



Approved Minutes
September 15, 2016

Ann Arbor Area Transportation Authority Board of Directors
Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan, 6:30 p.m.

Board: Jack Bernard, Eli Cooper, Gillian Ream Gainsley, Sue Gott, Prashanth Gururaja,
Roger Hewitt, Larry Krieg, Eric Mahler (Chair), Stephen Wade

Absent with Notice: Mike Allemang

Staff: Michael Benham, Jan Black, Terry Black, Matt Carpenter, Bill De Groot, Sarah
Pressprich Gryniowicz, Dawn Gabay, Mary Stasiak, Phil Webb, Michelle Whitlow

Recording Secretary: Karen Wheeler

Chairman Eric Mahler declared that a quorum was present and called the meeting to order at 6:31 p.m.

1.0 Public Hearing

There was no public hearing.

2.0 Communications and Announcements

Gillian Ream Gainsley announced non-partisan forums, sponsored by the League of Women Voters, to educate voters. Ms. Gainsley announced a forum on the RTA to be held at the Ypsilanti Freight House on September 28.

Eli Cooper extended an invitation to public meetings on the Ann Arbor Station Alternatives Phase II report to be held at the Ann Arbor District Library main branch on September 26.

3.0 Public Time – Comment on Agenda Items

Jim Mogensen appeared before the Board. Mr. Mogensen commented on his attendance at the PDC meeting where there was discussion about the capital budget and the prospect of access fees for AirRide service. Mr. Mogensen expressed concern with the RTA structural arrangements suggesting that the RTA plan may have an impact on service AAATA has been providing over time, suggesting that enhanced services may be reduced. Mr. Mogensen requested that the Board think through that and respond as soon as possible.

No one further appearing, Mr. Mahler declared Public Time closed.

4.0 Review and Approval of Minutes

4.1 Review and Approval of Minutes August 18, 2016

Gillian Ream Gainsley moved approval of the minutes as written with support from Eli Cooper. The motion carried. Jack Bernard, Larry Krieg and Stephen Wade abstained.

5.0 Election of Officers

5.1 Election of Board Chair, Treasurer and Secretary

Jack Bernard reported on behalf of the Nominating Committee (Mr. Bernard and Mr. Gururaja). The Committee recommended that the current slate of officers continue to serve for another year: Eric Mahler – Chair; Eli Cooper – Treasurer; Stephen Wade – Secretary.

Jack Bernard nominated Eric Mahler for the office of Chair. Sue Gott supported the motion which passed unanimously.

Jack Bernard nominated Eli Cooper for the office of Treasurer. Larry Krieg supported the motion which carried. Eli Cooper abstained.

Jack Bernard nominated Stephen Wade for the office of Secretary. Eli Cooper supported the motion which carried. Stephen Wade abstained.

6.0 Board and Staff Reports

6.1 Chief Executive Officer

Mr. Carpenter on recent successes: the installation of anonymous CEO Suggestion Boxes in two locations at the main facility; Scott Robinson, Safety Officer, began his employment on September 12; and completion of annual MCO Refresher Training. Mr. Carpenter reported on his attendance at two transit association annual meetings: the Michigan Public Transit Association and American Public Transportation Association.

6.1.1 AirRide

Mr. Carpenter reported on the proposed approach to retendering the AirRide service contract. Mr. Carpenter had healthy and vigorous discussions in both committees where there was support for the proposal. Mr. Carpenter reported that a Request for Proposals for AirRide service is scheduled to be issued in the next 30 days.

6.1.2 August Service Update

Mr. Carpenter reported that the August service updates have gone well noting that the new numbering convention was rolled out at the college school year end. There have been no significant concerns regarding the new numbering convention, or service expansion, from the student body.

6.2 Planning and Development Committee

Ms. Gainsley reported on the Planning and Development Committee (PDC) meeting. PDC Discussed the operating and capital budgets. There was a focus on the long-term projected shortfall in the capital budget which resulted in an amendment to the resolution. The final resolution includes a clause that compels the agency to conduct “due diligence to further explore long-term financial planning and funding sources to satisfy future commitments and needs”. PDC received updates on AirRide, the August service changes and Connector Study. Staff provided a report on the Space Plan project. Ms. Gainsley noted the Board’s desire for an opportunity for a conversation about the strategic direction of the Space Plan. The conversation may be scheduled as a separate meeting, or take place at the November or December PDC meeting.

6.3 Performance Monitoring and External Relations Committee

Mr. Gururaja reported on the Performance Monitoring and External Relations (PMER) Committee meeting. PMER received an update on the proposed procurement process for AirRide service. Mr. Gururaja noted that the outcome of the RTA millage could have an impact on the procurement. If the RTA’s millage is voted in, AirRide may transfer to the RTA and AAATA would cancel the procurement. PMER reached consensus on the following resolutions: authorizing the CEO to execute the Michigan Department of Transportation (MDOT) Master Agreement, authorizing the CEO to sign MDOT agreements, up to \$1Million, to receive grant funds, and retroactive approval of the purchase of engine replacements on hybrid buses. Mr. Gururaja reported that while the financial and performance reports were not available due to the committee meeting early in the month, staff reported that for August, year over year weekday ridership increased 1%.

6.4 Local Advisory Council

Mr. Bernard reported on the Local Advisory Council (LAC) meeting. LAC received requests for dispatch operators to repeat orders back to the rider, and for AAATA staff to investigate the ability for callers to leave voicemail messages outside of business hours. Staff agreed that repeating order details is a normative practice to reduce confusion, and made a commitment to explore the process for handling messaging. LAC received a report on the installation of mobile data terminals on ARide lift vehicles and improvements to reservation software. Mr. Bernard noted that the addition of fixed-

route #61 in Pittsfield Township expanded the ARide base service area $\frac{3}{4}$ of a mile on either side of the new route.

Mr. Bernard reported that the Executive Committee terms of Rebecca Burke and Jody Slowins ended and the cycle requires them to step off for a year. Ms. Burke and Ms. Slowins were acknowledged for their outstanding support of public transit. LAC recommended that the Board approve the appointments of Cathy-Alice Koyanagi and Kathleen Mozak-Betts to the LAC Executive Committee. Mr. Bernard invited board members to attend an LAC meeting.

6.5 Washtenaw Area Transportation Study

Mr. Krieg reported that the WATS Policy Committee was scheduled to meet on September 21. The primary items of new business to be considered include a presentation on a program to educate cyclists, a presentation on a countywide road and non-motorized ballot initiative, and a resolution for support of the countywide ballot initiative.

6.6 Governance

Mr. Mahler presented two options for consideration for the Board's November retreat: Undertaking an "Ends" policy blitz and building a manual of "Ends", or discussing more philosophical and conceptual issues in an effort to provide guidance to staff for making choices with limited resources. Mr. Mahler noted that choosing the second option would require board members to commit to additional meeting time to complete the bulk of the Ends work prior to the retreat.

Board members weighed in on the two options. There was consensus for proceeding with the second option of a broader discussion, and making an effort to complete as much of the Ends work ahead of time as possible. A suggestion was made to complete the Means and Board-Management Delegation policy work in committee and establish a taskforce to reconcile differences.

The following suggestions were shared with regard to the work to be completed:

- Create an Ends policy that guides choices about the capital budget and defines how the Board is involved in the budget
- Create an Ends policy that addresses service frequency vs. breadth of service
- Consider resource allocation and what the agency should be (primarily fixed route vs. fixed route *and* other product lines and services)
- Consider the board's role and responsibility for representing the public and having contact with the public when developing the Means and Ends
- Delineate between board work and staff work, clearly outlining the Means and strategic goals to be pursued

- Use the Carver model as a guide, but allow deviation from the model, if done intentionally and with a purpose

7.0 Question Time

Mr. Wade requested more context on the bus engine replacement matter. Mr. Cooper explained that the hybrid drive train has a different configuration of an engine platform than a standard diesel powered coach. There is an expected life cycle for the different components of the drive train. Part of what was experienced was failure on several coaches before the timeframe that was expected. It wasn't that the engines were expected to last the entire life cycle of the vehicle, but that they began to fail suddenly and prematurely. Although budgeted within the overall budget, the engines were not scheduled to be replaced at that moment and frequency. Decisions were made to keep the fleet rolling to meet daily service. As a result, investments and repairs were made. Staff is monitoring more closely the remaining buses with that drive train configuration to determine whether additional investments need to be made.

Mr. Krieg requested a copy of the letter from Gale Benson with observations and suggestions about Route #68. Mr. Carpenter agreed to share the letter with Mr. Krieg.

Ms. Gott thanked the Board for their diligence in addressing the governance issue more broadly, work done with the RTA and other initiatives. Ms. Gott indicated that she is looking forward to the retreat in November and the opportunity to continue discussing a future that may look different than the past.

Mr. Gururaja requested an update on the real-time tracking issue. Mr. Gururaja noted that bus stops are numbered with Styrofoam board and asked about plans for more permanent fixtures.

Mr. Carpenter indicated that there is a plan to install bus stop numbers system-wide and the timing of the project will be more clear when it is determined that there is funding available.

Mr. Black responded to inquiries from Mr. Mahler, Mr. Cooper and Mr. Bernard about the engine replacements including warranty issues, reasonable life, and whether there is a systematic concern. Mr. Black reported that warranties are usually five years or 300,000 miles. Mr. Black indicated staff is investigating whether there is a systematic concern. Mr. Black noted that there is a window of time when an engine is expected to fail, noting that the vehicles that failed are nearing the 400,000-mile mark in eight years of service.

8.0 Old Business

8.1 Regional Transit Authority

Ms. Gainsley introduced a resolution in support of Southeast Michigan's Regional Transit Authority (RTA).

Resolution in Support of Southeast Michigan's RTA

September 15, 2016

WHEREAS, the Ann Arbor Area Transportation Authority has been committed to provision of sustainable, effective multimodal public transportation options within the local community for decades; and

WHEREAS, Southeast Michigan's regional public transit system is challenged due to severe underfunding compared to peer regions around the country, leaving us at an economic disadvantage; and

WHEREAS, the current lack of a regional public transit system in southeastern Michigan results in a fragmented, disconnected, and incomplete transportation system failing to meet the mobility needs of the citizens and employers in the region; and

WHEREAS, an improved regional transit system would help our region retain workers and make Southeast Michigan economically competitive, which will help all communities attract more businesses and create local jobs while growing in a more sustainable fashion; and

WHEREAS, the Regional Transit Authority (RTA) of Southeast Michigan's Regional Master Transit Plan is an opportunity to create a connected regional transit system that supports the needs of our residents; and

WHEREAS, the Regional Master Transit Plan will connect Southeast Michigan's four largest counties — Macomb, Oakland, Washtenaw and Wayne — and two major population centers — Detroit and Ann Arbor; and

WHEREAS, the Regional Master Transit Plan outlines the connected network that seniors and people with disabilities need to maintain independence and mobility; and

WHEREAS, a large majority of jobs in the region are not readily accessible by existing regional transit; and

WHEREAS, the Regional Master Transit Plan will connect people to jobs; and

WHEREAS, the Southeast Michigan Regional Transit Authority's master plan has been developed with considerable public input, and represents a clear path

toward implementing effective rapid regional transit on an ambitious yet achievable timeline; and

WHEREAS, the services proposed by the Regional Transit Authority will complement and enhance The Ride's existing services by bringing more transit riders to our service area, investing in transit infrastructure along key corridors, providing a wider variety of options for commuters, and offering additional resources for mobility programs for seniors and people with disabilities;

NOW, THEREFORE, BE IT RESOLVED, the Ann Arbor Area Transportation Authority fully supports the need for a modern, reliable regional transportation system linking the Ann Arbor Area to the Detroit metropolitan area. We urge our riders and local residents to vote "yes" on the regional transit ballot proposal in November 2016, and to support the Southeastern Michigan RTA's efforts to build reliable and connected regional public transportation throughout all of Southeast Michigan.

Ms. Gainsley noted that the Board discussed supporting the RTA. Legal counsel advised that the Board could pass a resolution, as long as it did not expend staff time. Ms. Gainsley suggested modifying the language in the NOW, THEREFORE, BE IT RESOLVED clause to add "Board of Directors of the" Ann Arbor Area Transportation Authority.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Ann Arbor Area Transportation Authority fully supports the need for a modern, reliable regional transportation system linking the Ann Arbor Area to the Detroit metropolitan area. We urge our riders and local residents to vote "yes" on the regional transit ballot proposal in November 2016, and to support the Southeastern Michigan RTA's efforts to build reliable and connected regional public transportation throughout all of Southeast Michigan.

Larry Krieg moved the resolution with the modification suggested by Ms. Gainsley. Sue Gott supported the motion.

Gillian Ream Gainsley moved the amendment. Larry Krieg supported the motion to amend.

The amended motion passed unanimously.

9.0 New Business

9.1 FY2017 Budget

Mr. Carpenter introduced the resolution for Adoption of the FY 2017 Operating and Capital Budget.

Mr. Carpenter reported that new tools were developed as well as a new approach to seeking input. PDC recommended the final budget to the board for approval. Mr. Carpenter thanked the Board and staff for their hard work under tight timelines and shifting expectations.

Mr. Carpenter responded to questions on the Washtenaw Avenue BRT Study and Paratransit Review. Mr. Carpenter reported that the Washtenaw Avenue BRT Study predated RTA legislation and indicated that the project may be handed off when RTA is successful. Mr. Carpenter indicated that AAATA would remain involved in the project.

Mr. Carpenter reported that the Paratransit Review is included in the FY2017 operating budget with a budget of \$150,000. The work is intended to be a consultant-led review of positioning of paratransit services for the future. Mr. Carpenter noted that the LAC will be involved in drafting the terms of work for hiring a consultant. Mr. Carpenter responded to a question on what the paratransit budget would like, if only the legal minimum paratransit services were provided indicating that he did not have the number on hand, but the information could be provided.

Larry Krieg moved the following resolution with support from Roger Hewitt.

Resolution 25/2016

ADOPTION OF FY 2017 OPERATING AND CAPITAL BUDGET

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) is required to adopt to the Board of Directors (Board) a balanced operating budget on or before September 30 for its next fiscal year, which begins on October 1, and

WHEREAS, the AAATA is required to develop a fiscally-constrained four-year program of capital projects for inclusion in the Transportation Improvement Program (TIP) in order to be eligible for federal funds, and

WHEREAS, the four-year program is required to be submitted to the Washtenaw Area Transportation Study (WATS) to be included in the TIP development process, and

WHEREAS, the AAATA is required to submit the program for FY 2018 – FY 2020 to the Michigan Department of Transportation (MDOT) by February 1, 2017 as part of the annual application for FY 2018 funding, and

WHEREAS, the AAATA is required to submit the operating budget and capital program to the Regional Transportation Authority of Southeast Michigan (RTA), and

WHEREAS, the attached program has been developed to be consistent with potential funding and to comply with various federal and state requirements, and

WHEREAS, on September 7, 2016, the Planning and Development Committee (PDC) and AAATA Staff recommended the operating and capital budget for FY 2017 for presentation to the Board that continues the implementation of the Five Year Transit Improvement Program, properly funds the FY 2017 Work Plan and Capital Plan (adopted by the Board on June 23, 2016), and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the attached FY2017 Operating Budget with total expenses of \$43,878,355, beginning October 1, 2016, and that the budget is assigned to the Performance Monitoring and External Relations Committee (PMER) for appropriate monitoring, and

BE IT FURTHER RESOLVED, that the Ann Arbor Area Transportation Authority Board of Directors hereby adopts the attached FY 2017 Capital Budget, and

BE IT FURTHER RESOLVED, that the recommendation be based on a commitment to due diligence to further explore long-term financial planning and funding sources to satisfy future commitments and needs.

The motion passed unanimously.

9.2 Engine Replacement

Mr. Carpenter introduced the resolution for Approval of Emergency Engine Replacements for Six Hybrid Buses. Mr. Carpenter reported that another 14 buses are under scrutiny for replacement engines indicating that Board authorization will be sought in advance of future purchases.

Jack Bernard moved the following resolution with support from Eli Cooper.

Resolution 26/2016

APPROVAL OF EMERGENCY ENGINE REPLACEMENTS FOR SIX HYBRID BUSES

WHEREAS, Ann Arbor Area Transportation Authority (AAATA) purchased its first twenty hybrid buses in 2007 and 2008, and

WHEREAS, in late July and early August of 2016, a number of hybrid bus engines began failing, and

WHEREAS, engines for six hybrid buses were replaced under emergency procurement guidelines to prevent service disruption, and

WHEREAS, the cost of engine replacement has exceeded \$100,000, and Board policy requires authorization to incur products or services over \$100,000, and

WHEREAS, AAATA's maintenance department has now established a baseline for testing for anticipated engine failures within this series of buses, and will create an engine replacement schedule for the remaining fourteen (14) buses over the next year, and

WHEREAS, AAATA has issued an Invitation for Bid to purchase replacement engines for the remaining fourteen (14) hybrid buses and will seek the Board's approval of a contract in a separate Board Resolution,

NOW, THEREFORE, BE IT RESOLVED, that the AAATA Board of Directors hereby retroactively approves the purchase and installation of six (6) engines from Cummins Bridgeway of New Hudson, MI.

Board members commented on the resolution. Staff was thanked for using the emergency CEO procurement authority to address the engine matter in a timely manner. Staff responded to questions on details of the hybrid engine failures and how conventional diesel engine failures compare. Mr. Black indicated half of the diesel engines may need to be replaced prior to the end of their useful life, near the 500,000-mile mark.

The motion passed unanimously.

Mr. Carpenter requested approval of two resolutions for the Michigan Department of Transportation (MDOT); a Master Agreement with standard terms and conditions, and an authorization to execute MDOT agreements for \$1,000,000 or less to receive grant funds.

9.3 MDOT Master Agreement

Eli Cooper moved the following resolution with support from Sue Gott.

Resolution 27/2016

Authorize CEO to Enter into Master Agreement with MDOT (2017-0008)

WHEREAS the Ann Arbor Area Transportation Authority (AAATA) receives funding from the Michigan Department of Transportation (MDOT) which require execution of grant contracts, and

WHEREAS, MDOT incorporates standard terms and conditions in a master agreement every five years, and

WHEREAS, the master agreement provided by MDOT for execution includes five changes from the 2012-2016 master agreement, with which staff has determined that AAATA can comply without issues, and

WHEREAS, execution of the master agreement is a requirement to receive grant funding from MDOT,

NOW, THEREFORE, BE RESOLVED, that the AAATA Board of Directors authorizes the CEO to execute the master agreement (2017-0008) on behalf of the AAATA.

The motion passed unanimously.

9.4 MDOT Agreements up to \$1Million

Eli Cooper moved the following resolution with support from Sue Gott.

Resolution 28/2016

AUTHORIZATION TO EXECUTE
MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT) AGREEMENTS

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) has the authority to contract with the Michigan Department of Transportation (MDOT) for State and Federal funds; and

WHEREAS the AAATA submits an annual application to MDOT which is approved by the Board of Directors, and

WHEREAS the annual application results in several contracts for State and Federal funds which are submitted by MDOT to the AAATA for execution, and

WHEREAS, the AAATA wishes to expedite the execution of such contracts;

NOW THEREFORE, BE IT RESOLVED that the AAATA Chief Executive Officer is hereby authorized to enter into and execute on behalf of the AAATA all contracts with the Michigan Department of Transportation for \$1,000,000 or less, which result from the annual application to MDOT which is approved of by the Board, for the period October 1, 2016 through September 30, 2017, and

BE IT FURTHER RESOLVED that staff will report on the MDOT contracts received to the Performance Monitoring and External Relations Committee at their monthly meeting.

The motion passed unanimously.

9.5 LAC Executive Committee Appointments

Mr. Bernard introduced the resolution on the LAC Executive Committee appointments. Mr. Bernard referred to background on the candidates shared with the Board.

Jack Bernard moved approval of the following resolution with support from Gillian Ream Gainsley.

Resolution 29/2016

APPOINTMENT OF LOCAL ADVISORY COUNCIL EXECUTIVE COMMITTEE MEMBERS

WHEREAS, the Local Advisory Council (LAC) is charged with providing input to the Ann Arbor Area Transportation Authority (AAATA) Board of Directors, and

WHEREAS, included in the Charge are the terms for appointing members of the LAC Executive Committee, and

WHEREAS, under the terms of their Charge, the LAC recommended the appointment of the following individuals to the LAC Executive Committee effective October 1, 2016:

- Cathy-Alice Koyanagi
- Kathleen Mozak-Betts

NOW, THEREFORE, BE IT RESOLVED, that the AAATA Board of Directors hereby appoints Cathy-Alice Koyanagi and Kathleen Mozak-Betts to the LAC Executive Committee, and

BE IT FURTHER RESOLVED, that the AAATA Board of Directors hereby recognizes and expresses sincere appreciation to outgoing Executive Committee members

Rebecca Burke and Jody Slowins for their time, commitment and dedication to the LAC.

The motion passed unanimously.

9.6 FY2017 Board Meeting Schedule

Mr. Mahler presented the FY2017 proposed Board Meeting Schedule. Mr. Wade noted that the September 21, 2017 date conflicts with a religious holiday. Mr. Cooper referred to a calendar of religious observance dates posted on the City of Ann Arbor website. Mr. Cooper encouraged the Board to take the City's calendar into consideration. Mr. Mahler suggested amending the September 2017 meeting as a date to be determined. There was consensus to list the September date as 'TBD'.

AAATA Board Meetings for FY2017

Thursday, October 20, 2016

Thursday, November 17, 2016

Thursday, December 15, 2016

Thursday, January 19, 2017

Thursday, February 16, 2017

Thursday, March 16, 2017

Thursday, April 20, 2017

Thursday, May 18, 2017

Thursday, June 15, 2017

July – No Scheduled Meeting

Thursday, August 17, 2017

September meeting date **TBD**

Larry Krieg moved the FY2017 Board Meeting Schedule, as amended, with support from Sue Gott. The motion passed unanimously.

10.0 Public Time

Jim Mogensen appeared before the Board. Mr. Mogensen suggested that the Interfaith Roundtable is a potential source of information on religious holidays. Mr. Mogensen commented on the Board's move in governance structures. Mr. Mogensen commented on his involvement with the Community Development Executive Committee and their processes and more recent dealings with the Housing and Human Services Advisory Board which is policy-based. Mr. Mogensen suggested that the policy approach is "murky" in terms of public involvement. Mr. Mogensen commented on FOIA issues relating to internal staff documents. Mr. Mogensen suggested that it can be useful to have a policy in place for boards to get documents on a regular basis so the public has access to them. Mr. Mogensen commented on his continued work with the Community Development Department on a bus token project.

Ed Vielmetti appeared before the Board. Mr. Vielmetti spoke favorably about the new Text My Bus application. Mr. Vielmetti indicated that one of the challenges with rolling out the new service is that each of the 1,200 bus stops has a unique set of instructions. Mr. Vielmetti referred to a promise made in September that AAATA was going to be officially releasing its API. Mr. Vielmetti received an email indicating that in due course that would be running. Mr. Vielmetti noted a problem with tracking Route 64 online [staff noted that this has been corrected]. Mr. Vielmetti indicated that he is encouraged that AAATA is going to have modern tools.

No one further appearing, Mr. Mahler declared Public Time closed.

11.0 Adjourn

Roger Hewitt moved to adjourn the meeting with support from Gillian Ream Gainsley. The motion passed unanimously and the meeting adjourned at 8:27 p.m.

Respectfully Submitted,

Stephen Wade, Secretary