

Approved Minutes
Tuesday, October 28, 2008
Ann Arbor Transportation Authority
Special Board of Directors Meeting
AATA Headquarters, 2700 South Industrial Highway, 5:30 p.m.

Board Members Present: Paul C. Ajegba, Ted Annis, Jesse Bernstein, Charles Griffith,
David Nacht (Chair), Rich Robben

Board Members Absent: Sue McCormick

Staff Present: Terry Black, Ron Copeland, Tom Cornillie, Lois Crawford, Dawn
Gabay, Jan Hallberg, Ed Robertson, Mary Stasiak, Phil Webb,
Chris White

Recording Secretary: Karen Wheeler

Mr. Nacht declared that a quorum was present and called the meeting to order at 5:40 p.m.

1.0 Public Hearing

There was no public hearing.

2.0 Communications and Announcements

Mr. Nacht announced that the special board meeting was scheduled at the request of the Planning and Development Committee in order to get a resolution considered, and if appropriate voted upon, for AATA to become the designated authority and pursue funding for the Washtenaw and Livingston Line (WALLY) Rail Project.

3.0 Review and Approval of Minutes

There were no minutes submitted for the Board's consideration.

4.0 Board and Staff Reports

4.1 Planning and Development Committee Report

Mr. Annis distributed a summary of the committee's October 21, 2008 meeting. The document is attached hereto and included as part of the minutes.

4.1.1 Report on WALLY

Mr. Annis reported that the committee had been meeting weekly with discussions largely centered on the WALLY project. Mr. Annis indicated

that the committee had just concluded a meeting during which they unanimously recommended that the Board consider a resolution for AATA to become the designated authority for the WALLY project, and authorize staff to allocate the resources within AATA to support the project.

Mr. Nacht noted that Board, at its October 15 meeting, considered the call from community partners to become the authority for WALLY. The Board was supportive of the concept, but did not take a vote.

Mr. Nacht asked if there was any reason the Board should give pause to moving forward with accepting leadership on the project. Mr. Annis responded that there are a lot of different parties involved, and the Planning and Development Committee members are just now becoming aware of the sensitivities, policies, and legacy of the project. Ms. Gabay added that there will be a lot of learning and the necessity to bring in expertise to support the project.

Mr. Nacht noted that it should be recognized that the Board can not guarantee the success of the project, but will make the best effort possible for the project to succeed.

Mr. Nacht polled each Board member for their thoughts on the project. Mr. Annis, Mr. Bernstein, and Mr. Robben each indicated that they would support the resolution. Mr. Griffith asked about the relationship and collaboration with Livingston County. Mr. Nacht responded that there is no consensus from Livingston County officials to support project efforts. Mr. Ajegba indicated that the Board will need to do all it can to support the project being a successful venture.

Mr. Bernstein moved the following resolution with support from Mr. Annis.

Resolution 2/2009

Authorization
For AATA to Serve as the
Designated Authority for the Development of WALLY
As an Inter-County Commuter Rail System

WHEREAS, the Great Lakes Central Railroad, operating as a private enterprise on a rail line owned by the State of Michigan, is interested in cooperating with the public sector to provide public mass transportation services between Washtenaw and Livingston Counties via a project that has come to be known as "WALLY"; and

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WHEREAS, a broad based coalition of community, government, and business leaders, and other similarly interested parties, has been working toward moving WALLY from an idea to a publicly governed and fully operating inter-county commuter rail service; and

WHEREAS, the formation of WALLY has reached the stage where its continued development requires a more formalized and organized structure so that the project may:

- Pursue funding and support from local sources toward the development and operation of a commuter rail system;
- Complete environmental clearance documents necessary to fulfill federal and state regulations;
- Qualify for, and pursue funding from federal and state government sources for the development and operation of a commuter rail system; and
- Enter into agreements and partnerships necessary for the development and operation of a commuter rail system; and

WHEREAS, the Ann Arbor Transportation Authority (AATA) has been in existence as a provider of public transportation services within the Greater Ann Arbor Area since 1969; and

WHEREAS, AATA has received a letter from the Honorable John Hieftje, Mayor of the City of Ann Arbor, expressing support for AATA to engage the proper staff to further develop the WALLY project and to explore the opportunity for AATA to serve as the official sponsor and Authority of Record for WALLY; and

WHEREAS, AATA has received a letter from the Honorable Jeff Irwin, Chair of the Washtenaw County Board of Commissioners, supporting AATA using its resources to help lead WALLY to its eventual success; and

WHEREAS, AATA has received a letter jointly from the Honorable Steve Manor, Mayor Pro Tem of the City of Howell, and from Mr. Shea Charles, Manager of the City of Howell, expressing support for AATA to serve as the authority for WALLY, to oversee its development, and to move the entire project forward; and

WHEREAS, AATA has received a letter from Ms. Gretchen Driskell, Chair of the Washtenaw Area Transportation Study Policy Committee, expressing support for AATA to provide staff resources to be used toward

the WALLY project, to reorganize itself as a Public Act 196 Authority, and to eventually operate the WALLY service; now

THEREFORE BE IT RESOLVED THAT:

- The Ann Arbor Transportation Authority Board of Directors hereby agrees to serve as the designated Authority for the development of WALLY as an inter-county commuter rail system; and
- The Board of Directors hereby authorizes the use of appropriate AATA staff and resources to work toward moving the WALLY project forward.

The motion passed unanimously.

Mr. Nacht acknowledged Jeff Irwin, Chair of the Washtenaw County Board of Commissioners and Terri Blackmore, Executive Director of the Washtenaw Area Transportation Study, who were in the audience. Mr. Nacht noted that Mr. Irwin was unable to attend the October 18 Board meeting and participate in the presentation with Ms. Blackmore on countywide funding efforts. Mr. Nacht, Mr. Irwin, Ms. Blackmore, and Board members engaged in discussions related to countywide service and funding including the prospect of new legislation that could yield additional funds for transportation, and the need for AATA, City and County officials to collaborate to establish a cohesive vision to best meet the transportation needs of the citizens of Washtenaw County, and commuters to the county.

4.1.2 Presentation by Jeff Ammon on Act 196

Ms. Gabay introduced Jeff Ammon, an attorney who specializes in Act 196 legislation. Mr. Ammon provided an overview of the benefits of AATA becoming an Act 196 authority including the ability to levy a countywide transit millage. Mr. Ammon explained that an Act 196 authority could be created parallel to the current Act 55 authority. Transfer to the Act 196 countywide authority would be contingent on passage of a millage vote.

Mr. Ammon discussed possible scenarios for creation of a new authority that could include participation by the City of Ann Arbor and Washtenaw County. Mr. Ammon indicated that there is a tremendous amount of flexibility in deciding how an Act 196 authority would be governed, noting that it is possible to have individuals serve on an Act 55 board and an Act 196 board simultaneously. All members of a new authority would agree on the Act 196 Board structure which would be detailed in new articles of incorporation.

Mr. Ammon and Board members discussed the City of Ann Arbor perpetual millage and how funds from the millage might be used if a countywide millage is obtained. It was noted that the City Charter would

need to be amended to eliminate the perpetual millage. Mr. Ammon indicated that cities and townships can carve out a portion of their district to not participate in a millage, but a county cannot. If a county is a member, the whole county is in. Mr. Ammon indicated that the millage level must be uniform. The Board discussed designing service that would benefit city and county residents.

Mr. Ammon indicated that there is an important timing question in terms of the decision to create an Act 196 authority. Mr. Ammon recommended that the Board set a target for a millage election and working backward from that date. Mr. Ammon indicated that all of the political, practical and legal agreements should be in place well in advance of requesting a millage, and suggested that now is the time to begin discussions to determine the steps to be taken.

Mr. Nacht acknowledged that there is a range of views on the Board and in the community about how much money is necessary to effectively provide transit in Washtenaw County, and a range of options that the Board may desire to pursue. Mr. Nacht suggested that this is a sensitive question requiring a lot of thought and that the Board should take the opportunity to study the data to prepare for making a policy decision.

Mr. Nacht thanked Mr. Ammon for his presentation.

5.0 Question Time

Mr. Griffith noted that the highest level of ridership productivity was reached last quarter and listed in the Service Standards but not reported on. Mr. Griffith suggested that this qualifies as exceptional and worth reporting.

Mr. Bernstein commented on an articulated bus that was in service in downtown Ann Arbor. Ms. Gabay reported that the bus was borrowed for one day from the Capital Area Transportation Authority in Lansing. The bus was used in service on the #4 Washtenaw Route. Mr. Black reported that the cost of the bus, which is a hybrid, is \$750,000.

6.0 Old Business

There was no old business.

7.0 New Business

7.1 Consideration of Resolution Authorizing AATA to Accept Responsibilities Associated with the Development of WALLY as an Inter-County Commuter Rail System

The resolution was unanimously supported under agenda item 4.1.1.

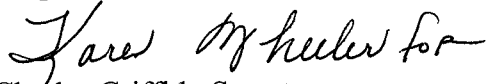
8.0 Public Time

Mr. Nacht opened the meeting for public comment. No one appearing, Mr. Nacht declared Public Time closed.

9.0 Adjournment

There being no further business, Mr. Nacht adjourned the meeting at 7:08 p.m.

Respectfully Submitted,


Charles Griffith, Secretary

Ann Arbor Transportation Authority Board of Directors
Planning and Development Committee
October 21, 2008 – 5:30 p.m.

The meeting was attended by Paul C. Ajegba (Committee Member), Ted Annis (Chair), Terri Blackmore (Washtenaw Area Transportation Study), and the following AATA Staff: Terry Black, Dawn Gabay, Ed Robertson, Mary Stasiak, Karen Wheeler, and Chris White.

Meeting Summary

- The committee reviewed a draft agenda prepared by Ed Robertson, staff liaison.
- WALLY – The committee discussed the next steps necessary for AATA to formally accept the WALLY project. Mr. Annis noted that at the October 15, 2008 Board meeting he asked the Board to endorse the committee's recommendation to take on the project. The Board did not take a vote to formally accept the project, but instead gave staff general direction to move the project forward and make personnel adjustments to support the project. The committee agreed that it was necessary for the Board to take a vote and discussed holding a special Board meeting for this purpose. The committee agreed to ask for a special meeting to consider approval of a resolution to become the formal authority for the WALLY Rail Project.

The committee discussed pending issues related to the project that are of a time sensitive nature, and can only move forward once an official authority is in place:

- Request to the Ann Arbor Downtown Development Authority for funding to pay a portion of the Project Coordinator's salary
- Environmental clearance work to be completed in Hamburg (funds need to be raised by an authority to pay for an assessment)
- Federal funds in the amount of \$500,000 available on October 1, 2008 at risk of being lost, if a project manager who is an eligible recipient is not identified

The committee reviewed a draft document prepared by Tom Cornillie detailing the critical path for planning and initiating WALLY service. The committee agreed that the document would be updated and distributed to the Board in a packet for the special Board meeting.

The committee then discussed tasks that will need to be completed should the Board vote to accept the project:

- An announcement at the October 27 WALLY coalition partners meeting that the AATA Board will consider formal acceptance of the project on October 27
 - Issuance of a press release announcing AATA's formal acceptance of the project
 - A formal communication to the WALLY coalition partners thanking them for their work to date, and requesting their continued collaboration and support on the project, and an invitation to a "thank you" gathering
 - Begin discussions on technical issues with the Michigan Department of Transportation and Great Lakes Central Railroad
 - A meeting with the environmental clearance contractor
 - A meeting with Congressional and State representatives
 - A meeting with Washtenaw County Commissioners
- Moving AATA from an Act 55 to an Act 196 Authority – The committee discussed the timing of moving toward an Act 196 Authority as it relates to acceptance of the WALLY project.

The committee agreed to manage the two processes separately and recommend to the Board to first move forward with the WALLY project. Once that process is underway, AATA can then move toward becoming an Act 196 Authority. Ms. Gabay noted that Jeff Ammon, an Act 196 attorney, was scheduled to attend the October 28 Planning and Development Committee meeting. Ms. Gabay indicated that becoming an Act 196 Authority may not take six months, as it was originally anticipated. The committee agreed to have Mr. Ammon make his presentation at the special Board meeting.

- Timeline of Transit Efforts – The committee discussed a timeline prepared and distributed by Terri Blackmore detailing ongoing projects related to countywide service and a vote for a transit millage in August 2009. The timeline includes projections for completion of activities on the North-South and East-West Rail initiatives and creation of a regional authority. Mr. Annis requested that staff expand the timeline to include all projects on a critical path, and present a revised timeline to the committee at its next meeting.
- Planning and Development Committee Workflow – The committee discussed a schedule of agenda items to be considered by the committee and how to manage the workflow of the committee.
- Using the Fare Structure as a Tool to Reach AATA Goals – A presentation by staff was deferred to the committee's October 28 meeting.
- Update on the Connector Study – This item was deferred to the October 28 Planning and Development Committee Meeting.

- Update on Discussions with Washtenaw Community College for Subsidized Rides and Increased Service to Campus – This item was deferred to the October 28 Planning and Development Committee Meeting.

Action Items

- The committee recommended that the Board take official action, through formal resolution, to become the WALLY Rail Project authority
- The committee agreed to request the convening of a special Board meeting on Tuesday, October 28 for the purposes of considering a resolution
- The committee recommended that a presentation by Jeff Ammon, Act 196 Attorney, take place at the October 28 special Board meeting

The next Planning and Development Committee meeting was scheduled for Tuesday, October 28, 2008 at 3:00 p.m. at AATA Headquarters. A presentation by Eli Cooper on the Ann Arbor Transportation Plan Update will take place at a future committee meeting.

Respectfully Submitted,

Karen Wheeler