjective and a lot of factors (such as timing) play into the ratings they provide in these surveys. However, it is a key heartbeat to listen to. The staff make and break this type of organization. Without workers, especially happy workers, we are not fulfilling our mission to the level expected of us.
There are many examples of private/public/non-profit organizations that are able to achieve very high staff satisfaction ratings even in challenging times, such as what we had occur in the last year.
Maybe the sample size is small in regards to # of respondents, but I think there was enough to indicate that we have a perception and satisfaction problem that need to be looked into deeper and addressed.
- Why was the methodology flawed? The suggested answer was that the survey was qualitative, not quantitative. I'm not so sure about that. Why was response so low?
- I share the desire for more objective means of determining compliance.
- I am troubled by the number of essential trainings that were cancelled as identified in 2.2.4. While I agree that large in-person group trainings would have been inappropriate, there are other offerings available (e.g. online active shooter trainings are available and readily used in the community).

Comments on the report itself:

- Since 2020 was such a challenging year, I would have liked to have seen the survey results for 2019 for comparison.
I would like to see the date the report was supposed to be submitted by to help with answering question 1 (was the report provided on time) -- this is a global request for all of our monitoring report surveys.
- It's likely the pandemic made the survey not representative and, therefore, not very useful for its intended purpose.
- I agree that that, given the pandemic, it is not possible to accurately determine compliance.
- This was a difficult monitoring report to digest. How can we provide service excellence to our ridership when staff are sharing such concern over their working conditions? Most of the interpretations stemmed from the 2021 staff survey compared with the 2020 staff survey. The report raises questions about the efficacy of the survey during the pandemic vs pre-pandemic responses. However, it is clear that staff are struggling and do not feel supported at this time and steps must be taken to address their concerns now.

- The survey results, while they should not perhaps be the sole evidence for this report, seem to identify some potential issues, as the CEO notes. Perhaps response rate was low overall, but there were identifiable trends in the responses. I do not feel enough thought has been given to this nor what steps can be taken to remedy identified areas of staff dissatisfaction. I question whether the recommendation would have been "Cannot be determined" had the survey response rate been the same but with more positive results.
- As previously requested, please provide the due date on all monitoring reports as finding this information can be difficult. Until this is done, I will no longer mark reports 'submitted when due.'

ISSUE BRIEF: August Service Plan

Meeting: Board of Directors

Meeting Date: June 17, 2021

INFORMATION TYPE
Other
RECOMMENDED ACTION(S)
Discuss the Final August Service Plan and equity analysis findings for planned service changes.
ISSUE SUMMARY
<p>The Final August Service Plan along with the Service Change Equity Analysis is available for public feedback from June 7 to July 7. The findings from the equity analysis indicate that the Service Plan has no disparate impact on minority population, but discontinuing Routes 21, 41, 81, 91, and 92 creates a disproportionate burden on low-income population, mainly because all routes but one in our network are identified as low-income routes.</p> <p>While mitigations for each discontinued route are in place to minimize the effects, staff reviewed and assessed other alternatives. Based on further analysis, staff believe that no alternatives exist that would accomplish same business goals with fewer disproportionate effects, mainly because all routes but one in our network are identified as low-income routes. The savings from discontinuing Routes 21, 41, 81, 91, and 92 have been reallocated to improve service reliability of high ridership routes in other low-income areas as service is restored.</p>
BACKGROUND
<p>The Final August Service Plan, which reflects the community's feedback gathered in March 2021, restores service levels provided before the COVID-19 pandemic and includes adjustments to many routes and services as outlined in Attachment #1. Key adjustments have been incorporated from the plan proposed in March and include updates to Routes 6, 26, 29, 61, 62, 65, 68, FlexRide East, and GoldRide. The Final Service Plan will be implemented starting August 29, 2021.</p> <p>As required by FTA and AAATA's Equity Analysis Policy, an equity analysis was completed for the planned major service changes. The detailed analysis is included in Attachment #2 and the findings include:</p> <ul style="list-style-type: none">• There are no disparate impacts on minority population.• Discontinuing Routes 21, 41, 81, 91, and 92 creates a disproportionate burden on low-income population, mainly because all routes but one in our network are identified as low-income routes. <p>Mitigations for the disproportionate burdens include modification to existing routes and continued promotion of VanRide.</p>

In addition to these mitigations, staff reviewed and assessed other alternatives. Based on the analysis, staff believe that no alternatives exist that would accomplish same business goals set by the Board's Ends with fewer disproportionate effects, mainly because all routes but one (Route 66) in our network are identified as low-income routes with a higher percentage of low-income riders than are present in the general population.

The savings from discontinuing Routes 21, 41, 81, 91, and 92 have been reallocated to improve service reliability of high ridership routes in other low-income areas as service is restored. This is consistent with the business goals set by the Board's Ends policies. It would not be possible to find operational savings of the same magnitude without reducing service on other low-income routes with higher ridership.

Public feedback will be accepted on the August Service Plan and Service Change Equity Analysis from June 7 – July 7. Staff will share a summary of public feedback in July.

IMPACTS OF RECOMMENDED ACTION(S)

- Budgetary/Fiscal: The service recovery plan was included in FY2021 budget.
- Social: The plan will restore service coverage, frequency, and hours to provide riders better access to services and opportunities.
- Environmental: Restoring service and improving service reliability will make transit a viable transportation option for returning riders before they switch to other modes such as driving.
- Governance: N/A

ATTACHMENTS

1. Final August Service Plan Summary
2. Service Change Equity Analysis

More service to get you moving.

In March, we presented our Service Recovery Proposal that laid out TheRide's plans to restore service to our previous service levels. We received and reviewed over 300 comments on the proposal. We have adjusted our plan based on feedback. The final plan will begin August 29, 2021.

Route	Schedule	Frequency (in minutes) <i>peak/midday/evening</i>	Service Details
3 Huron River	Weekdays 6:15 ^{am} –9:45 ^{pm} Saturday 8:15 ^{am} –9:15 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	30 / 30 / 60 60 60	Add weekend service. Reinstate service to LeForge Rd area. Move routing in the downtown Ann Arbor area from Washington St, Ann St, and Catherine St to Huron St.
4 Washtenaw	Weekdays 6:00 ^{am} –11:45 ^{pm} Saturday 7:30 ^{am} –10:15 ^{pm} Sunday 8:00 ^{am} –6:45 ^{pm}	8 / 15 / 30 30 30	Revise Route 4 to serve UM Hospital on all trips. Eliminate route variations. Move routing in the downtown Ann Arbor area from Washington St to Huron St. Add time to peak hour trips to improve on-time performance.
5 Packard	Weekdays 6:15 ^{am} –11:15 ^{pm} Saturday 8:15 ^{am} –10:00 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	15 / 15 / 30 60 60	Revise Route 5 to two variations: 5A trips will serve Ypsilanti and 5B trips will serve Meijer on Carpenter Rd. Add time to trips to improve on-time performance.
6 Ellsworth	Weekdays 6:15 ^{am} –10:15 ^{pm} Saturday 8:15 ^{am} –10:15 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	30 / 30 / 60 60 60	In the downtown Ypsilanti area, all trips heading to the Blake Transit Center (BTC) will use Michigan Ave and all trips heading to the Ypsilanti Transit Center will use Congress St. Riders in the Michigan Ave corridor needing to reach the Ypsilanti Transit Center are advised to use Rt 47.
22 Pontiac– Dhu Varren	Weekdays 6:20 ^{am} –11:15 ^{pm} Saturday 7:45 ^{am} –10:15 ^{pm} Sunday 8:15 ^{am} –7:15 ^{pm}	30 / 30 / 60 60 60	Reinstate service to Dhu Varren Rd and Pierpont Commons. Add time to peak hour trips to improve on-time performance.
23 Plymouth	Weekdays 6:30 ^{am} –11:30 ^{pm} Saturday 8:20 ^{am} –9:45 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	15 / 15 / 30 30 60	Revise Route 23 to serve Green Rd and the Plymouth Rd P&R lot on all weekday trips. Green Rd P&R lot will be served weekday evenings and weekends. Move routing in the downtown Ann Arbor area from Washington St to Huron St. Add time to trips to improve on-time performance.
24 Eisenhower –Golfside	Weekdays 6:15 ^{am} –10:45 ^{pm} Saturday 8:00 ^{am} –10:15 ^{pm} Sunday 8:00 ^{am} –6:45 ^{pm}	30 / 30 / 60 60 60	Rename route from "S. Main-East" to "Eisenhower-Golfside." Change route to serve State St and S. Industrial instead of S. Main. Service to S. Main St, Northbrook Dr and Oakbrook Dr to be provided by Route 25. Trips alternate with Route 6 for more frequent service on State Street and South Industrial.
25 Ann Arbor– Saline Rd	Weekdays 6:20 ^{am} –10:50 ^{pm} Saturday 7:30 ^{am} –9:30 ^{pm} Sunday 8:30 ^{am} –6:30 ^{pm}	30 / 30 / 60 60 60	Continue current routing that serves Main St and Oakbrook Dr. Service in the Oak Valley Dr/Lohr Rd area south of Meijer on Ann Arbor-Saline Rd to be provided by FlexRide-West.
26 Scio Church	Weekdays 6:30 ^{am} –10:45 ^{pm} Saturday 7:45 ^{am} –9:45 ^{pm} Sunday 8:45 ^{am} –6:45 ^{pm}	30 / 60 / 60 60 60	Revise Route 26 to serve one direction only. Service in the reverse direction to be provided by Route 29. Trips will alternate with Route 29 to provide service every 30 minutes. Routing will be moved from Seventh St to Main St to serve the Pioneer High School Park & Ride lot before reaching Scio Church Rd.
27 W. Stadium –Oak Valley	Weekdays 6:10 ^{am} –10:45 ^{pm} Saturday 8:15 ^{am} –10:15 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	30 / 30 / 60 60 60	Reinstate temporarily suspended route.
28 Pauline	Weekdays 6:00 ^{am} –11:15 ^{pm} Saturday 8:00 ^{am} –10:00 ^{pm} Sunday 8:00 ^{am} –7:00 ^{pm}	15 / 30 / 60 60 60	Revise Route 28 to serve Pauline Blvd in both directions for all trips. Eliminate route variations.
29 Liberty	Weekdays 6:30 ^{am} –6:15 ^{pm} Saturday 8:15 ^{am} –10:15 ^{pm} Sunday ---	30 / 60 / --- 60 ---	Revise Route 29 to serve one direction only. Service in the reverse direction to be provided by Route 26. Trips will alternate with Route 26 to provide service every 30 minutes. Use Route 26 when Route 29 is not in service. Routing will be moved from Seventh St to Main St to serve the Pioneer High School Park & Ride lot before reaching the Blake Transit Center.
30 Jackson Rd	Weekdays 6:15 ^{am} –11:15 ^{pm} Saturday 7:00 ^{am} –10:00 ^{pm} Sunday 8:30 ^{am} –6:30 ^{pm}	30 / 30 / 60 60 60	Reinstate service to Meijer/Jackson Rd. Add time to peak hour trips to improve on-time performance. Route 30 to connect with WAVE service at the Meijer on Jackson Rd. Schedules will be coordinated with WAVE Service.
31 Dexter Ave	Weekdays 6:00 ^{am} –11:30 ^{pm} Saturday 8:30 ^{am} –10:30 ^{pm} Sunday 9:30 ^{am} –7:30 ^{pm}	30 / 30 / 60 60 60	Reinstate temporarily suspended route.
32 Miller– Maple	Weekdays 6:15 ^{am} –11:15 ^{pm} Saturday 8:15 ^{am} –10:15 ^{pm} Sunday 8:15 ^{am} –6:45 ^{pm}	30 / 30 / 60 60 60	Reinstate service to Maple Rd/Pennsylvania Ave. Eliminate route variations. 32B/C trips will be replaced by Route 61.
33 Newport	Weekdays 6:30 ^{am} –8:30 ^{pm} Sat/Sun ---	30 / 30 / --- ---	Revise Route 33 to serve the Amtrak station using Division St/Fifth Ave for all trips. Reinstate service to the Newport Rd/Holyoke Ln area. Add time to trips to improve on-time performance.

Route	Schedule	Frequency (in minutes) <i>peak/midday/evening</i>	Service Details
34 Maple–Dexter <i>previously</i> 60	Weekdays 6:30 ^{am} –8:45 ^{am} 3:45 ^{pm} –5:45 ^{pm} Sat/Sun ---	30 / --- / --- ---	Revise route to end all trips at the Blake Transit Center. Rename route from 'UM–Dexter' to 'Maple–Dexter' and change number from Route 60 to Route 34. Connect all trips with Route 23 at the Blake Transit Center. Add time to trips to improve on-time performance. Trips will alternate with Route 61 to provide service every 30 minutes from the Miller Rd P&R lot.
42 Forest–MacArthur	Weekdays 6:05 ^{am} –10:15 ^{pm} Saturday 7:15 ^{am} –10:15 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	30 / 30 / 60 60 60	Reinstate service to Forest Ave and Holmes Rd areas.
43 E. Michigan Ave	Weekdays 6:00 ^{am} –11:00 ^{pm} Saturday 8:00 ^{am} –10:00 ^{pm} Sunday 8:00 ^{am} –6:00 ^{pm}	30 / 30 / 60 60 60	Reinstate temporarily suspended route.
44 Ecorse–Tyler	Weekdays 6:15 ^{am} –10:45 ^{pm} Saturday 7:45 ^{am} –9:45 ^{pm} Sunday 8:15 ^{am} –6:15 ^{pm}	30 / 30 / 60 60 60	Continue current routing.
45 Grove	Weekdays 6:30 ^{am} –10:00 ^{pm} Saturday 7:45 ^{am} –9:45 ^{pm} Sunday 8:45 ^{am} –6:45 ^{pm}	30 / 30 / 60 60 60	Continue current routing. Service in the area east of Harry St/Grove Rd to be provided by FlexRide-East.
46 Huron–Paint Creek	Weekdays 6:00 ^{am} –10:00 ^{pm} Saturday 8:00 ^{am} –10:00 ^{pm} Sunday 8:00 ^{am} –6:00 ^{pm}	30 / 30 / 60 60 60	Reinstate service to the Huron River Dr/Tuttle Hill Rd area. Rename route from "Huron-Textile" to "Huron-Paint Creek." Service in the area south of Huron River Dr to be provided by FlexRide-East.
47 Harriet–W. Michigan	Weekdays 6:00 ^{am} –10:30 ^{pm} Saturday 8:30 ^{am} –9:30 ^{pm} Sunday 8:30 ^{am} –6:30 ^{pm}	30 / 30 / 60 60 60	Continue current routing.
61 U-M–Miller <i>previously</i> 32B 32C	Weekdays 6:45 ^{am} –7:45 ^{pm} Sat/Sun ---	30 / 30 / --- ---	Routing in the downtown Ann Arbor area will be moved to serve Washington St before ending at the Central Campus Transit Center. All trips will be connected to Rt 65. Riders looking to reach the U-M Medical Campuses are advised to remain on the bus.
62 U-M–State	Weekdays 6:40 ^{am} –10:00 ^{pm} Sat/Sun ---	9 / 14 / 30 ---	Route 62 is revised to serve between the U M Central Campus, State Street Park and Ride Lot, and Wolverine Tower. Briarwood Mall is served by Route 6 or Route 24.
63 U-M–Pontiac	Weekdays 7:05 ^{am} –8:45 ^{am} 3:50 ^{pm} –5:50 ^{pm} Sat/Sun ---	30 / --- / --- ---	Revise route to provide two-way service in the UM Central/Medical Campus areas. Remove service from Glen Ave and Fuller St. Connect all trips with Route 64 at the CCTC. Add time to trips to improve on-time performance.
64 Geddes–E. Stadium	Weekdays 6:30 ^{am} –9:05 ^{am} 3:30 ^{pm} –6:05 ^{pm} Sat/Sun ---	30 / --- / --- ---	Revise route to end at the UM Central Campus Transit Center. Connect all trips with Route 63 at the CCTC to reach UM Medical Campus. Add time to trips to improve on-time performance.
65 U-M–Downtown–Green	Weekdays 6:45 ^{am} –8:40 ^{pm} Sat/Sun ---	30 / 30 / 30 ---	Routing in the downtown Ann Arbor area will be moved to serve the U-M Medical Campuses before ending at the Central Campus Transit Center. All trips will be connected to Rt 61.
66 Carpenter–Huron Pkwy	Weekdays 6:30 ^{am} –11:30 ^{pm} Saturday 8:15 ^{am} –10:25 ^{pm} Sunday ---	30 / 30 / 60 60 ---	Reinstate temporarily suspended route. Remove evening and Saturday service north of Pierpont Commons including the Green Rd P&R lot.
68 Harris–Ford	Weekdays 6:30 ^{am} –6:15 ^{pm} Saturday --- Sunday ---	30 / 30 / --- --- ---	Reinstate temporarily suspended route.
21 Amtrak–Depot	Discontinued		Amtrak Station to be served by Route 33 Monday-Friday.
41 EMU COB Shuttle	Discontinued		Use Routes 3, 4, and 5 to connect from the Ypsilanti Transit Center to EMU's main campus.
81 Canton 91 Chelsea 92 Ypsilanti Twp.	Discontinued		Use vanpools as an alternative.

Express Routes



Service Hours

Weekdays	7:00 ^{am} –7:00 ^{pm}
Saturday	---
Sunday	---

Service Area

Adjust expanded Area in Pittsfield Township.

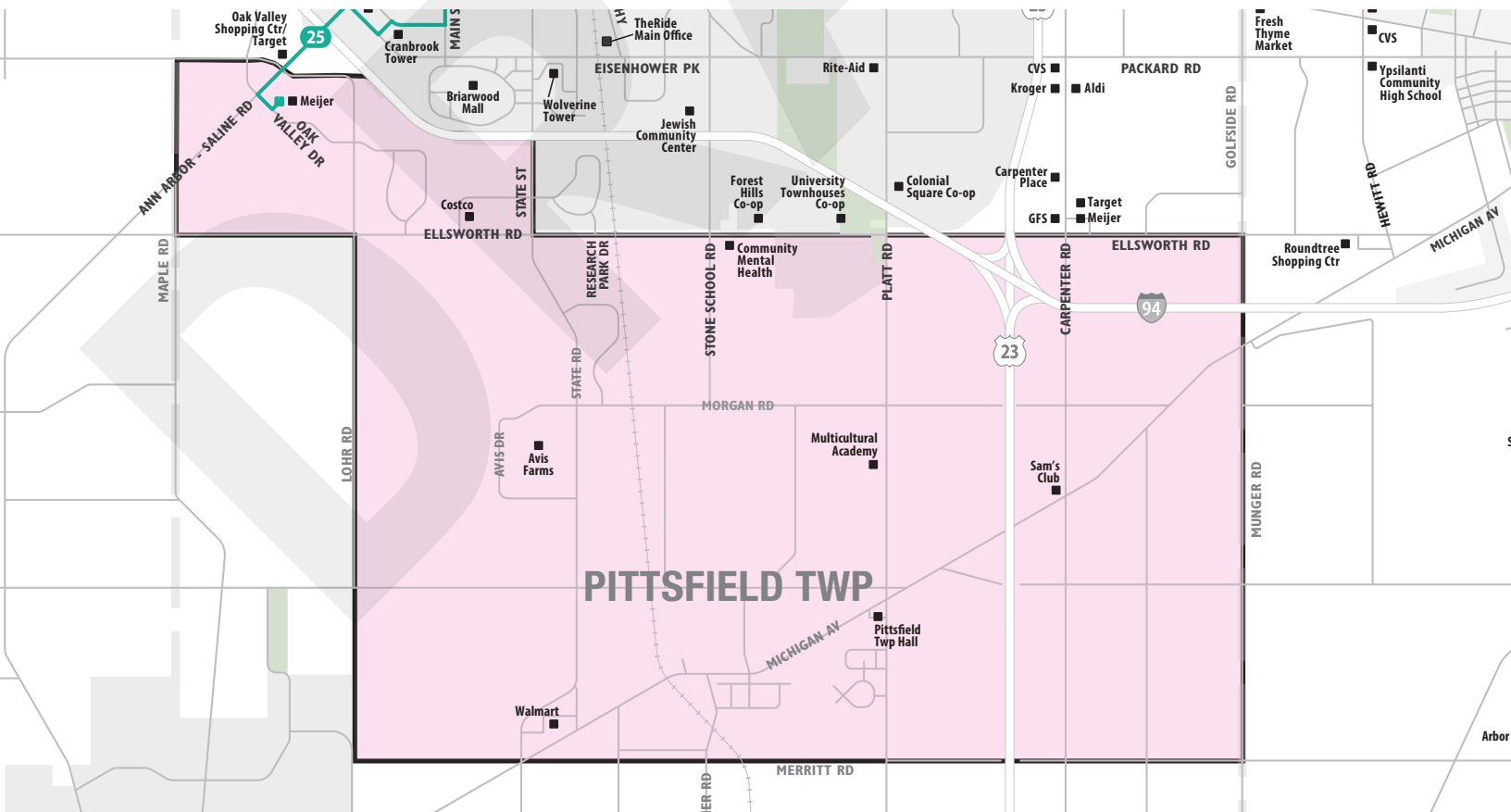
Discontinue service in Scio Township and Northeast Ann Arbor due to fixed route restoration in these areas.

Transfers

Free between fixed route and FlexRide-West.

Fares

Standard Fare	\$1.00
goPass!	Free
MCard	Free
K-12 (student I.D. required)	\$0.50
Ann Arbor Public Schools (AAPS)	Free
Exceptional Pass	
Children 5 and younger	Free
Fare Deal Card	\$0.50
Monthly Fare Deal Card (30-Day Value Pass required)	Free
A-Ride (A-Ride I.D. Card required)	Free
GoldRide (GoldRide I.D. Card required)	Free





(East)

Service Hours

Weekdays	6:00 ^{am} –10:00 ^{pm}
Saturday	8:00 ^{am} –9:00 ^{pm}
Sunday	9:00 ^{am} –7:00 ^{pm}

Service Area

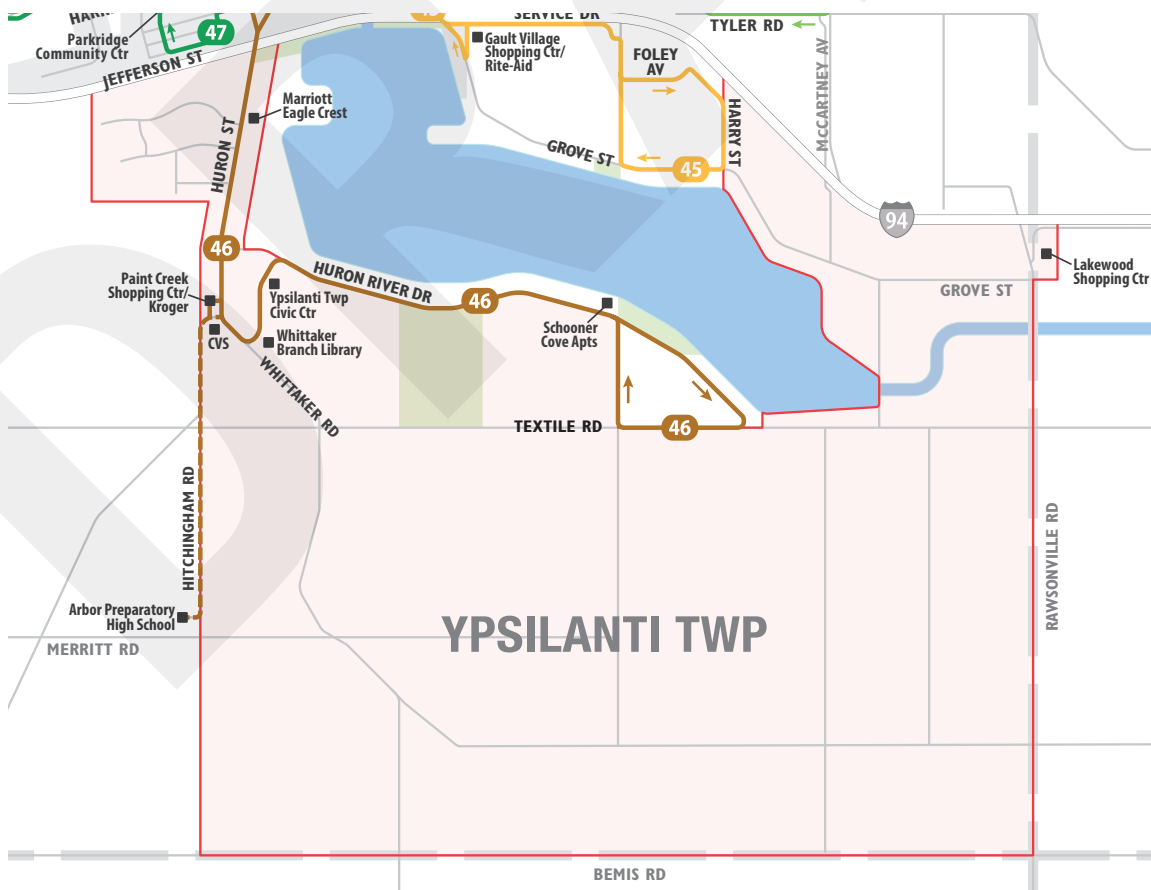
Service will be extended to cover the Lakewood Shopping Center and the Huron St area between I-94 and Huron River Dr.

Transfers

Free between fixed route and FlexRide-East.

Fares

Standard Fare	\$1.00
goPass!	Free
MCard	Free
K-12 (student I.D. required)	\$0.50
Ann Arbor Public Schools (AAPS)	Free
Exceptional Pass	
Children 5 and younger	Free
Fare Deal Card	\$0.50
Monthly Fare Deal Card (30-Day Value Pass required)	Free
A-Ride (A-Ride I.D. Card required)	Free
GoldRide (GoldRide I.D. Card required)	Free



FlexRide

(Late Night & Holiday)

Service Hours

Weekdays	11:45 ^{pm} – 6:00 ^{am}
Saturday	10:45 ^{pm} – 8:00 ^{am}
Sunday	8:00 ^{pm} – 6:00 ^{am}
Holidays	All Day

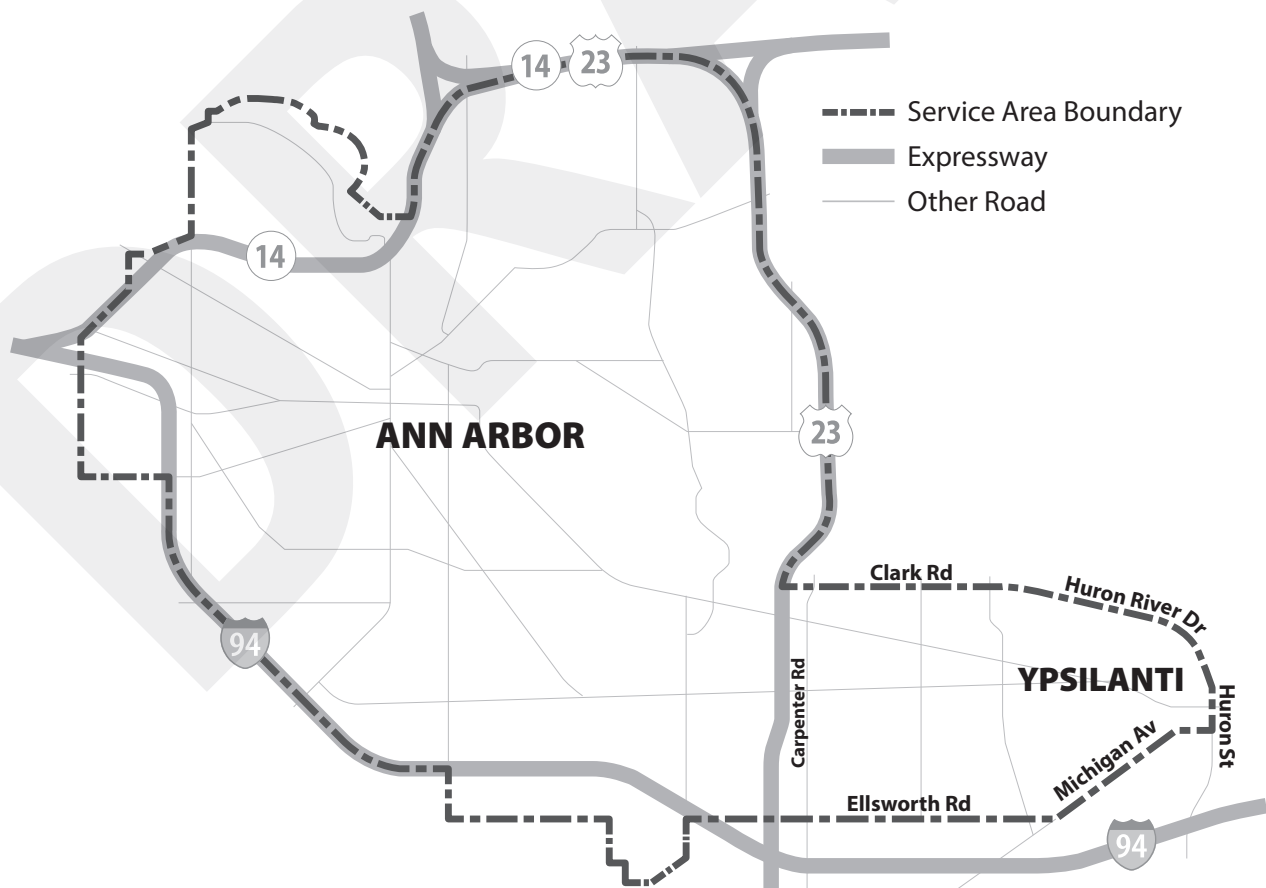
Fares

Standard Fare	\$5.00
goPass!	\$3.00
A-Ride	\$2.50
(A-Ride I.D. Card required)	
GoldRide	\$2.50
(GoldRide I.D. Card required)	

Trips available in the City of Ann Arbor and Ypsilanti between Clark Road/East Huron River Drive on the north and Ellsworth Road/Michigan Avenue on the south.

Curb-to-curb service during late-night hours and on major holidays when regular fixed-route service is not available to be provided by FlexRide. Service is provided in accessible vehicles.

Discontinue \$2.00 trip surcharge for trips between Ann Arbor and Ypsilanti.





Service Hours

Weekdays	6:00 ^{am} –11:45 ^{pm}
Saturday	7:30 ^{am} –9:45 ^{pm}
Sunday	8:00 ^{am} –7:45 ^{pm}

A-Ride is a shared, reservation-based accessibility service for persons with disabilities. A-Ride trips are provided in accessible lift-equipped buses.

To apply for A-Ride:

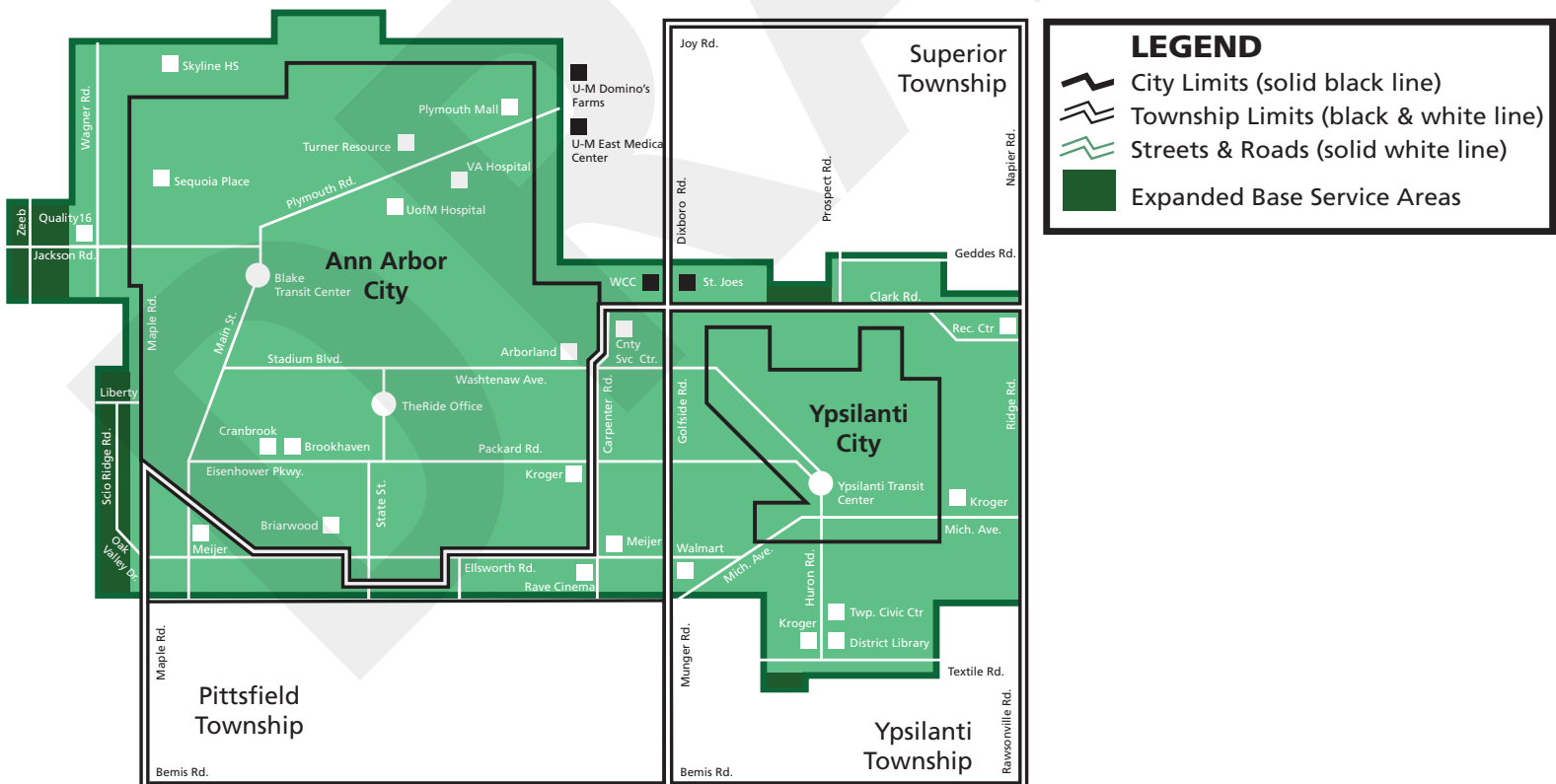
Download the applications from TheRide.org, email ARide@thride.org or by contact A-Ride at 734-973-6500

Fares

Standard Fare	\$3.00
Adult Companions	+\$3.00 ea.
Youth companions (K–12)	+\$1.50 ea.
Child companions (age 5 and younger)	Free
Registered Personal Care Attendants (PCA's)	Free
Service Animals	Free

Same-Day Booking

Limited to Will Call for medical appointments only.

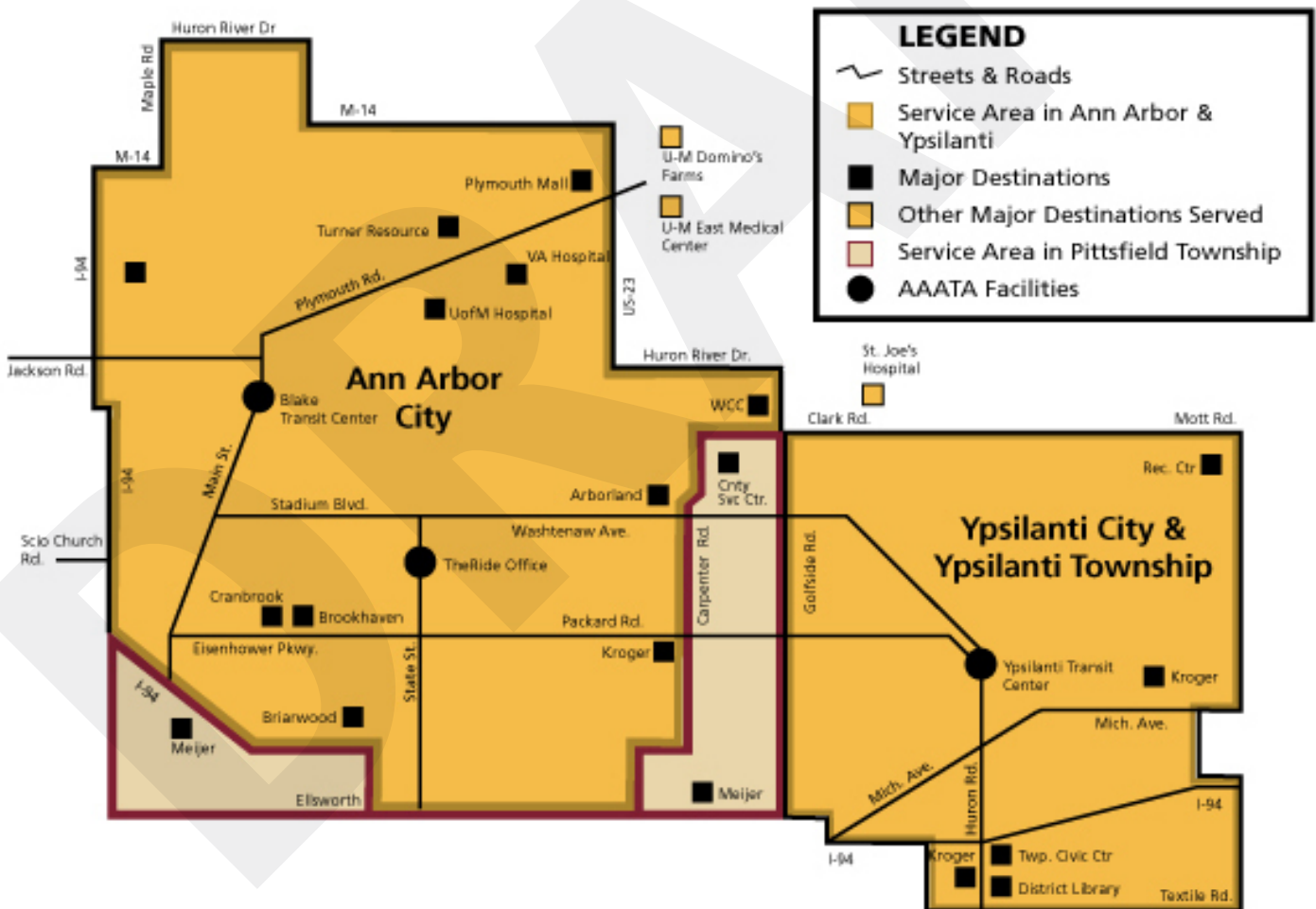




Persons ages 65 years of age or older are eligible to apply for and receive a GoldRide identification card. Individuals who are substantially limited from accessing the fixed-route bus service are encouraged to submit an application for ADA service.

All GoldRide cardholders can travel for free on TheRide's fixed route service.

GoldRide premium demand response service is returned for the City of Ann Arbor and a portion of Pittsfield Township, and expanded to serve the City of Ypsilanti and portions of Ypsilanti Township.



Equity Analysis for Proposed Service Changes



Prepared by
DanTec Associates
June 2021



Equity Analysis for Proposed Service Changes



Prepared for

Ann Arbor Area Transportation Authority

Prepared by

DanTec Associates

June 2021

Table of Contents and Figures

1. Introduction	1
Background	1
Proposed Service Changes	2
Procedures	3
Data Sources	4
2. Analysis	5

1. Introduction

Background

The Federal Transit Administration (FTA) requires every transit agency with more than 50 fixed-route buses and which receives federal funding—to conduct a service equity analysis for all major service changes. The purpose of the analysis is to determine whether the service changes will have a disparate impact on minorities protected by Title VI of the Civil Rights Act of 1964 or will place a disproportionate burden on persons with low income, as defined in Presidential Executive Order 12988. Title VI specifically states, “No person in the United States shall on the grounds of race, color or national origin be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance.”

The Ann Arbor Area Transportation Authority (AAATA), doing business as TheRide, proposes implementing service changes in August 2021 as part of its Service Restoration Plan. Several of the proposed changes meet the locally defined threshold for a major service change, as required by Federal Transit Administration Circular 4702.1B. This service equity analysis report will assess the proposed major service changes and identify any disparate impacts or disproportionate burdens that may be created.

If disparate impacts are found, the FTA requires that the proposed service changes be modified to eliminate them. Alternatively, the board of directors of TheRide must pass a motion stating that the proposed changes are consistent with the legitimate business goals of TheRide and that no less discriminatory option exists to achieve the same business goals. If any disproportionate burdens are found, TheRide must provide a written justification to the AAATA board of directors for the proposed service change and the service equity analysis, which shows that no alternatives exist that would accomplish the legitimate objectives of TheRide with fewer disproportionate effects. The FTA does permit service changes that create a disproportionate burden to be implemented even if mitigation is not possible. Unlike with a finding of disparate impacts, the board of directors is not required to pass a specific motion for the FTA.

In April 2014, the AAATA adopted an Equity Analysis Policy with the following definitions:

Disparate Impact

- Disparate impact refers to a facially neutral policy or practice that disproportionately affects members of a group identified by race, color, or national origin, where the recipient’s policy or practice lacks a substantial legitimate justification and where there exist alternatives that would serve the

same legitimate objectives but with less disproportionate effect on the basis of race, color, or national origin.

Disproportionate Burden

- Disproportionate burden refers to a neutral policy or practice that disproportionately affects low-income populations more than non-low-income populations. A finding of disproportionate burden requires the recipient to evaluate alternatives and mitigate burdens where practicable.

Disparate impacts can be created when service is reduced on routes that minorities predominantly use or if service improvements are implemented and the benefits accrue predominantly to non-minorities. Similarly, disproportionate burdens can be created when service is reduced on routes that persons with limited incomes predominantly use. A disproportionate burden can also be created if a service improvement is implemented that predominantly benefits riders who do not have limited incomes.

Minority Persons

Minorities include persons identifying as belonging to any of the following races or ethnic groups:

- American Indian and Alaska Native
- Asian
- Black or African American
- Hispanic or Latino, regardless of race
- Native Hawaiian or other Pacific Islander

Low-Income Populations

Low-income population refers to any readily identifiable group of low-income persons who live in geographic proximity and, if circumstances warrant, to geographically dispersed/transient persons (such as migrant workers or Native Americans) who a proposed FTA program, policy, or activity will similarly affect.

In practice, the AAATA has also expanded the definition of a low-income person since the policy was adopted to include a larger segment of the population. This change fits with the best practices of transit systems nationwide that understand that the federal poverty line is too low.

- Low-income person means a person whose median household income is at or below 150 percent of the US Department of Health and Human Services poverty guidelines.

Proposed Service Changes

A service equity analysis is required for major service changes, which are defined as changes to routing, frequency, span of service, or days of the week and involves the following:

- More than 25 percent of riders on a route, or;
- More than 25 percent of the miles of a route, or;
- Changes on multiple routes that affect more than 10 percent of the riders or route miles of the overall fixed-route system.

The service changes in the service restoration plan that meet the major service change definition include the following:

- Route 21—Discontinuation of full route
- Route 41—Discontinuation of full route
- Route 45—Fixed-route service replaced with FlexRide
- Route 46—Fixed-route service replaced with FlexRide
- Route 81—Discontinuation of full route
- Route 91—Discontinuation of full route
- Route 92—Discontinuation of full route

The proposed elimination of routes 21, 41, 81, 91, and 92 requires a full Title VI and environmental justice equity analysis. The FTA does not require an equity analysis for the conversion of a fixed-route service to FlexRide (Routes 45 and 46) if the same level of service, including area served, span of service, frequency, and days of the week operated, is the same as for the prior fixed-route operation.

The overall service restoration plan does not involve routes totaling 10 percent of riders or miles.

Procedures

TheRide policy governing the calculation of the impact of service changes on minority and low-income populations was adopted in April 2014 after the FTA revised its guidance on equity analysis in 2012. The policy states that TheRide will ensure the following:

- Measure the impact of proposed major service changes and proposed fare changes—positive and negative—on minority and low-income populations;
- Compare the impact with that on nonminority and non-low-income populations;
- Determine whether a disparate impact on minority riders and/or a disproportionate burden on low-income riders would result and, if so, explore measures to avoid or mitigate the disparate impact; and/or

- Identify and consider disproportionate burdens.

This equity analysis will be made available to the public as part of the public input process carried out, as described in the AAATA Public Input policy for Service and Fare Changes (2011).

Procedure for Analysis of Changes to the Days of Service

The procedures for analyzing an increase in the days of operation are specified in the policy as follows:

- Increase in the days of operation of a route or routes: A finding of disparate impact is made if a) the service improvement is on nonminority route(s), and b) after the change, the route(s) with increased days of service operate on days on which the majority of minority routes do not operate. Similarly, disproportionate burden exists if a) the service improvement is on non-low-income route(s), and b) after the change, the route(s) with increased days of service operate on days on which the majority of low-income routes do not operate.

The inverse would apply in the case of reduced days of service:

- Decrease in the days of operation of a route or routes: A finding of disparate impact is made if a) the service reduction is on minority route(s), and b) after the change, the route(s) with decreased days of service do not operate on days on which the majority of non-minority routes do operate. Similarly, disproportionate burden exists if a) the service reduction is on low-income route(s), and b) after the change, the route(s) with decreased days of service do not operate on days on which the majority of non-low-income routes do operate.

Data Sources

The FTA guidance permits transit agencies to use either the federal census or onboard surveys to calculate disparate impacts and disproportionate burdens for service changes. Although onboard surveys might seem to provide more precise information regarding the demographics of ridership, frequent minor service changes and small sample sizes on some routes make the use of onboard data statistically unreliable. TheRide, like most transit agencies, will use demographic data from the federal census and the American Communities Survey conducted by the Census Bureau, which are statistically accurate.

2. Analysis

A total of five routes are proposed for service reduction, resulting in the complete elimination of service: Routes 21, 41, 81, 91, and 92. All five routes proposed for elimination are low-income routes, which means the census tracts within 0.25 mil of the discontinued routes have a higher proportion of people living below the federal poverty line than the service area as a whole. None of the five routes are minority routes because all five routes serve a lower percentage of minority residents than those routes found on average in the service area. The findings are based on the analysis shown in Figure 1.

Figure 1 – Equity Analysis of Discontinued Routes Based on Census Tracts

Route	Low Income	Minority	Low Income	Minority	Proposed Days of Operation
Service Area	22.6%	37.7%			
21	52.4%	32.5%	Yes	No	0
41	33.8%	32.2%	Yes	No	0
81	59.2%	33.0%	Yes	No	0
91	50.0%	35.8%	Yes	No	0
92	44.0%	37.5%	Yes	No	0

- Median number of service days/week per week for non-low-income routes being operated: 6 days per week
- Median number of service day/week for low-income routes being discontinued: 0 days per week

Findings

Discontinuing Routes 21, 41, 81, 91, and 92 creates a disproportionate burden because the eliminated routes serving low-income areas will provide service on fewer days per week than the majority of non-low-income routes.

None of the routes proposed for elimination are minority routes, so no disparate impacts are created.

Mitigation

The FTA guidance for equity analysis requires transit systems to identify any possible mitigations for disproportionate burdens that may be found. However, if no mitigations are possible, the proposed changes may still proceed.

The rerouting of Route 33 to the Amtrak Depot partially mitigates the elimination of Route 21. On weekends, Route 22 is available for this coverage.

The availability of TheRide Vanpool services mitigates the elimination of Routes 81, 91, and 92.

The continued operation of Routes 3, 4, and 5, which serve the same destinations, mitigates the loss of Route 41. Route 41 was a shuttle service designed to link Eastern Michigan University (EMU), College of Business, with the main EMU campus. The College of Business was relocated to the main campus, eliminating the need for the extra capacity provided by the shuttle.

Alternatives to Discontinuing Routes 21, 41, 81, 91, and 92

Though discontinuing Routes 21, 41, 81, 91, and 92 creates a disproportionate burden, TheRide believes that no alternatives exist that would accomplish same business goals set by the Board's Ends with fewer disproportionate effects.

For this service recovery plan, TheRide identified five guiding principles at the beginning of this planning process based on the Board's Ends policies:

- Restore pre-pandemic service hours.
- Maintain similar service coverage.
- Improve service reliability with focus on routes with high ridership.
- Review and modify routes and service levels with low ridership to better utilize limited resources – this would include both geographic areas and different service periods where routes are not performing well.
- Simplify route branching structure to make them easy to understand, communicate, and use.

The initial service proposal was developed following these principles and reviewed by the public in March and April. This final service plan reflects the community's feedback gathered during the public and stakeholder engagement process.

Every route in TheRide network, except one, is identified as a low-income route, with a higher percentage of low-income riders than are present in the general population. The only non-low-income route in the network is Route 66, with 17.8 percent low-income riders. Route 66 has significantly higher ridership than the routes proposed for elimination and cutting this service would leave a major gap in the system.

It would not be possible to find operational savings of the same magnitude without cutting other low-income routes with higher ridership. The savings from cutting routes 21, 41, 81, 91, and 92 have been reallocated to improve service reliability of high ridership routes in other low-income areas as service is restored. This is consistent with the business goals set by the Board's Ends policies.

ISSUE BRIEF: GoldRide On-Demand Service Restoration**Meeting: Board of Directors****Meeting Date: June 17, 2021**

INFORMATION TYPE
Decision Preparation
RECOMMENDED ACTION
Receive for information a verbal report that in July the Board will be asked to approve an unanticipated contract exceeding the CEO's signing authority.
ALTERNATIVE OPTION(S)
Cancel GoldRide On-Demand Service or reinstate previous program.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
Referral from Board Meeting on May 20, 2021, to proceed with GoldRide planning at the \$750,000 budget level. Policy 2.5.8 – The CEO shall not authorize large contracts that were not included in the annual budget.
ISSUE SUMMARY
In July 2021, staff will ask the Board to approve a purchase contract for a maximum of \$750,000. This will be part of the re-start of the GoldRide program. The contract was not anticipated in the FY2021 annual budget and exceeds the CEO's signing authority. Funds are available. Failure to create a contract will jeopardize the restoration of GoldRide service in August as planned.
BACKGROUND
<p>The preliminary recommendation to cancel the GoldRide On-Demand program was met with great concern from the public and Board members.</p> <p>After being presented with alternative options to restore the service at the May 20, meeting, the board asked staff to proceed to develop a plan to restore GoldRide with the following,</p> <ul style="list-style-type: none">• \$750,000 budget maximum (based on historic use),• service area modifications to reflect fixed-route area to resolve equity concerns, and• fare structure of \$20 per ride and \$5 for low-income verified seniors. <p>Staff have developed this alternative recommendation which institutes cost-control mechanisms, expands the service area, and can be implemented by August. Staff is requesting board approval.</p>

Due to the high costs of providing on-demand service, GoldRide is an expensive service to provide. To control costs and in recognition of the ongoing structural deficit with service levels, staff originally proposed eliminating the demand-response portion of the GoldRide program for seniors. Public input indicated a great concern about elimination of the GoldRide on-demand program entirely.

First, despite being a premium, on-demand service, GoldRide service offered prior to pandemic was indistinguishable from the ARide service. GoldRide does not have the same obligations and mandates as ADA services. To control costs and manage demand, it has been set aside as a premium service for which there is no legal mandate for service level or fares, only a community precedent.

The second problem with GoldRide originally served only the City of Ann Arbor, which is inequitable, if not illegal.

In response to the public and board request to bring back the GoldRide Service and to address the prior concerns, staff is making the following proposal:

- adjust the GoldRide Service Area to mirror most of the fixed-route area,
- approve a fixed budget to control costs,
- alter the fare structure to manage demand, and
- modify the contract of an existing vendor to allow the return of service in August.

If accepted, the new service (including fares) would begin in August in conjunction with fixed-route service restoration. The budget would be built into the FY2022 Budget.

IMPACTS OF RECOMMENDED ACTION

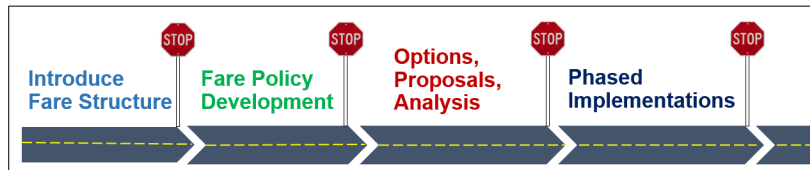
- **Budgetary/Fiscal:** \$750,000 in annual costs, all amounts increase the structural deficit.
- **Social:** Continued support of a known user of service.
- **Environmental:** Adds vehicle miles to the road in less efficient mode.
- **Governance:** Board has reserved fares as their prerogative.

ISSUE BRIEF: FY2022 Proposed Fare Adjustments

Service Committee Review Date: June 2, 2021

Finance Committee Review Date: June 8, 2021

Board Meeting Review: June 17, 2021

INFORMATION TYPE:
Decision Preparation
RECOMMENDED ACTION(S):
Consider and discuss a proposal for adjustments to be made to fares with the adoption of the FY2022 budget, along with a timeline for making the adjustments.
ALTERNATIVE OPTION(S):
Alternatives include modifying the proposal or deferring fare adjustments to a later time.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
<ul style="list-style-type: none"> The Board has reserved for itself the authority to adjust passenger fares (Policies 2.5.8/3.2.9). Fare study recommendations were presented to the Board in Spring 2019. A roadmap for fare adjustments was included in the proposal. We are now entering the third phase of the fare change process (options/proposals/analysis). Phased implementations would begin after Board approval. <div data-bbox="393 1134 1198 1302" data-label="Diagram">  <pre> graph LR A[Introduce Fare Structure] --> B[Fare Policy Development] B --> C[Options, Proposals, Analysis] C --> D[Phased Implementations] </pre> </div> <ul style="list-style-type: none"> The current fare structure (unchanged since 2010) was reintroduced in the adopted budget for FY2021. The Board adopted a new policy for the adjustment of fares (Policy 2.5.11 and sub-policies) in August 2020. The CEO has drafted interpretations of this policy.
ISSUE SUMMARY:
A proposal, timeline, and analysis of the proposal on projected ridership and revenue is presented for Board review. Fare adjustments will also be presented for public review prior to requested board approval.
BACKGROUND:
Fares were last adjusted in 2010. Over the years, fares have developed in a manner unguided by any strategic approach. Historic context, past strategy or rationale for fare development is not clearly discernable. A Fare Study was completed in 2018 to align AAATA's fare structure, policies, and technologies with the Board's Ends Policies.

With the COVID-19 pandemic creating serious public health and economic challenges, this is not the right time to increase fares. However, we can begin to implement some of the recommendations of the fare study to simplify, streamline, and make fares easier to use for riders and employees.

IMPACTS OF RECOMMENDED ACTION(S):

- **Budgetary/Fiscal:** Passenger fares are a key revenue that supports the costs of TheRide's operations (Policy 2.4).
- **Social:** Many passengers are vulnerable to the price of fares, particularly people with low incomes, disabilities or mobility impairments, the elderly, and youth. At the same time, lower fares imply a higher subsidy by taxpayers. Board policy establishes the principle of equitable access and full participation in society (Policy 1.1)
- **Environmental:** Fares can attract people to public transportation to enhance the environmental vitality and economic prosperity of the area. (Policies 1.2, 1.3)
- **Governance:** The Board has reserved for itself the right to adjust fares (Policy 3.2.9), and clarifies what information the Board needs to support a decision to adjust fares (Policy 2.5.11).

ATTACHMENTS:

1. FY2022 Proposed Adjustments to Fares
2. Timeline for Implementation of Fare Adjustments
3. FY2022 Projected Ridership and Revenue

FY2022 Proposed Adjustments to Fares

A fare increase is not advisable or necessary for FY2022. The base fare for fixed route service will remain at \$1.50, and at \$3.00 for A-Ride. TheRide would like to make some adjustments to fares to achieve several recommendations identified in the 2018 Fare Study:

- Lower the price of bus passes and shift validation for use of reduced fares off-board when possible
- Improve equity for users of NightRide and HolidayRide by eliminating zoned surcharge
- Clarify and ease use of transfers

With significant ridership losses a result of the pandemic, the price of fares and ease of use can help attract new riders and grow fare revenue. The proposed adjustments to fares are designed to help achieve these objectives by making use of bus passes more attractive to regular riders, making it easier to transfer between buses, and improving equity.

Bus Passes

- Bus passes are overpriced according to the fare study. Lower prices are proposed. The multiplier for the 30-Day Pass has been lowered from 38.7 to 30 times the base fare, and the multiplier for the Day Pass has been lowered from 3 to 2 times the base fare.

Fare	Current (FY2021)	Proposed (FY2022)
Day Pass	\$4.50	\$3.00
Reduced Day Pass	N/A	\$1.50
30-Day Pass	\$58.00	\$45.00
Reduced 30Day Pass	\$29.00	\$22.50

- To consolidate and reduce the number of different fare media, TheRide will offer a single Reduced 30-Day Pass in place of four different passes which exist currently and are determined by eligibility type (seniors, income eligible, disability, or student). The type of eligibility will continue to be tracked on the back end.
- Eligibility to use a reduced fare will be verified at the point of sale when possible, rather than upon boarding the bus.
- Lowering the price of bus passes is expected to increase their use and reduce cash handling. Once riders have a bus pass they are likely to ride more frequently.

FlexRide

- An introductory promotional fare of \$1.00, below the fixed route base fare, was established when FlexRide was first introduced in 2018. This fare needs to better align with fixed route fares by phasing in increases over two years, beginning after the pandemic in FY2023. No change is proposed for FY2022.

Single Ride Rate	Current (FY2021)	Proposed (FY2022)
FlexRide Regular Fare	\$1.00	\$1.00
FlexRide Reduced Fare	\$0.50	\$0.50

NightRide & HolidayRide

- Currently a \$2.00 surcharge (on top of the \$5.00 fare) is applied to trips between Ann Arbor and Ypsilanti, bringing the cost to \$7.00 per one-way trip. The surcharge is the only example of a zoned fare from AAATA..

	Current (FY2021)	Proposed (FY2022)
Trip Surcharge	\$2.00	\$0

Clarify and Ease Use of Transfers

- Currently transfers are valid for the continuation of a one-way trip, and only at select locations with the AAATA fixed route system. This creates conflicts and confusion for riders and motor coach operators. Currently there is no charge for a transfer.
- AAATA proposes to make use of transfers less restrictive. Transfer tickets will be valid for any fixed route ride within 90 minutes from the time of issue, regardless of direction, and continue to be provided at no charge. *Note: this change has been implemented as an early pilot in January 2021. Operations is testing the result.*
- Use of Day Passes should be promoted heavily because they will allow unlimited rides for the day without need to use a transfer ticket.

Equity Analysis

The Federal Transit Administration (FTA) requires every transit agency that receives federal funding and operates more than 50 peak fixed-route vehicles in urbanized areas with a population of 200,000 or more to conduct a Fare Equity Analysis in accordance with the agency's Title VI program prior to approving any change in transit fares or fare media. The purpose of the Fare Equity Analysis is to determine if the change in fares will have a disparate impact on minorities protected by Title VI of the Civil Rights Act of 1964 or place a disproportionate burden on persons with low income as defined in Presidential Executive Order 12988. TheRide employed DanTech Associates to conduct a Title VI analysis on the proposed

fare adjustments. The preliminary results indicate that there is not a disparate impact on minorities or create a disproportionate burden on persons with low income. Final results along with a summary of public feedback will be presented to the board if fare adjustments are brought forward for approval in September.

Attachment 2

Timeline for Implementation of Fare Adjustments

Per Board Policy 2.5.11.1 a request to adjust fares must be incorporated into a budget or budget amendment for Board consideration. This timeline for implementation of fare adjustments aligns with the development of the FY2022 budget. Public engagement opportunities must be provided in advance of a final recommendation to the Board, as required by Board Policy as well as TheRide's federally-required policy for adjusting fares. The timeline provides adequate opportunities for users, residents, legal owners, and other stakeholders to provide feedback on the proposed adjustment.

January 2021	AAATA Staff Input on Fare Adjustments
February 2021	Options Development and Financial Analysis
March-May 2021	Title VI Analysis, Report, Mitigations
June 2021	Briefings to Board of Directors
June 2021	Public Engagement Meetings
August 2021	Budget Introduction (Board of Directors)
August 2021	Public Hearing for Budget (Including Fare Adjustments)
September 2021	Approval of Fare Adjustments with FY2022 Budget Adoption
October-December 2021	Preparation, Communications, Promotion
January 2022	Adjusted Fares Become Valid

FY2022 Projected Ridership and Revenue

Fare modeling was conducted to analyze the ridership and revenue impacts of the FY2022 proposed adjustments to fares. The AAATA contracted with Four Nines Technologies, who conducted the 2018 Fare Study to refresh the fare model. The Four Nines Fare Model was calibrated with FY2019 ridership and pass sales data. FY2019 was chosen as it is the most recent complete fiscal year that is unaffected by the ridership impacts associated with the COVID-19 pandemic and is expected to be more representative of ridership and fare product selection post-pandemic.

The FY2022 baseline fare model assumed proposed service changes, including discontinued services and transition of ExpressRide services to vanpool. For the services and routes still in operation, the modeling makes the following assumptions about baseline ridership for FY2022.

- For Fixed Route services, the modeling assumes a slow recovery of ridership, starting at a 55% reduction from FY2019 in October 2021 and increasing 2% per month until it stabilizes at 75% in Summer 2022, equating to a cumulative 30% decrease.
- For NightRide and HolidayRide, the modeling assumes a 50% reduction in ridership.
- For FlexRide, the modeling assumes a slight increase in ridership of 10%.

While how ridership returns is speculative, this FY2022 baseline provides a valuable comparison point to understand the ridership and revenue impacts of the proposed adjustments to fares.

The following shows the proposed fare adjustments. The proposal would not impact the base fares. Instead, the proposal will reduce the price of the 30-Day Pass and the 1-Day Pass for Full Fare riders and introduce a new Reduced Fare 1-Day Pass. It will also remove restrictions on 90-minute transfers and discontinue the \$2.00 surcharge applied to NightRide and HolidayRide trips between Ann Arbor and Ypsilanti. The proposal would not impact reimbursements from third-party programs in FY2022, and thus are not included in the table.

Proposed Fare Pricing

Price Indicates that a fare change has been proposed.

Service Type	Full Fare	Reduced Fare	A-Ride	GoldRide
Fixed Route				
Cash/Token	\$1.50	\$0.75	Free	Free
1-Day Pass	\$3.00 \$4.50	\$1.50 --	--	--
30-Day Pass	\$45.00 \$58.00	\$22.50 \$29.00	--	--
ExpressRide				
<i>In FY2022 Baseline, ExpressRide fixed route service has been discontinued, and riders are transitioned to vanpool</i>				
FlexRide				
Cash	\$1.00	\$0.50	Free	Free

Service Type	Full Fare	Reduced Fare	A-Ride	GoldRide
GroceryRide				
Cash	\$0.75	--	--	--
NightRide & HolidayRide				
Cash	\$5.00	--	\$2.50	\$2.50
Surcharge between Ann Arbor and Ypsilanti	\$0.00 +\$2.00	--	\$0.00 +\$2.00	\$0.00 +\$2.00

The FY2022 ridership and revenue below exclude AirRide, A-Ride, and MyRide, which would not be impacted by the proposed fare adjustments. Overall, the proposed fare change is expected to result in a slight ridership increase and a slight revenue decrease.

Projected FY2022 Ridership and Revenue – Baseline vs. Proposed

	Ridership				Revenue			
	FY2022 Baseline	FY2022 Fare Change	Difference		FY2022 Baseline	FY2022 Fare Change	Difference	
Fixed Route	4,344,400	4,378,400	34,000	0.8%	\$3,043,800	\$2,987,400	(\$56,400)	(1.9%)
GroceryRide	1,400	1,400	-	-	\$1,000	\$1,000	-	-
FlexRide	16,000	16,000	-	-	\$9,300	\$9,300	-	-
NightRide/ HolidayRide	13,200	13,500	300	2.3%	\$63,200	\$59,700	(\$3,500)	(5.5%)
Subtotal*	4,375,000	4,409,300	34,300	0.8%	\$3,117,300	\$3,057,400	(\$59,900)	(1.9%)

* Subtotal excludes AirRide, A-Ride, and MyRide

While the model projects limited ridership and revenue impacts, the potential effect of the proposed fare adjustment on reducing cash boarding numbers cannot be understated. The repriced 1-Day Pass can help reduce the number of transfers issued as well as enable riders to purchase 1-Day Passes on the beginning of the day, eliminating the need to pay cash again for return trip. This would help the AAATA achieve its objective of reducing cash handling.

The increased affordability of the 30-Day Pass will also have dramatic impacts on riders' mobility as the pass enables them to use their pass for additional trips at no cost, including more discretionary trips. The new pricing may also better align with the frequency of transit use post-pandemic.

ISSUE BRIEF: CEO Report

Meeting: Board of Directors

Meeting Date: June 17, 2021

INFORMATION TYPE

Other

OPERATIONAL & PROJECT UPDATES
--

- **LABOR SHORTAGE CHALLENGES FOR AUGUST 2021**

Very recently it has become apparent that TheRide is not immune to a general shortage of willing employees in the labor force. A recent job posting for bus driver positions received over 80 applicants but resulted in only six people appearing for the first day of work. Staff are making contingency plan in case a shortage of labor impacts the planned restoration of service in August 2021. More information on this matter will be provided verbally on June 17th.

- **JUNE PUBLIC MEETINGS – FARE PROPOSAL & AUGUST SERVICE PLAN**

Virtual public meetings are planned to present the final service plan effective August 29 and a fare proposal. Staff reviewed input received during the March public input period and have incorporated adjustments to the final service recovery plan. Public comment is being accepted for the fare proposal June 7 – July 7.

- **LONG RANGE PLAN UPDATE**

TheRide's Long-Range Plan is progressing as scheduled. A stakeholder webinar was held in late April and more than 30 people representing various organizations attended and provided initial input. More stakeholder webinars are being scheduled. The community expressed its strong interest in this planning process – many provided their input via the project website and approximately 80 people applied for the Public Advisory Group (PAG) membership. The first PAG meeting was held on June 9 to obtain initial input. A summary of the first-round of public and stakeholder engagement is being compiled into a "What We Heard" report. A Plan Guidance Report the existing and future context assessment is near completion.

- **FEDERAL EARMARK UPDATE**

We have been notified that the federal earmark for the bus garage planning previously supported by Congresswoman Dingell did not make the final cut for inclusion in the forthcoming federal Surface Transportation Reauthorization bill. We still have one outstanding earmark request with Senator Peter's office.

- **TRANSPORTATION COMMISSION (ANN ARBOR)**

Staff attended the City of Ann Arbor Transportation Commission and updated them about our plans for June public meetings.

- **WATS POLICY COMMITTEE UPDATE**

The Washtenaw Area Transportation Study Policy Committee met May 19th. The committee approved a plan to conduct a call for projects to allocate supplemental Federal Highway Administration (FHWA) funding and continued its discussion of regional transit priorities for rural and small urban areas with the Regional Transit Authority of Southeast Michigan (RTA).

- **LOCAL ADVISORY COUNCIL (LAC)**

The Local Advisory Council met on June 8 and began their education on policy governance.

- **STAFFING UPDATE**

We are pleased to welcome Dina Reed as our new Deputy Chief Executive Officer of Finance and Sue Fickau as our new Manager of Mobility Services.

ISSUE BRIEF: Proposed Collective Bargaining Policy

Meeting: Board of Directors

Meeting Date: June 17, 2021

INFORMATION TYPE:
Decision
RECOMMENDED ACTION(S):
Consider adopting the policy language presented by the Governance Committee that will guide the labor negotiations process.
PRIOR RELEVANT BOARD ACTIONS & POLICIES
Policy 2.2.5: (CEO shall not...) Operate without an adequate labor agreement covering unionized personnel.
ISSUE SUMMARY:
The Governance Committee was asked to work with Rose Mercier to update the initial collective bargaining policy for consideration by the full Board. There are three proposed amendments to the policy manual (See below). The changes describe a process and roles of the Board and staff, not the specific topics of negotiations.
BACKGROUND:
<p>Labor negotiations at TheRide are expected to begin during the last quarter of 2021. The CEO proposed a process to coordinate the Board and staff, ensure the Board sets an informed direction and staff has the latitude to negotiate, and the Board retains final approval. The first step of this new process is for the Board to adopt a formal policy that clarifies the process as well as the role of the Board and expectations for management staff.</p> <p>Should the Board approve this policy, a following step would be to begin Board-Staff discussions of business objectives for the 2021/2022 negotiations. This would occur at a later date.</p>
IMPACTS OF RECOMMENDED ACTION(S):
<ul style="list-style-type: none">• Budgetary/Fiscal: NA, Social: NA, Environmental: NA• Governance: Development of new governance policy, clarification of roles.
ATTACHMENTS:
1. Governance Committee Proposed Policy

Attachment 1: Governance Committee Proposed Policy

AMENDMENT #1: Delete 2.2.5 “Operate without an adequate labor agreement covering unionized personnel” from EL 2.2 Treatment of Staff.

AMENDMENT #2

Amend Executive Limitation policy 2.3 Compensation and Benefits, by inserting the current highlighted and italicized text sections which follows. The rest of policy 2.3 remains unchanged.

With respect to employment, compensation and benefits, the CEO shall not cause or allow jeopardy to the agency’s fiscal integrity or public image.

Further, without limiting the scope of the above statement by the following list, the CEO shall not:

- 2.3.1 Operate without a compensation and benefits program that attracts and retains highly qualified employees.
 - 2.3.1.1 Offer a benefits program that does not include health insurance.
- 2.3.2 Establish compensation and benefits that deviate materially from the geographic or professional market for the skills employed.
- 2.3.3 Change the CEO’s own paid compensation and benefits, except to make his or her benefits consistent with a package for all other non-unionized employees, without Board approval.
- 2.3.4 Operate without a robust, impartial, and transparent process for determining employee compensation.
 - 2.3.4.1 Allow compensation for agency employees (union and non-union), suppliers, or contracted employees to be less than a “living wage”, as defined by ordinance of the City of Ann Arbor.
- 2.3.5 Establish or change retirement benefits so as to cause unpredictable or inequitable situations, including those that:
 - A. Incur unfunded liabilities.
 - B. Provide less than some basic level of benefits to all full-time employees.
 - C. Treat the CEO differently from other senior employees.
- 2.3.6 *Formally initiate bargaining of a new collective agreement prior to the board having established goals for the negotiation.*
 - 2.3.6.1 *Let the board be without material that supports an informed deliberation about goals for negotiations, including but not limited to, clearly articulated information in the following areas:*
 - Finance
 - Operations

- *Relevant transit industry data, geographic comparators, trends in terms and conditions of employment*

2.3.7 *Let the board be uninformed of the current status of labor negotiations including, but not limited to, changes in the anticipated timeline for tentative agreement.*

2.3.8 *Request approval of a tentative collective agreement from the final bargaining phases without providing information that demonstrates how the proposed agreement:*

- *Aligns with Board-established goals for negotiations.*
- *Supports the Board's policies.*

AMENDMENT #3: Add to Governance Process 3.2 BOARD JOB DESCRIPTION, the following:

3.2.11 Approval of collective bargaining goals and tentative collective bargaining agreements.