

Ann Arbor Area Transportation Authority Board of Directors

Meeting Minutes

Thursday, November 15, 2018

6:34 p.m.

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

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

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

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

1) Opening Items

1. Approve Agenda

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

2. Public Comment

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

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

3. General Announcements

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

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

2) Consent Agenda

1. Minutes of October 18, 2018

2. Bank Authorization

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

3. Budget Amendment

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

3) Policy Monitoring and Development

1. Board's Annual Plan of Work

1. Annual Plan of Work + Education (finalize)

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

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

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

2. Retreat Planning.

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

2. Policy Monitoring and Committee Reports

1. Governance Committee

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

2. Finance Committee

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

a. Updates to Finance Policies

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

3. Service Committee

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

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

3. Other Board Reports & Ownership Linkages

1. Ownership Task Force

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

2.. LAC, WATS, A2 Transportation Commission

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

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

4) Strategy and Operational Updates: CEO

1. Major Studies Update: Washtenaw Ave Bus Rapid Transit

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

2. Q4 Service Report

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

3. Q4 Finance End Report

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

4. Monitoring Report 2.2: Treatment of Staff

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

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

5. FTA Triennial Review Results

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

5) Emergent Business

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

6) Board Development

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

7) Closing Items

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

3. Public Comment
None.

3. Board Assessment of Meeting
None.

4. Adjournment

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

Meeting was adjourned at 9:19 p.m.

Respectfully submitted by
Geri Barnstable