



## Legislation Text

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**File #:** 12-0040, **Version:** 1

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### Resolution to Approve 4-Party Public Transportation Agreement for Creation of a New Countywide Public Transportation System

The Ann Arbor Transportation Authority ("AATA") was incorporated by the City of Ann Arbor for the purpose of acquiring, owning, operating, or causing to be operated a mass transportation system under the provisions of Public Act 55 of 1963. After its incorporation, the City and AATA entered into an Operational Agreement for the provision of services and the allocation of City millage funds to AATA to support those services. Under the terms of the Operational Agreement this relationship remain in full force and effect until mutually terminated.

The City of Ypsilanti has contracted with AATA for transportation services for many years and recently approved a Charter Amendment dedicating certain tax revenue for transportation purposes.

AATA has proposed to the Cities of Ann Arbor and Ypsilanti and Washtenaw County that the four entities enter into a new Transportation Agreement which would provide for a countywide public transportation system by creating a new authority under Act 196 of 1986 ("New TA"). The New TA would succeed to the public transportation system currently operated by AATA under the terms of the 4-Party Transportation Agreement and Section 11 of Act 196 of 1986.

Under the proposal Washtenaw County, upon the AATA's written request and authorization of the governing bodies of Ann Arbor and AATA terminating their operational relationship in favor of the New TA, will create a new Act 196 authority by approving, signing and filing articles of incorporation ("Articles") in substantially the form attached as Exhibit A to the 4-Party Agreement. AATA is required to publish details of the service and funding plan in newspaper(s) of general circulation in the Washtenaw County before requesting the Articles be approved by the County and filed in accordance with provisions of Act 196.

Prepared by: Mary Joan Fales, Senior Assistant City Attorney

Sponsor: Mayor John Hieftje

Whereas, The Ann Arbor Transportation Authority ("AATA") was incorporated by the City of Ann Arbor to operate a transportation system and has the City has contractually obligated millage funds to ensure transportation services for its residents;

Whereas, The City of Ypsilanti and other communities have also entered into contracts with AATA, as allowed under Michigan law, to provide transportation services for their residents; and

Whereas, AATA has proposed to the City of Ann Arbor, the City of Ypsilanti and Washtenaw County the creation of a new county-wide transportation authority to better serve the transportation needs of the Washtenaw County community under a 4-Party Transportation Agreement to be approved and prosecuted by each of the respective governing bodies;

RESOLVED, That City Council approve the 4-Party Transportation Agreement in substantially the form on file with the City Clerk;

RESOLVED, That the City Administrator and the City Attorney are authorized to negotiate the finalization of the Public Transportation Agreement; and

RESOLVED, That if any substantive amendment or modification of the Public Transportation Agreement by any of the other parties governing bodies at the time of their approval, the City Administrator is directed to resubmit the Public Transportation Agreement to City Council for approval.

Sponsored by: Mayor Hieftje

**As Amended by Ann Arbor City Council on January 9, January 23, February 6, and March 5, 2012**