



It is the mission of the Ann Arbor Area Transportation Authority to provide useful, reliable, safe, environmentally responsible, and cost-effective public transportation options for the benefit of the Greater Ann Arbor Community.

Agenda

Thursday, October 17, 2013

Ann Arbor Area Transportation Authority

Board of Directors Meeting

Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan, 6:30 p.m.

- 1.0 Public Hearing – None Scheduled
- 2.0 Communications and Announcements
- 3.0 Public Time – Comment on Agenda Items
- 4.0 Review and Approval of Minutes
 - 4.1 Review and Approval of Minutes of September 26, 2013 (p. 1-23)
- 5.0 Board and Staff Reports
 - 5.1 Chief Executive Officer (p. 24-30)
 - 5.2 Planning and Development Committee (p. 31-36)
 - 5.3 Performance Monitoring and External Relations
 - 5.4 Local Advisory Council (p. 37-39)
- 6.0 Question Time
- 7.0 Old Business
- 8.0 New Business
 - 8.1 Consideration of Resolution to Purchase Vanpool Vehicles (p. 40-41)
- 9.0 Public Time
- 10.0 Adjourn



It is the mission of the Ann Arbor Area Transportation Authority to provide useful, reliable, safe, environmentally responsible, and cost-effective public transportation options for the benefit of the Greater Ann Arbor Community.

Proposed Minutes
September 26, 2013
Ann Arbor Area Transportation Authority
Board of Directors Meeting
Ann Arbor District Library, 343 South Fifth Avenue, Ann Arbor, Michigan, 6:30 p.m.

Board Present: Susan Baskett, Jack Bernard, Eli Cooper, Gott, Charles Griffith (Chair), Eric Mahler

Absent with Notice: Anya Dale, Gillian Ream Gainsley, Roger Kerson

Staff Present: Michael Benham, Jan Black, Terry Black, Ron Copeland, Deb Freer, Bill De Groot, Michael Ford, Ed Robertson, Phil Webb, Chris White, Michelle Whitlow, Reggie Whitlow

LAC Representative: Rebecca Burke

Recording Secretary: Karen Wheeler

Board Chair Charles Griffith declared that a quorum was present and called the meeting to order at 6:33 p.m.

1.0 Public Hearing

There was no Public Hearing.

2.0 Communications and Announcements

Mr. Griffith welcomed Jack Bernard to the Board.

Mr. Griffith communicated details of a conference on environmental law and public health at the University of Michigan Law School. Mr. Griffith announced the Ecology

Center annual dinner scheduled for October 3.

2.1 Appoint Acting Secretary

Mr. Griffith appointed Susan Baskett Acting Secretary.

3.0 Public Time – Comment on Agenda Items

Vivienne Armentrout appeared before the Board and read the following statement.

I was impressed with the retreat that you held last spring in which you sorted through your priorities and limitations. This led to a work plan that is the basis of your balanced budget that you will be approving tonight.

In my mind, this is how a board should work. You are not managers, you set policy. But you also have a fiduciary duty and the buck literally stops with you because the budget is your instrument to lead the authority according to policy you set.

Because of your fiduciary duty, you should not now be entering into a speculative venture like the addition of Ypsilanti Township to your authority. I say speculative because the financial arrangements have not been firmly defined.

Two things: one is that the township evidently has expectations of considerably expanded service that are based in turn on the passage of a millage in the near future. From reading the minutes of their meeting, I am not convinced that they understand this.

But the major issue is that there are no documents that lay out the express responsibilities on both sides, or define the financial arrangements. There is mention of a Memorandum of Understanding but you do not have a draft document to examine. Many details are missing, such as exact amounts and formulas for the POSA equivalent, how those amounts will be adjusted in the future, and for how long the township is making the commitment. Indeed, it is stated that the commitment stops with passage of a millage.

I urge you to postpone this decision until you have resolved these issues and have a clear picture of the effect of this decision on your financial integrity.

Jim Mogensen appeared before the Board. Mr. Mogensen commented on the minutes of the last meeting indicating that there appeared to be a misunderstanding about his remarks. Mr. Mogensen clarified that his reference to the financial arrangements

between AAATA and U of M, and how those interact, was about a lost opportunity in terms of having more money from the University of Michigan for service to East Ann Arbor Medical Center. Mr. Mogensen indicated that his reference to the service changes was a lack of communication when changes to route 11 were not made; residents at Chidester Place didn't realize the changes had not happened. Mr. Mogensen a problem with the route 11 printed schedule [in the RideGuide]; the times are incorrect. Mr. Mogensen worked with AAATA staff to obtain a correct schedule and will distribute copies of the correct schedule with the Chidester Place resident council newsletter. Mr. Mogensen further indicated that his reference to the website was to the old website where only one board packet was posted to the site. Mr. Mogensen noted that with the new website, minutes of previous meetings are posted, but PMER reports are not on the website.

Kathy Griswold appeared before the Board. Ms. Griswold commented on the prospect of a millage; an additional .7 mills for Ann Arbor residents. Ms. Griswold suggested that there is some dissatisfaction with existing services not meeting needs of all Ann Arbor taxpayers, and proposing to increase the millage rate is going to raise expectations. Specific deficiencies stated were buses at capacity on the route serving Huron High School going to Glencoe Hills, and not enough service on Saturday and Sunday which causes people trying to get to and from work to have to pay for a taxi. Ms. Griswold cautioned the Board to provide better services for Ann Arbor residents, or if better services already exist, improving communication about the services before planning to expand.

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

4.0 Review and Approval of Minutes

4.1 Review and Approval of Minutes of August 15, 2013

Susan Baskett inquired as to how Mr. Mogensen's corrections would be addressed. Charles Griffith moved to amend the minutes as follows:

3.0 Public Time-Comment on Agenda Items

Mr. Mogensen commented on his perception of a lost opportunity not having more revenue related to service to East Ann Arbor Medical Center.

There was unanimous support for the proposed amendment and unanimous support for the minutes as amended.

5.0 Election of Officers – Term of Office October 1, 2013-September 30, 2014

Mr. Griffith reported that Roger Kerson was asked to convene a nomination committee. Sue Gott, who served on the nomination committee, spoke on Mr. Kerson's behalf. The committee conducted due diligence, talking with individual board members. As a result of the discussions the committee proposed that the individuals currently in office make up the slate for the coming fiscal year. Ms. Gott thanked the officers for the work they have undertaken in their respective roles.

Sue Gott moved the following slate of officers: Chair – Charles Griffith; Treasurer – Eli Cooper; Secretary – Anya Dale. Eric Mahler supported the motion. The motion passed unanimously.

5.1 Board Committee Appointments

Mr. Griffith confirmed the previous appointment of Jack Bernard to the Performance Monitoring and External Relations Committee.

6.0 Board and Staff Reports

6.1 Chief Executive Officer

Michael Ford presented an abbreviated version of his written report to the Board. Mr. Ford welcomed Jack Bernard to the Board. Mr. Ford noted four action items on the board agenda, and detailed highlights in the FY2014 Operating Budget.

Mr. Ford reported on Ypsilanti Township's request to join the Authority including the Township's unanimous action, and pending action by the City of Ypsilanti and City of Ann Arbor. Mr. Ford reported on follow-up items from the August Board meeting.

Mr. Ford referred to the September Board committee meetings and deferred to the committee chairs for full reports. Mr. Ford reported that proposed fixed-route service plans for the Urban Core have been defined. The project team will soon begin to line out the characteristics of expanded dial-a-ride. Mr. Ford reported that he and staff have continued to meet with community leaders to share details of the Urban Core Plan and there has been a positive response to improvements in the plan.

Mr. Ford reported on meetings related to the Regional Transit Authority over the past several weeks. Four individuals from Washtenaw County were appointed to the Citizen Advisory Committee: LuAnne Bullington, Prashanth Gururaja, Larry

Krieg, and John Waterman.

Mr. Ford reported on meetings in the community including a meeting with the Ann Arbor City Administrator, participation in the Ann Arbor Public Schools high school registrations and the Ypsilanti Heritage Festival.

Mr. Ford provided updates on Work Plan projects including the Blake Transit Center, the new Website and AirRide. Mr. Ford noted that a new AirRide schedule will be implemented on November 15. These changes will allow the Authority to reduce operating costs and increase service.

6.2 Planning and Development Committee

Sue Gott presented the Planning and Development Committee report. The Committee reviewed, approved and recommended the FY2014 Operating Budget to be presented to the Board. The Committee received a presentation from Vanessa Hansle on the MyRide program, and an update on continued expansion discussions of AAATA. Ms. Gott reported on progress on the Connector Study including a video about the project and work underway to gear up for the next round of public meetings that will likely be scheduled for November. The committee received updates on the Urban Core, WALLY and East/West rail projects, the new website, and the 2013 onboard survey. The committee was asked to provide feedback on the survey. A report was also made on Blake Transit Center including issuance of a revised Request for Proposals for artwork to be integrated into the new transit center. Ms. Gott thanked members of the public for the time and effort they make to attend PDC meetings to communicate helpful and thoughtful suggestions.

6.3 Performance Monitoring and External Relations Committee

Susan Baskett provided the Performance Monitoring and External Relations Committee report. Ms. Baskett reported that the committee spent the bulk of the meeting discussing two of the action items before the Board: a resolution to award a contract for legal services, and support for including Ypsilanti Township in the Ann Arbor Area Transportation Authority.

Ms. Baskett reported that the committee supported bringing back the incumbent law firm under a contract expected to exceed \$100,000 over a five year period. During their meeting the committee discussed expansion of AAATA by adding Ypsilanti Township. Committee members spent a considerable amount of time clarifying the expectations and directed staff to provide additional information prior to making a recommendation: clarification of a financial commitment and

what future funding will be; addressing the Township's Purchase of Service Agreement (Ann Arbor will not subsidize service in Ypsilanti Township); and additional language in the AAATA resolution solidifying the Township's financial commitment. Ms. Baskett indicated that the committee hoped that the clarifications around funding included in the Issue Analysis and resolution would clarify concerns raised during public commentary. The committee received the additional information via email and provided support for bringing the resolution forward.

The committee received reports on finances and performance data and discussed the upcoming survey to be conducted by CJI Research in late October. Preliminary survey results are expected to be presented to the committee in December. The committee received a presentation on MyRide from Vanessa Hansle and received updates on the Blake Transit Center, Urban Core Planning, RTA developments, the new website and Performance Metrics. Ms. Baskett thanked staff for their thoroughness.

6.4 Local Advisory Council

Rebecca Burke, Local Advisory Council (LAC) Chair, reported on the Council's September meeting. The Council recommended five members for reappointment to the Executive Committee: Gloria Kolb, Stephen McNutt, Clark Charnetski, Jody Slowins and Rebecca Burks; and two candidates for appointment to the Executive Committee: Cheryl Weber and John Kuchinski. Ms. Burke requested the Board's approval of the appointments.

Ms. Burke reported that the Council would like for the Board to reexamine the LAC Charge to see if there can be improved communication between the AAATA Board and the LAC by assigning an AAATA Board member to serve as the LAC liaison to improve communication.

Charles Griffith agreed to take up the Council's recommendation and provide a response.

6.4.1 Executive Committee Appointments

Eric Mahler moved the Local Advisory Council Executive Committee appointments as recommended for reappointment and as nominated for appointment. Eli Cooper supported the motion. The motion passed unanimously.

7.0 Question Time

Sue Gott asked if there would be a budget amendment to officially account for the funding recently received from the state and placed in the FY2013 budget.

Phil Webb responded that it did not appear necessary to make an amendment with only three days left in the 2013 fiscal year. Mr. Webb indicated that the budget will reflect the budgeted vs. actual differences which will explain why that came through.

Jack Bernard commented that he watched the August Board meeting on television and noted concerns raised by Carolyn Grawi about the space at Briarwood. Mr. Bernard acknowledged that Michael Ford addressed most of the concerns, except for the part relating to things like garbage cans and newspaper distribution boxes and items that could potentially clutter the space. Mr. Bernard acknowledged that while the space may not necessarily be controlled by AAATA, he hopes that dialogue with Briarwood management can continue so the space, which goes beyond what is required, is actually effective. Michael Ford responded that a check-in will take place, and he will report back.

Eli Cooper congratulated Michael Ford, Terry Black and the Blake Transit Center project team for continued progress on the project and for keeping on schedule despite delays near the beginning of the project which were beyond their control. On a different topic, Mr. Cooper noted that during several recent public meetings comments were made about the implications of Ypsilanti Township joining the Authority. Mr. Cooper requested confirmation that the FY2014 budget and the services provided historically are not related to the Township and adding any financial liability to the Authority. Mr. Cooper wanted to be sure that as the collective urban core region considers additional services, that there is a mechanism in place that will allow the Township to sustain the services that are contemplated as things move forward.

Michael Ford indicated that was a fair understanding and assured the Board that Ypsilanti Township is going to pay for the service they receive and that is the understanding going forward. Mr. Ford added that if additional service is desired in the Township, the Township will bear the cost of the service.

Charles Griffith noted that while there had been reporting on the Regional Transit Authority (RTA) earlier in the meeting, it had not been announced that the RTA board would meet in Ann Arbor on October 2, and that AAATA would host an event for RTA board and staff. Michael Ford confirmed the board meeting scheduled for 2:00 p.m. at the Library, and noted that an RTA Board Executive Committee would be held at the AAATA main office at 12:00 p.m. with a facility tour taking place simultaneously. Mr. Ford indicated that elected officials were invited to the tour and welcome to participate.

8.0 Old Business

There was no Old Business for the Board to consider.

9.0 New Business

Sue Gott moved approval of the FY2014 Board Meeting Schedule with support from Eric Mahler.

9.1 Approve FY2014 Board Meeting Schedule

Thursday, October 17, 2013

Thursday, November 21, 2013

Thursday, December 19, 2013

Thursday, January 16, 2014

Thursday, February 20, 2014

Thursday, March 20, 2014

Thursday, April 17, 2014

Thursday, May 15, 2014

Thursday, June 19, 2014

July 2014 – No Scheduled Meeting

Thursday, August 21, 2014

Thursday, September 25, 2014

All FY2014 Board meetings will be scheduled to begin at 6:30 p.m.

The motion passed unanimously.

Eli Cooper moved the following resolution with support from Eric Mahler.

9.2 Consideration of Resolution Adopting Operating Budget for FY2014

WHEREAS, the Ann Arbor Area Transportation Authority (TheRide) is required to develop and present 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, on September 10, 2013, the Planning and Development Committee (PDC) and TheRide Staff completed a balanced operating budget for FY 2014 for presentation to the Board that maintains and improves TheRide's core services, properly funds the FY 2014 Work Plan (adopted by the Board on August 15, 2013), and continues to engage the Urban Core Communities in discussions regarding expanding public transit services, and

WHEREAS, the Board's policy is for TheRide to maintain unrestricted net assets (reserves) equal to at least three months of budgeted operating expenses to allow TheRide to address unexpected changes in federal or state funding, better respond to emergency service disruptions, take advantage of sudden opportunities, institute and test new services, and to provide a sufficient cash working fund, and

WHEREAS, the projected results of FY2013 include the replenishment of the reserves to meet the Board's policy of at least three months of budgeted operating expenses, now therefore

IT IS RESOLVED, that the FY2014 Operating Budget of \$33,973,795 is hereby approved to become effective October 1, 2013, and that the budget is assigned to the Performance Monitoring and External Relations Committee (PMER) for appropriate monitoring.

Michael Ford thanked the Board for their time and consideration of the budget and offered to provide additional information. Sue Gott requested a review of highlights in the budget.

Phil Webb provided an overview of the FY2014 Operating Budget which includes the total human and financial resources to operate the Authority for the next 12 months. Mr. Webb noted that Board members shared helpful comments through the budget building process in terms of requests for tracking and monitoring cash flow which aids with maintaining fiduciary strength throughout the year. Mr. Webb added that the Authority compares favorably with peer systems, yet continually strives to improve.

Mr. Webb responded to questions from Board Members. A question was raised about capital expenditures and budget detail on those items. Mr. Webb reported that the Capital and Categorical Program will be presented to the Planning and Development Committee in October and November and a request for approval of the Program made in December.

It was noted that the budget supports providing good service, and suggested that there may be a challenge to take something good and make it better to serve unmet needs. It was further suggested that if the Authority is asked to provide more services to the

community, that there is a conversation about how to position the agency recognizing financial resources.

Mr. Webb was asked to explain the 4.9% increase over last year's budget. Mr. Webb indicated that increases include 2.8% for fixed-route service, and additional work on research and development including the Connector and WALLY projects.

The motion passed unanimously.

Jack Bernard moved the following resolution with support from Susan Baskett.

9.3 Consideration of Resolution Authorizing Purchase of General Corporate and Labor and Employment Legal Services

WHEREAS, the need for legal services falls within daily operational activities for the Ann Arbor Area Transportation Authority (AAATA), and

WHEREAS, the AAATA publicly sought proposals from companies to provide legal services, and the firm Pear Sperling Eggan & Daniels, P.C. was selected as a result of a thorough proposal evaluation process, and

WHEREAS, the cost of legal services is expected to exceed \$100,000 over this five year award period, and Board policy requires advance authorization to incur products or services over \$100,000, therefore,

IT IS RESOLVED, that the Board of Directors authorizes the AAATA CEO to purchase General Corporate and Labor and Employment Legal Services from Pear Sperling Eggan & Daniels, P.C. over the five year period beginning October 1, 2013 based on hourly rates provided.

Michelle Whitlow responded to questions on the pricing structure of the legal services contract indicating that AAATA will be charged hourly rates on an as-needed basis as services are required. The fees are locked in for the five years of the contract. Michael Ford added that the incumbent firm has historical knowledge, and Susan Baskett noted that that the incumbent was also the lowest bidder.

The motion passed unanimously.

Eric Mahler moved the following resolution with support from Susan Baskett.

9.4 Approval of the Ypsilanti Township's Request for Membership into the Ann Arbor Area Transportation Authority, Approval of Amendment #3 of AAATA's Articles of Incorporation, and Request to the City of Ann Arbor to Publish and File Amended

Articles

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) was formed under Act 55 of the Michigan Public Act of 1963 for the purpose of providing public transportation services to the Greater Ann Arbor Community and has provided those services under Purchase of Service Agreements to Ypsilanti Township for a number of years, and

WHEREAS, Ypsilanti Township expressed its desire to become a member of the AAATA by formally passing a resolution to that effect on Monday, September 9, 2013, in accordance with the State of Michigan Public Act 55 of 1963; and

WHEREAS, this resolution was received on Tuesday, September 10, 2013, at the main office of the Ann Arbor Area Transportation Authority, 2700 South Industrial Drive, Ann Arbor, Michigan 48104, and was acknowledged by resolution of the Authority Board on September 26, 2013.

WHEREAS, the Charter Township of Ypsilanti has declared by resolution its commitment to contributing general fund dollars equal to the cost of providing services represented by Purchase-of-Service Agreement costs to AAATA; and

WHEREAS, the City of Ann Arbor is expected, on or about October 21, 2013, to pass a resolution, approving Amendment #3 to the Articles of Incorporation of the Ann Arbor Area Transportation Authority, and directing the City Clerk to file and publish the Amendment in accordance with the Act 55 on notice of passage of the Amendment when adopted by Ypsilanti Township and the Board of the Authority

WHEREAS, Ypsilanti Township, on September 23, 2013, passed a resolution approving Amendment #3 to the Articles.

WHEREAS, the City of Ypsilanti, is expected, on or about October 15, 2013, to pass a resolution approving Amendment #3 to the Articles.

NOW, THEREFORE, BE IT RESOLVED that the Ann Arbor Area Transportation Authority officially approves Ypsilanti Township's request for membership in the Authority made in accordance with State of Michigan Public Act 55 of 1963, and approves Amendment 3 of the Articles of Incorporation of the Ann Arbor Area Transportation Authority, in the form attached hereto as Exhibit A, except that, in the event that Ypsilanti Township, or the City of Ypsilanti, or the City of Ann Arbor declines to approve said Articles as described above, the AAATA Board directs staff to reconvene those parties to reconcile any differences relative to the Articles and to bring a new draft to the AAATA Board and all other parties.

IT IS FURTHER RESOLVED that AAATA requests the Ann Arbor City Council to publish the amended articles, and file the amended Articles of Incorporation in

accordance with Act 55.

AMENDMENT 3 OF THE ARTICLES OF INCORPORATION OF
ANN ARBOR AREA TRANSPORTATION AUTHORITY

This amendment to the Articles of Incorporation of the Ann Arbor Area Transportation Authority are adopted by the City Council of the City of Ann Arbor, the City Council of the City of Ypsilanti, the Board of the Charter Township of Ypsilanti, and the Board of the Ann Arbor Area Transportation Authority for the purpose of adding the Charter Township of Ypsilanti as an incorporator with all rights granted members under Act 55 of the Public Acts of Michigan of 1963.

ARTICLE I

NAME OF AUTHORITY

The name of this public corporation is the Ann Arbor Area Transportation Authority (referred to hereinafter as “Authority” and also known as AAATA).

ARTICLE II

PURPOSES

The Authority is incorporated for the purposes of acquiring, owning, operating or causing to be operated a mass transportation system within the corporate limits of the Cities of Ann Arbor and Ypsilanti, and the Charter Township of Ypsilanti, and beyond the said corporate limits.

ARTICLE III

POWERS, DUTIES AND LIMITATIONS

Section 1. The Authority shall be a body corporate with power to sue and be sued in any court in the State of Michigan.

Section 2. The Authority shall possess all the powers necessary to carry out the purposes of its incorporation and all things incident thereto.

Section 3. The Authority by contract may employ a management firm, either corporate or otherwise to operate the mass transportation system under the supervision of the Authority.

Section 4. The Authority may acquire property for a mass transportation system by purchase, construction, lease, gift or devise, either within or without the area served by such mass transportation system, and may hold, manage, control, sell, exchange or lease such property.

Section 5. The Authority, with the consent of the Ann Arbor City Council, may utilize any appropriate statute for the purpose of condemnation of real property within the City of Ann Arbor, with the consent of the Ypsilanti City Council may utilize any appropriate statute for the purpose of condemnation of real property within the City of Ypsilanti, and with the consent of the Charter Township of Ypsilanti Board may utilize any appropriate statute for the purpose of condemnation of real property within said Township.

Section 6. The Authority may establish and charge such fares and enter into contracts for the service provided by the mass transportation system as shall be necessary to provide funds to meet the obligations of said Authority.

Section 7. For the purpose of acquiring, improving, enlarging or extending a mass transportation system, the Authority may issue self-liquidating revenue bonds in accordance with the provisions of state law. No such bonds shall be a general obligation of the Authority, but shall be payable solely from the revenues of the mass transportation system.

Section 8. All property owned by or leased to the Authority shall be exempt from all taxes levied by the State and by the political subdivisions in which the Authority is incorporated. All such leased property in order to be exempt shall be used and owned by the company which is under contract with the Authority for the operation of the Authority's mass transportation system. The Authority shall be required to pay taxes or assessments upon its real and personal property situated outside the corporate boundaries in which the Authority is incorporated.

Section 9. The Authority shall meet at regular intervals and conduct all meetings of the Board in compliance with the Open Meetings Act (Act 267 of the Public Acts of 1976). The Authority shall obtain an annual audit in accordance with generally accepted government auditing standards as promulgated by the United States General Accounting Office and satisfy all federal, state or local regulations related to grant requirements. Copies of the Annual Audit shall be filed with the clerks of the City of Ann Arbor, the City of Ypsilanti and the Charter Township of Ypsilanti, and made available for public review by the Authority. In addition, the books and record of the Authority and the Board shall be open for inspection and audit by the Cities of Ann Arbor and Ypsilanti at all reasonable times during the Authority's fiscal year. The Authority and the Charter Township of Ypsilanti shall submit an annual report to the governing bodies of the City of Ann Arbor, the City of Ypsilanti and the Charter Township of Ypsilanti and such additional reports as may from time to time be requested on the operations of the Authority

Section 10. The powers stated in these Articles of Incorporation pursuant to the above named enabling Act are in addition to those granted by any statute or by the Charters of the City of Ann Arbor, City of Ypsilanti and Charter Township of Ypsilanti, or any future statute or amendment thereto, and the enumeration of any power either in these Articles of Incorporation or in the enabling Act shall not be construed as a limitation on the general powers of this Authority.

ARTICLE IV

GOVERNING BODY – OFFICERS

Section 1. The Authority shall be directed and governed by a Board which shall consist of eight members appointed by the Mayor of the City of Ann Arbor with the concurrence of the Ann Arbor City Council, one member appointed by the Mayor of the City of Ypsilanti with the concurrence of the Ypsilanti City Council, and one member appointed by the Supervisor of the Charter Township of Ypsilanti with the concurrence of the Township board. All appointments to the Board shall be in accordance with the adopted policies and procedures for appointment for the respective governing bodies and each governing body

retains the right to remove and replace such members in accordance with the same procedures. There shall be no limit to the number of consecutive terms an appointee can serve.

Section 2. Members of the Ann Arbor Transportation Authority board as of June 15, 2013 shall continue in and complete their terms on the Board and at the expiration of any Board member's term the Mayor of Ann Arbor shall fill the position on the Board with the concurrence of the Ann Arbor City Council. All appointments shall be for a term of five years other than the terms of Ann Arbor Transportation Authority board members as of June 15, 2013 who became members of the Authority board for the remainder of their original terms. All regular appointments to the Board shall be made to coincide with May 1st of each calendar year; however, seated members will hold over until a successor has been appointed, and when such a successor has been appointed the appointment term shall be modified so that it terminates to coincide with the regular appointment term. Any vacancy in office shall be filled by the legislative body appointing said member for the remainder of the term. Members of the Board shall serve without compensation but may be reimbursed for expenses.

Section 3. The Board shall designate one of its members as chairman, one of its members as secretary, and one of its members as treasurer, each to be designated for such term in office as may be fixed in the Board's bylaws.

Section 4. The Board shall adopt and may amend bylaws and rules of procedure.

Section 5. The chairman shall preside at meetings of the Board and shall sign and execute all authorized bonds, contracts, checks and other obligations in the name of the Authority when so authorized by the Board. The chairman shall do and perform such other duties as may be fixed by the bylaws and from time to time assigned to him by the Board.

Section 6. The secretary shall keep the minutes of all meetings of the Board, and of all committees thereof, and books provided for that purpose. The secretary shall attend to the giving, serving, and receiving of all notices or process of or against the Authority. The secretary shall sign with the chairman in the name of the Authority all contracts authorized by the Board. The secretary shall have charge of all

books and records, which shall at all reasonable times be open to inspection and examination of the Board, or any member thereof and in general perform all the duties instant to this office. The secretary shall preside at meetings of the Board in the absence of the chairman.

Section 7. The treasurer shall have custody of all the funds and securities of the Authority which may come into his hands or possession. When necessary or proper, the treasurer shall endorse in behalf of the Authority for collection, checks, notes and other obligations and shall deposit them to the credit of the Authority in a designated bank or depository. The treasurer shall sign all receipts and vouchers for payments made to the Authority. The treasurer shall jointly with such other officer as may be designated by the Board sign all checks, bonds, promissory notes or other obligations of the Authority when so ordered by the Board. The treasurer shall render a statement of his cash account when required by the Board. The treasurer shall enter regularly in the books of the Authority to be kept by him for this purpose full and accurate accounts of all monies received and paid by him on account of the Authority, and shall at all reasonable times exhibit the books and accounts to the Board or any member thereof when so required. The treasurer shall perform all acts incidental to the position of treasurer fixed by the bylaws and as assigned to the treasurer from time to time by the Board. The treasurer shall be bonded for the faithful discharge of the duties of treasurer, the premium to be paid by the Authority.

ARTICLE V

PUBLICATION AND FILING

The City Clerk of the City of Ann Arbor is charged with the responsibility of causing this amendment to the Articles of Incorporation to be published at least once in the Washtenaw County Legal News. The Authority shall reimburse the City of Ann Arbor for the costs of publication. In addition, the Clerks of the City of Ann Arbor, the City of Ypsilanti and the Charter Township of Ypsilanti shall publish this amendment to the Articles of Incorporation on their respective websites. The said City Clerk of the City of Ann Arbor is further charged with the responsibility of filing with the Secretary of State of the State of Michigan and with the County Clerk of the County of Washtenaw a printed copy of this amendment to the Articles of Incorporation certified as a "true copy" with the date and place of publication.

ARTICLE VI

AMENDMENTS

Amendments may be made to these Articles of Incorporation in the same manner in which the said Articles were originally adopted.

ARTICLE VII

REGISTERED OFFICE

Location of registered office and post office address of this Authority is the Office of the Ann Arbor City Clerk, City Hall, Ann Arbor, Michigan.

ARTICLE VIII

MEMBERS ADMISSION AND RELEASE FROM THE AUTHORITY

Admission of and release of a political subdivision from the Authority shall be evidenced by an amendment to the Articles of Incorporation, adopted, executed and published and filed in the same manner as the original articles of incorporation. Any such release shall be subject to the conditions set forth in Act 55.

ARTICLE VIX

EFFECTIVE DATE

These Articles of Incorporation shall become effective and be in full force upon the filing of a printed copy with the Secretary of State of the State of Michigan and the County Clerk of the County of Washtenaw as herein provided.

IN WITNESS WHEREOF, the Ann Arbor City Council, the Ypsilanti City Council, the Board of the Charter Township of Ypsilanti and the Ann Arbor Area Transportation Authority Board have adopted and authorized to be executed these Articles of Incorporation in behalf of the City of Ann Arbor, a Michigan municipal corporation, by the Mayor and City Clerk, by the City of Ypsilanti, a Michigan municipal corporation, by the Mayor and City Clerk, by the Charter Township of Ypsilanti, a Michigan municipal corporation, by the Supervisor and Clerk, and by the Ann Arbor Area Transportation Authority by the chairperson and secretary.

WITNESSES:

CITY OF ANN ARBOR, a Michigan
Municipal Corporation,

By: _____
John Hieftje, Mayor

By: _____
Jacqueline Beaudry, City Clerk

CITY OF YPSILANTI, a Michigan
Municipal Corporation,

By: _____
Paul Schreiber, Mayor

By: _____
Frances McMullan, City Clerk

AAATA

By: _____
Charles Griffith, Chair

By: _____ . _____
Anya Dale Secretary

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the members elect of the City Council of the City of Ann Arbor, Washtenaw County, Michigan, at a meeting duly held on the _____ day of _____, 2013.

WITNESSES:

CITY OF ANN ARBOR, a Michigan
Municipal Corporation,

By: _____
John Hieftje, Mayor

By: _____
Jacqueline Beaudry, City Clerk

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the members elect of the City Council of the City of Ypsilanti, Washtenaw County, Michigan, at a meeting duly held on the _____ day of _____, 2013.

WITNESSES:

CITY OF YPSILANTI, a Michigan
Municipal Corporation,

By: _____
Paul Schreiber, Mayor

By: _____
Frances McMullan, City Clerk

The foregoing Articles of Incorporation were adopted by an affirmative vote of the majority of the Board of the Charter Township of Ypsilanti, at a meeting duly held on the _____ day of _____, 2013.

CHARTER TOWNSHIP OF YPSILANTI,
a Michigan Municipal Corporation,

By: _____
Brenda L. Stumbo, Supervisor

By: _____
Karen Lovejoy Roe, Clerk

Board members commented on the resolution. It was noted that several concerns have been raised that the expansion could cause either a decrease in service to the “core” of what has been TheRide, or create additional costs. Michael Ford was asked to explain why that is not the case so that those apprehensions can be alleviated. Mr. Ford indicated that he is mindful of the concerns. He referred to the Issue Analysis which outlines the details of expansion including clarification that Ypsilanti Township will only be paying for the services they are getting.

Susan Baskett read an excerpt from the Issue Analysis:

- AAATA’s funding base will be made more stable by Ypsilanti Township’s membership since Ypsilanti Township has pledged funding, equal to the cost of acquiring services throughout the Purchase-of Service Agreement, to the Authority for transit purposes. This pledge is contained in the Township’s resolution requesting service and will be further documented in a memorandum of understanding. Note that the nature of Ypsilanti Township’s commitment will change in the event of any Authority millage, that is, the commitment of Ypsilanti Township’s general revenues can be reduced by the amount of revenue produced by the township’s share of an Authority millage. In other words, a .7 mil Authority levy, if enacted, would produce enough revenue in Ypsilanti Township to fully cover the cost of both existing and proposed new services in the township, making a contribution from their general fund unnecessary. This is illustrated in the accompanying chart.

It was noted that the discussion was based on an assumption of a millage. Michael Ford was asked about Plan “B”, if there is no millage. It was also noted that the Work Plan resulted in staff having a full plate, and Mr. Ford was asked to indicate how he would guard against putting current business at risk with the prospect that additional funding and resources could be required for an expansion.

Mr. Ford responded that the Urban Core process has progressed to a point where a significant amount of work has been completed. The next phases relate more to policy, infrastructure, communication and service refinements. Mr. Ford indicated that given the resources in place, he does not expect the Work Plan to be compromised. As to a Plan “B”, Mr. Ford indicated that he does not perceive any major change, unless an existing partner reduced service. Mr. Ford added that for now he anticipates that there would not be any significant change in staff time or involvement.

A brief history was provided of the long term planning that has taken place over the course of a few years working through how to include other jurisdictions in the Authority that has resulted in the City of Ypsilanti joining the Authority and the Board considering Ypsilanti Township's request to join. Pursuit of a countywide structure was modified following volumes of input from community members and elected officials, which led to refining the process, as requested by Ann Arbor City Council, and changing course to move forward with the Urban Core Program. It was suggested the City of Ypsilanti joining the Authority and Ypsilanti Township requesting to join is granting long-term partnerships and the opportunity to formally participate in the governance process, prospective millage requests and support the overall goal of improving and increasing transit services for members of the community.

A suggestion was made that in the future, when other jurisdictions wish to be considered to join the Authority that the Board use guiding principles to determine if the addition will likely be an improvement in the long term, and support the Authority's overall mission.

Staff was directed to make the Articles of Incorporation document available to the public. Michael Ford indicated that the document would be posted to the website, along with commonly asked questions and a "Fact vs. Myth" piece.

The motion passed unanimously.

10.0 Public Time

Jim Mogensen appeared before the Board. Mr. Mogensen referred to the operating report and "Special Fares" related to the U of M and the \$1 per ride received from U of M. Mr. Mogensen shared an analogy related to the health care system and people who are uninsured going to the emergency room and how the charges are paid for, stating that the services are not free but rather the patient receives a big bill and a payment plan. Mr. Mogensen indicated that there is a proposal to cap the uninsured individual's expense at a certain level, but that is not likely to happen as the bills would not get paid. Mr. Mogensen indicated that this came up when fares were raised and the question was asked, "Did U of M have to pay more?" An explanation was made that they did not because it would make it difficult for U of M to budget. Mr. Mogensen indicated that if an individual does not qualify for reduced fare programs, the full \$1.50 fare must be paid. Mr. Mogensen shared details of a conversation between him and a student who indicated that he [the student] did not have to pay anything to ride the bus. Mr. Mogensen pondered that if there is difficulty and budgetary problems, how will the money be made up? Through an increase in fares? There would be difficulty making up the money. Mr. Mogensen indicated that over time that can cause some issues.

Vivienne Armentrout appeared before the Board. Ms. Armentrout expressed concern that the documents the Board has are not convincing because they are concepts, not

contracts, which commits no one to anything. Ms. Armentrout stated that “Whereas” clauses in resolutions have no binding power; it is what is in the “Resolved” clause that actually commits the municipality to spend money. Ms. Armentrout indicated that Ypsilanti Township has not committed to anything and the Board is admitting a municipality that is a Michigan township that operates under the operating assumptions of Michigan townships. Ms. Armentrout commented on her familiarity with Michigan township operations through her work on the Board of Commissioners. Ms. Armentrout further commented on a lawsuit brought against Washtenaw County by Ypsilanti Township alleging that the County was overcharging the Township for their share of services. The lawsuit spanned a few years and ultimately the Township lost the suit, but both units of government spent millions of dollars in litigation. Ms. Armentrout suggested that the Township will have very precise expectations for how their funding is spent. Ms. Armentrout read the following excerpt from the Issue Analysis:

- [Question:] If Ypsi Township becomes part of the AAATA organization, will they no longer have to pay for services under a POSA contract? [Answer:] Only if Ypsi Twp becomes a member AND there is a successful millage, would Ypsi Twp stop paying for service from their general fund and start paying the full cost of service through their millage contribution...If millage funding is not feasible for any reason, the AAATA will continue running the services already being provided, funded through existing mechanisms, including the POSA mechanisms that have existed for over thirty years. As property values continue to rise in Ann Arbor, AAATA revenues may increase sufficiently to add new services.

Ms. Armentrout suggested that Ypsilanti Township officials are looking forward to expanded services, and Ms. Armentrout cautioned the Board that there may be a lot of issues to deal with in the future, if this takes place. Ms. Armentrout restated her concern that there is no guarantee even that Ypsilanti Township will pay their POSA amount once they become a member of the Authority and may not be due POSA charges. Ms. Armentrout indicated that despite some goodwill, what the Board approved was a handshake.

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

11.0 Adjourn

Eric Mahler moved to adjourn the meeting with support from Eli Cooper. The motion passed unanimously and the meeting adjourned at 8:06 p.m.

Respectfully Submitted

Susan Baskett, Acting Secretary



To: Board of Directors
From: Michael Ford, Chief Executive Officer
Date: October 11, 2013
Re: Monthly Report

Board Meeting Follow-Up and Preview

Thank you for your support on September 26 with approval of the FY2014 Operating Budget and endorsement of Ypsilanti Township joining the Authority. I appreciate the Board's work over the past year that has contributed to where we are today: an expanded authority, on budget, state revenues restored, and a new, revitalized Work Plan process for the coming year. We are looking forward to the prospect of expanded service to better serve the citizens of Ann Arbor and drawing a wider circle of transit coverage in the urban core to meet the needs of those who want and need access to transit services.

The August 15, 2013 Board meeting minutes were amended as approved by the Board. Additional clarification of public time commentary from August public time comments are included in the September 26, 2013 meeting minutes. A note of clarity regarding a comment that Performance Monitoring and External Relations (PMER) meeting summaries are not included on the website; while the meeting materials and summaries have been included in most versions of the board packets posted online, they did not have their own distinct folder. We agreed that this was a good idea and have updated the website.

As a follow-up to a question raised last month, a check was made of the new bus stop at Briarwood Mall. The trash receptacle is located out of the line of pedestrian traffic and the flow of people moving through the area was smooth. We have a very good relationship with Briarwood and will continue to work with them to make sure that the space is effective for our customers.

The Board meeting agenda includes one action item for the Board's consideration: Authorization to secure ten vehicles for Vanpool service. The resolution was endorsed by the Planning and Development Committee at their October 8 meeting. There are two action items that will be presented to the PMER Committee next week. Upon approval from PMER, an amended agenda will be issued.

Planning and Development Committee Meeting

The Committee supported moving forward to the full Board the resolution to secure 10 Vanpool vehicles for scheduled replacements. Additional vans will be needed later this year and we will return to the board after completing further analysis. Presentations were made on the Capital and Categorical Grant Program and Information and Education Sessions for the Urban Core Five Year Transit Improvement Program. The Committee approved the FY2014 meeting schedule. The meetings are posted on the website. A detailed meeting summary is included in the Board packet.

Performance Monitoring and External Relations Committee

The Performance Monitoring and External Relations (PMER) Committee is scheduled to meet on October 16. As noted above, the Committee will be asked to support two action items. Staff will report on the financial and performance data for the fiscal year ended September 30, 2013.

Urban Core Transit Plan

Several projects are in process for the Urban Core Transit Plan. A team comprised of representatives of the Service Development, Financial Planning and Paratransit Operations areas is continuing to detail the characteristics of expanded Dial-A-Ride Plus Service. Staff, in conjunction with our legal counsel and counsel from the City of Ypsilanti, has developed a contract detailing financial commitments between the two organizations. The contract will be presented to the PMER committee for consideration with ultimate approval sought from the full Board. We are working with city council members and local leaders on the details and approvals for Ypsilanti Township joining the Authority. Work continues to finalize the community survey. We welcome Board members comments.

A presentation is being prepared for the October 14 Ann Arbor City Council Working Session, and as reported under the PDC heading earlier in this report, we have developed internal and external Information and Education Session materials. The internal sessions will launch on October 11. The external meetings are scheduled for mid-October through mid-November and will be held at locations throughout Ann Arbor and Ypsilanti cities and Pittsfield and Ypsilanti townships. Elected officials are invited to these meetings to listen to public comments and give their own feedback on the proposed service improvements. The first external session for Ann Arbor will take place prior to the October 17 Board meeting (at 4:00 p.m.), and also be held at the Library. The presentation will be recorded by CTN for viewing on the local cable access channel. Charo Ledón, Executive Director of Casa Latina, has graciously offered to tape a Spanish voice-over of the presentation so that members of the Hispanic community in the area have access to the Urban Core Program information as well.

Governance Meetings

We continue to meet with community leaders and elected officials to gauge support for Urban Core improvements.

Transit Riders United (TRU)

AAATA and Transit Riders United (TRU) staff recently convened via teleconference to review a draft survey report from TRU and ensure that transit advocacy messages are not conflicting with one another. TRU is impressed and supportive of AAATA and is advocating for increased and improved transit throughout the metro area. TRU conducted an extensive, but not scientific, survey of residents in the four county area that they will be presenting to the Regional Transit Authority board in November. TRU received about 250 respondents from Washtenaw County and will be sharing the break-out information with us soon. TRU is also collaborating with the University of Detroit on a scientific survey later this year and in which they would like to learn and make compatible with our surveys.

Effect of Federal Shutdown on AAATA

Prior to the Federal government shutdown, we received a communication from Federal Transit Administrator (FTA) Peter Rogoff about the possible impact on the Authority. The notice indicated that FTA would not be available to incur further financial obligations starting October 1, 2013 (neither obligate grants nor make payments to grantees) until Congress passes a funding bill signed by the President. This will not have a significant cash flow impact on the Authority, unless the shutdown continues more than three months. We anticipate receipt of invoices related to the Blake Transit Center in the near term. Depending on the timing, we may have to use unrestricted net assets to cover the invoices until funds can be levied from FTA. We also cannot request and receive guidance or receive answers to questions. One important example is the absence of resolve on the Buy America waiver request for vans for vanpool service. Because the shutdown is occurring at the beginning of the fiscal year, it is not expected to affect grant submission and approval.

Regional Transit Authority (RTA)

The Regional Transit Authority (RTA) held their October 2 at the Ann Arbor District Library. Prior to the board meeting, we hosted RTA board members, staff, TheRide board members and other provider's staff to our main facility as an opportunity to build relationships and to become familiar with our operations, plans and facilities. The event was well attended and well received. At their board meeting, John Hertel was officially hired as the RTA CEO. John has requested that we meet regularly and I am in the process of arranging our first meeting.

The RTA board also expanded the Citizen Advisory Committee to 50 members. Six more members will be appointed from Washtenaw County. The application can be found on the RTA website and we encourage interested citizens to apply. We will also be sending the word out to our contacts who may be interested.

The next Providers Advisory Council meeting is scheduled next week where PAC will review the proposed master calendar. There are no significant changes anticipated that would impact AAATA. The PAC will also discuss 5310 funds, service performance metrics, and public input. And finally, we are hoping that Planning Committee meetings will get underway soon now that John Hertel has been hired.

My sincere thanks to staff, especially Sarah Pressprich Gryniewicz, who led the effort. I appreciate the work of everyone who contributed to managing the open house event and handling the transportation, board meeting and new Blake Transit Center tour logistics.

Local Bus Operating Formula for FY2014

We recently received notice from the Michigan Department of Transportation (MDOT) that the Authority is projected to receive 30.86% of our eligible urban operating costs in FY2014. This increased percentage (from 30.70%) will yield an additional \$20,500 for FY2014.

Meetings and Events

Washtenaw County Board of Commissioners

Michael Benham recently participated in a District 7 Board of Commissioners Economic Development Forum. Michael was a member of a five-person panel, organized by County Commissioner Andy LaBarre, to discuss economic development programs for the County, and the transit's contribution.

Michigan Transportation Odyssey

Staff greeted the "Odyssey" group at the Ann Arbor District Library last week. We shared information and provided support to the group as they traveled across Michigan by public transportation.

ITS Study

Staff met with Carol Schweiger from TransSystems for her advice on moving forward with an ITS project to procure an Advanced Vehicle Locator system for Paratransit and Fixed Route vehicle tracking. Carol is a nationally renowned advisor for Intelligent Transit systems consulted regularly by the U.S. Department of Transportation (DOT). Carol is an instructor for many of the Research and Innovative Technology Administration (RITA) courses offered by DOT. Carol has

also been a consultant for over 40 ITS implementations for Public Transit organizations including SMART (Detroit) and TheRapid (Grand Rapids). Her solid advice, which will be the subject of a further debriefing, includes being realistic about actual needs, vendor expectations and time to deliver the product.

Work Plan Projects

Blake Transit Center

The Blake Transit Center project continues to move along. The roof is complete and the brick and limestone are expected to be complete in the next few days. The rough-in of the plumbing and mechanical work is expected to be finished by week's end with inspections slated for mid-October. Our target is for the building to be completely closed in by the end of this month with drywall 90% completed. We have chipped away at some of the contingency funds but remain confident that the project is within budget. The new completion date is estimated for near the end of January 2014.

As Terry Black reported to PDC this week, we are pursuing an earlier demolition of the existing facility to preempt the prospect of a harsh winter which could have a significant on the project schedule. Arrangements are being made to place two portable trailers on the surface lot adjacent to the construction site; one for use for customer service and one for use by operators. I appreciate the Downtown Development Authority granting us permission to use a portion of their lot.

We hope to have the portable trailers in place by the end of October. Demolition of the existing facility will be scheduled for a weekend when there is less pedestrian traffic.

Connector Alternatives Analysis

Six potential alignments with station locations have been identified for ridership modeling of the Connector corridor. These route possibilities will be vetted by Leadership Advisory Group (LAG) focus groups on the north and south ends of the corridor on October 24. They are also being shared with the community at large for public input in early November both at open house events and in online surveys. The selected Locally Preferred Alternative brought back for final comments in February or March 2014. A short video clip of the Connector is also in progress to be released at the upcoming meetings over the next month, as well as on the website at aaconnector.com.

ReImagine Washtenaw

I am pleased to report that the Michigan Association of Planning bestowed its 2013 Planning Excellence Award for Outstanding Student Project on the *Let's Roll: Reimagining Washtenaw Avenue Rapid Transit*. This master's capstone project was done by University of Michigan students in collaboration with TheRide and Reimagine Washtenaw, with Chris White as a liaison to the group and Julia Roberts as part of the graduate team.

The project evaluates options for rapid transit on the Washtenaw corridor and makes recommendations for ways to improve service flow from transit signal priority to queue jump lanes. Our group of students were recognized for their innovative and technically specific study that can be used to better transit across the state.

Commuter Rail

A public meeting on the WALLY station location study was held on September 8 at the Ann Arbor Community Center. The public meeting was very well-received. There were approximately 25-30 attendees. It turned out to be a very interesting assembly of many who have been skeptical about the WALLY project, as well as those who have been supportive, (see attached sign-in sheet) resulting in a sometimes passionate but civil dialogue among attendees. Several Livingston county Friends of WALLY were also in attendance. There were many questions about future costs and funding sources, and levels of public support the project, although AATA and SmithGroup JJR made it clear that the short-term focus was on gathering facts and collecting public input related to potential downtown Ann Arbor commuter rail platform (station) locations.

It was specifically pointed out that WALLY is in the long-range plan for AATA, and that current efforts are restricted in scope and financial participation, with the intent to compile data that can then be used in future decision-making that would include the affected communities. While there were some clear proponents and opponents in the crowd, there was a universal agreement (from comments and applause at the end) that the work done to-date was comprehensive, well-organized and clearly presented, and that the prospective platform (station) locations were identified in compliance with sound planning, development and design principles.

Informational materials were provided and feedback on the selection and evaluation criteria was solicited. Work is expected to be completed by the end of the year, with development of ranked downtown commuter rail platform (station) locations.

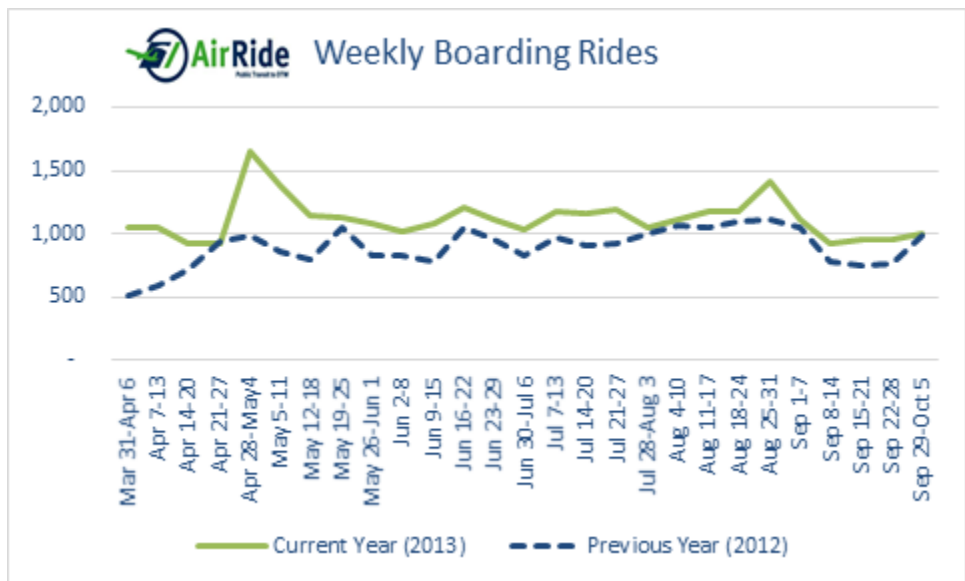
VanRide

The VanRide program currently has 44 active van pools. As noted earlier in this report, we are seeking Board approval to purchase ten vehicles to be used for the replacement of aging

vehicles and expansion to add new van pools. We continue to be pleased with the growth of the program.

AirRide

AirRide service ridership averaged 968 for the past three weeks.



Travel

I recently attended the American Public Transportation Association’s (APTA) annual meeting in Chicago. APTA President and CEO, Michael Melaniphy convened the General Session which included a video address from Department of Transportation Secretary Anthony Foxx. Secretary Foxx (who appeared by video due to the impending government shut down) spoke about MAP-21 funding and benefits to transit systems. We also heard from Chicago Mayor, Rahm Emanuel, a public transit rider, about the city’s work to improve current transit service and expand service. Peter Rogoff, FTA Administrator, and Peter Varga, CEO TheRapid, also made presentations at the conference. Peter Varga is the newly appointed Chair of APTA.

I met with Michael Melaniphy and his Chief of Staff at which time Mr. Melaniphy invited me to join him in Washington, DC to discuss transit issues and ways to move the Authority’s transit initiatives forward. I also met with Michigan colleagues to discuss regional transit issues and how we can collaborate and be supportive of one another’s projects. I attended numerous sessions on topics ranging from creative financing, technology, gaining public trust, and industry best practices.

Ann Arbor Area Transportation Authority Board of Directors
Planning and Development Committee
Approved Meeting Summary
October 8, 2013 – 3:00 p.m.

Present: Committee –Eli Cooper (Acting Chair), Eric Mahler (Telephone), Gillian Ream Gainsley
Staff – Michael Benham, Terry Black, Ron Copeland, Bill De Groot, Michael Ford, Dawn Gabay, Sarah Pressprich Gryniewicz, Ed Robertson, Mary Stasiak, Elizabeth Tibai, Phil Webb, Karen Wheeler, Chris White, Michelle Whitlow

Absent with Notice: Sue Gott

Guests – LuAnne Bullington, Clark Charnetski, Larry Krieg

Acting Chair Eli Cooper called the meeting to order at 3:00 p.m.

1.0 *Communications and Announcements*

There were no announcements or communications.

2.0 *Public Time – Comment on Agenda Items*

There were no public comments.

3.0 *Action Items*

3.1 *Purchase of Vanpool Vehicles: Michelle Whitlow*

Michael Ford reported on the purchase of vanpool vehicles noting that the original proposal was to obtain 25 vans, with the option of 10 additional vans, for the replacement of aging vehicles and to expand the program into new van pools. However, there were some unanswered questions, for the Federal Transit Administration (FTA) representatives overseeing the Michigan area and due to the current federal shut-down, those questions cannot be addressed at the moment. Therefore, the resolution before the PDC was amended to request the purchase of 10 vehicles to meet the program's immediate needs.

In total, the van pool program will need 35 replacement/expansion vans during fiscal year 2014. Mr. Ford explained that the current request for 10 vans will help the program until the end of the calendar year and until the FTA is fully operational again. Staff may seek additional vans during the November committee meeting.

Board Member Gillian Ream Gainsley recommended support of the motion as written. Eric Mahler seconded the motion, and the motion carried.

4.0 *New Business*

4.1 *Capital and Categorical Grant Program: Chris White*

Chris White provided the committee with a review of the five year capital and categorical grant program. The updating process for the Program for the coming year requires a review of the current program and its accomplishments, consideration of possible projects for the coming year, and discussions on changes that would be necessary to accomplish organizational goals.

The Program takes into account all of the items that can be funded through grant monies. Next month, Chris will re-introduce the Program to the committee with recommended changes needed to meet the Authority's needs. AAATA will seek Board adoption of the Program in December (a month earlier than usual), due to the need to have the plan submitted for approval to the new RTA.

Chris explained that there are two types of federal grants: formula funds and discretionary funds. The formula funds are received annually and are based upon a formula that incorporates population, population density, etc. The capital and categorical grant program is developed to manage these funds. Discretionary funds, on the other hand, are received through a competitive application process for each specific program and are for capital funding purposes. The programs and amounts for these funds vary greatly from year to year. Mr. White noted that unlike other transit agencies that use discretionary funds to care for capital needs, AAATA has always used formula funds for operating and capital expenses. Discretionary funds are then used to supplement formula funds to carry out planned projects.

Mr. White reported that congress makes an annual appropriation for these funds and they are allocated based on a set formula. Currently, half of AAATA funds are based on the urbanized area population and population density while the other half are based on the services provided.

Mr. White noted that this year's Program will have some significant changes relating to evolving organizational needs and the urban core transit improvement program. A detailed presentation for the Committee to better understand this new relationship is scheduled for the November committee meeting.

4.2 *FY2014 PDC Meeting Schedule: Ed Robertson*

Ed Robertson provided the committee with a proposed FY 2014 Planning and Development Committee (PDC) meeting schedule. All PDC meetings are slated one week prior to the Board meeting. He explained that this will give staff enough time to

prepare materials, resulting from PDC, for the full Board meeting. The proposed meeting schedule is subject to change, where necessary.

All committee members endorsed the proposed meeting schedule.

4.3 *Urban Core: 5-Year Transit Improvement Program: Benham, Stasiak, and Robertson*

Mary Stasiak reported on the public outreach plan for the five year transit improvement program. The plan includes many avenues of promotion including press releases, paid advertising, social media and utilization of the www.movingyouforward.org and the www.theride.org websites. Mary provided samples of outreach posters that are in currently being produced. One poster will outline the Program's public meeting dates, times and locations. The other poster will list all the affected routes of the proposed Improvement Plan.

Outreach meetings and paid media advertising are scheduled for both the Ann Arbor and Ypsilanti areas. There are a total of 12 public meetings scheduled with the first being held immediately prior to the October 17 Board meeting. Mary noted that customer feedback on the Plan is encouraged and will be accepted through the meetings, email, mail, telephone, and at tellus@theride.org.

Ed Robertson reported that Michael Ford will lead a series of "chats" to introduce and familiarize AAATA employees with the urban core transit improvement program and the upcoming public input sessions. The kick-off meetings with employees will be this Friday, October 11 and will provide an overview of the Plan.

Michael Benham reported on the presentation of the Improvement Plan to the public. The public meetings will continue with the general format of the previous Urban Core meetings, and will discuss service, governance and funding of the Plan. There will be several maps on display during the public meetings detailing the proposed service changes in Ypsilanti, Ann Arbor and surrounding areas.

There will be future RideGuide pages available for preview and comment during the public meetings. Michael noted that the discussions will focus on the five year vision without regard to the implementation schedule for the improvements. However, if questions arise, he will share the guidelines, principles and limitations for various aspects of the Plan.

The Governance discussion will include discourse with Urban Core partners to see how priorities are determined. Mr. Benham will also highlight the addition of Ypsilanti and Ypsilanti Township into the Authority. The presentation will conclude with a discussion of the *Next Steps*. The *Next Steps* include endorsement of the Improvement Plan by the AAATA Board of Directors.

Eli Cooper suggested using the Improvement Plan system map as a tool for the campaign. The map could be displayed at the Blake Transit Center and other prominent rider locations as a means of promotion.

5.0 *Continuing Business*

There was no continuing business up for discussion.

6.0 *Updates*

6.1 *Connector Study: Chris White*

Julia Roberts provided the committee with an update on the connector study highlighting a series of upcoming public and focus group meetings in October and November. The meetings are intended to narrow down the proposed six alignments of the study and to introduce the connector informational video. The video will answer the question, “*What is the connector study?*” Julia noted that governance and finance meetings are coming in the near future and will discuss the Michigan Environmental Policy Act (MEPA).

6.2 *Urban Core: 5-Year Transit Improvement Program: Michael Benham*

Please see agenda item 4.3; *Urban Core: 5-Year Transit Improvement Program*.

6.2 *BTC Project: Terry Black*

Terry Black reported that the BTC roof, brick and limestone work has been completed. It has been necessary to use a small bit of the project’s contingency funds, but overall the project remains within budget. Terry reported that it now appears the building will be complete at the end of January.

In an attempt to avoid further weather delays due to frost laws, Terry and Spence Brothers (the construction manager) have devised a way to eliminate the two step process of completing the new BTC and then demolishing the old BTC. They are working to secure portable trailers to house operators, customer service, and restrooms until the project is completed. This will allow both the construction of the new building and the demolition of the old building to occur simultaneously, thus saving time and minimizing the potential effects of adverse weather conditions. Michael Ford reported that there will be a public communications blitz explaining these changes in the project.

Terry reported that the portable trailers will add \$10,000 - \$15,000 onto the project. However, weather delays would also increase the cost of the project and would extend the project completion date. The concept of accomplishing both tasks (simultaneous construction of the new BTC, and demolition of the old building) was endorsed by the Committee members.

6.3 *Art for the BTC: Dawn Gabay*

Dawn Gabay reported that the Request for Proposal (RFP) for art work at the new BTC has been issued. The RFP period will close on Wednesday, October 16, and four responses have been received thus far.

6.4 *RTA Developments, Impacts, & Opportunities: B. De Groot & S. Gryniewicz*

Sarah Gryniewicz thanked the committee for attending the October 2 RTA Board meeting held at the Ann Arbor District Library. She reported that the RTA officially hired John Hertel as the CEO at that meeting. Mr. Hertel is now working to hire additional RTA staff members.

Sarah noted that the RTA Citizens Advisory Council (CAC) was recently expanded to 50 members, meaning that Washtenaw County will now have an additional six members on the council.

6.5 *WALLY/EAST-WEST RAIL: Michael Benham*

Michael Benham informed the Committee of a public meeting for the WALLY station location study that will be held on Tuesday, October 8 at the Ann Arbor Community Center. Invitations were extended to all WALLY stakeholders. He noted that there will be another phase of the study, the feasibility study, which will cover the entire corridor and include stakeholders in Livingston County.

7.0 *Public Time*

Larry Krieg stated that he is a member of the Friends of WALLY group in Howell which is meeting on Saturday, October 12, that will include a workshop to develop goals and strategies to reach-out to stakeholders in Livingston County. Mr. Krieg noted that this could be done for the Ann Arbor area.

Mr. Krieg reported that there is confusion regarding upcoming requests for a millage to support public transit within the area's transit agencies. Specifically, the confusion stems from the need to support the new RTA, and the need to support the expansion projects of the Transit Improvement Program of AAATA. The two agencies need to coordinate and provide clarity and timelines.

Clark Charnetski is a resident of Ann Arbor and noticed that there are not many new routes proposed for Ann Arbor under the urban core transit improvement program. He stated that AAATA will need to concentrate on the proposed improvements in the area, such as frequency and length of service, which are not easily shown on a map. He would like to see another method highlighting the proposed route increases in frequency and extended hours.

No one further appearing, Mr. Cooper declared public time closed.

7.0 *Future Meetings*

Tuesday, November 12, 2013 at 3:00 p.m.

8.0 Executive Session – Consider the Purchase or Lease of Real Estate (in accordance the Michigan Open Meetings Act (MCL 15.268(d))

Gillian Ream Gainsley moved to adjourn to executive session, in accordance with the Michigan Open Meetings Act, for the purpose of considering the purchase or lease of real estate. Eric Mahler supported the motion. The motion passed unanimously on a roll call vote: Ream Gainsley – Yes; Mahler – Yes; Cooper – Yes. The executive session commenced at 4:12 p.m.

Gillian Ream Gainsley moved to adjourn the executive session with support from Eric Mahler. The motion carried and the executive session adjourned at 4:39 p.m.

9.0 *Adjourn*

There being no further business, Mr. Cooper adjourned the meeting at 4:40 p.m.

Respectfully Submitted,

Elizabeth Tibai

OCTOBER 8, 2013 LAC MEETING MINUTES

UNLESS POSTED, LAC MEETINGS ARE HELD THE SECOND TUESDAY OF EVERY MONTH (EXCEPT JULY) FROM 10 A.M. TO 12 NOON AT AAATA'S MAIN OFFICE: 2700 S. INDUSTRIAL HWY., ANN ARBOR (734) 973-6500

1.0 INTRODUCTION OF ATTENDEES

LAC Executive Members Present:

Rebecca Burke (Chair), Clark Charnetski (Co-Chair), Stephen McNutt, Jody Slowins, Cheryl Weber

LAC Executive Members Absent:

Gloria Kolb, John Kuchinski

General LAC Members:

Guests:

Dave Reid & Kristin Persu (SR), Luanne Bullington (CAC), Shanelle Jackson (RTA), Clive D'Souza (UofM)

AAATA LAC Liaison:

Brian Clouse

| Commonly Used Acronyms | |
|-------------------------------|---|
| AACIL | Ann Arbor Center for Independent Living |
| AAATA | Ann Arbor Area Transportation Authority |
| AAA1B | Area Agency on Aging 1B |
| AADL | Ann Arbor District Library |
| BTC | Blake Transit Center |
| CAC | Citizens Advisory Council |
| CSR | Customer Service Representatives |
| FOIA | Freedom of Information Act |
| LDA | Learning Disabilities Association |
| LAC | Local Advisory Council |
| MDOT | Michigan Department of Transportation |
| PPA | Partners in Personal Assistance |
| PEX | Peoples Express |
| PMER | Performance Monitoring and External Relations |
| RICC | Regional Interagency Consumer Committee |
| RFP | Request For Proposal |
| RTA | Regional Transportation Authority |
| SR | Select Ride Inc. |
| SMART | Suburban Mobility Authority for Regional Transportation |
| WALLY | Washtenaw and Livingston Line |
| WATS | Washtenaw Area Transportation Study |
| WCC | Washtenaw Community College |
| WAVE | Washtenaw Area Value Express |

2.0 COMMUNICATIONS AND ANNOUNCEMENTS

OCTOBER 8, 2013 LAC MEETING MINUTES

- 2.1 Mr. Charnetski announced a meeting regarding WALLY station locations on October 8, at 7pm at the Ann Arbor Community Center.
- 2.2 Mr. Clouse stated that Ms. Kolb had moved to Saline and that he was expecting to hear back from her.

3.0 REVIEW AND APPROVAL OF MINUTES

The LAC approved the minutes without corrections.

4.0 PUBLIC COMMENT TIME (5 MINUTE TIME LIMIT PER SPEAKER)

- 4.1 Ms. Bullington encouraged LAC members to apply for membership on the new Regional Transit Authority (RTA) Citizen Advisory Committee (CAC).
- 4.2 Mr. D'Souza from the UofM Department of Industrial and Operations Engineering explained how his research helps improve accessibility and accommodations for persons with disabilities.

5.0 AAATA BOARD MEETING REPORT

Ms. Burke reported on the Board's appointment of Ms. Weber and Mr. Kuchinski to the LAC Executive Board. Ms. Burke also reported that Jack Bernard would be representing the Board as their liaison to the LAC and that Mr. Bernard will attend the November LAC meeting.

Governance Committee LAC Items: None

6.0 BUSINESS ITEMS

6.1 LAC Executive Member Term Appointments

Ms. Weber and Mr. Kuchinski were appointed to the LAC Executive Committee. Ms. Burke was re-elected as LAC Chair and Ms. Weber was elected as LAC Co-Chair. Discussion over Ms. Kolb's Executive status ensued. The LAC decided not make a decision until the next LAC meeting.

6.2 LAC By-Law Review

Mr. Charnetski commented on LAC term limits and cited SMART's LAC By-Laws as a reference. Open discussion over term limits and participation ensued. The LAC agreed to amend the LAC By-Laws and LAC Charge as follows: change AATA to AAATA to reflect the name change. No other changes were made.

OCTOBER 8, 2013 LAC MEETING MINUTES

6.3 A-Ride Contract

6.3.1 LAC Executive Member RFP Participation

Ms. Weber and Ms. Burke volunteered to participate as members of the A-Ride proposal evaluation team.

6.3.2 A-Ride Service Improvement Suggestions

Mr. Clouse sought additional service improvement suggestions from the LAC. He also commented on the survey-monkey survey issued last month stating that preliminary responses show interest in improved scheduling options and increased same-day trips within Ypsilanti. Mr. Charnetski commented on the improvements SMART is testing such as trip arrival notifications, automated IVR systems and web scheduling. There were no additional suggestions provided.

7.0 PUBLIC COMMENT TIME (5 MINUTE TIME LIMIT PER SPEAKER)

7.1 Mr. Charnetski reported on the SMART LAC meeting he attended. He reported on SMART's bus fleet and their decision to equip the buses with cameras. He also reported on the recent RTA meeting stating that CAC membership increased from 20 to 30 members.

7.2 Ms. Jackson explained her role on the RTA and encouraged LAC members to apply for the newly open CAC seats. Mr. Clouse stated he would distribute the application to all LAC members and participants.

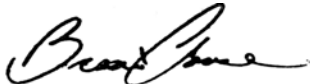
8.0 FUTURE AGENDA ITEMS

1. Introduction of Mr. Bernard (Board LAC-Liaison)
2. LAC By-Law Update

9.0 ADJOURN

Meeting unanimously adjourned at 12:00 noon.

Respectfully Submitted,



Brian Clouse, AATA Paratransit Coordinator

Next Meeting, Tuesday, November 12, 2013, 10:00 a.m. to 12 noon

Resolution 1/2014

For the Purchase of Vehicles for Vanpool Program

WHEREAS, Ann Arbor Area Transportation Authority (TheRide) manages a vanpool program and is responsible for providing vehicles for the program's vanpool groups, and

WHEREAS, a number of vehicles currently used by the vanpool groups are reaching the end of their useful lifecycle and new vanpool groups are forming continually, and

WHEREAS, TheRide needs to acquire new vehicles to replace aging vehicles in the vanpool fleet and also meet the growing demand for vehicles as a result of the successful and expanding vanpool program, and

WHEREAS, TheRide estimates that the vanpool program will require 10 vehicles to meet immediate replacement and expansion needs, and,

WHEREAS, TheRide has obtained bids for the procurement of the needed vehicles through its' Invitation for Bid (IFB) #2013-21, now therefore,

IT IS RESOLVED, that the Chief Executive Officer is authorized to purchase 10 vehicles from LaFontaine Chevrolet of Dexter at a price of \$28,175.20 each, and

IT IS FURTHER RESOLVED that TheRide shall use funds included in its Capital and Categorical Grant Program for this purchase.

Charles Griffith, Chair

October 17, 2013

Anya Dale, Secretary

October 17, 2013

Issue Analysis for Vehicles for Vanpool Program

Issue: Staff would like Board approval to purchase vehicles for expanded vanpool service.

Background: Ann Arbor Area Transportation Authority (TheRide) manages a vanpool program that currently has 44 vanpool groups carrying a minimum of 220 people. We are responsible for providing vehicles for each vanpool group participating in this program. As vehicles reach the end of their lifecycle, we purchase new vehicles to replace them. We also purchase new vehicles to accommodate new vanpool groups as they are formed.

We use FTA funds to purchase the vehicles and are therefore required to purchase vehicles that meet FTA's Buy America requirements or have a FTA approved Buy America waiver. Previously we were able to purchase the Dodge Grand Caravan because FTA provided a blanket Buy America waiver for this vehicle. However, in late 2012, FTA rescinded the waiver for the Dodge Grand Caravan.

TheRide issued an Invitation for Bid (IFB) for multi-passenger vehicles that met Buy America requirements. It was emailed to vendors in our Vendor Database and posted on the Michigan Inter-governmental Trade Network (MITN), a well-known online site for bidding opportunities. A total of 59 vendors accessed or received notice of the IFB. We received six bids from four vendors.

We have determined that of the responses received, the Chevrolet Traverse best meets the needs of our vanpool groups in terms of seating and vehicle size.

LaFontaine Chevrolet of Dexter was the lowest responsive bidder for the Chevrolet Traverse.

Funds for this purchase have been budgeted and are in approved grants.

The price for each vehicle, including decal installation, is \$28,175.20.

| Implications | |
|--|---|
| Risks of Not Purchasing Vans | Benefits of Purchasing Vans |
| <p>If we do not purchase vehicles, we will not have new vehicles available to replace aging vans in a timely manner. Nor will we have new vehicles for newly forming vanpool groups.</p> | <p>We maintain the integrity of our fleet and continue to provide vehicles for new vanpool groups that are continually forming thereby growing the program.</p> |

Staff Recommendations: Staff recommends purchasing 10 new vehicles.