

Agenda  
January 21, 2009  
Ann Arbor Transportation Authority  
Board of Directors Meeting  
AATA Headquarters, 2700 South Industrial Highway, 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 December 17, 2008 (p. 1-24)
- 5.0 Board and Staff Reports (p. 25-69)
- 6.0 Question Time
- 7.0 Old Business
- 8.0 New Business
  - 8.1 Consideration of Resolution Adopting 2009-2012 Capital and Categorical Grant Program (p. 70)
  - 8.2 Consideration of Resolution Authorizing Submission of FY2010 Application to Michigan Department of Transportation (p. 71)
- 9.0 Public Time
- 10.0 Adjournment

Proposed Minutes  
December 17, 2008  
Ann Arbor Transportation Authority  
Board of Directors Meeting  
AATA Headquarters, 2700 South Industrial Highway, 6:30 p.m.

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

Board Members Absent: Sue McCormick

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

LAC Representative: Rebecca Burke

Recording Secretary: Karen Wheeler

Mr. Nacht declared that a quorum was present and called the meeting to order at 6:38 p.m.

1.0 Public Hearing

There was no public hearing.

2.0 Communications and Announcements

Mr. Nacht reported that AATA had encountered some Internet problems over the last few days. Mr. Nacht indicated that staff responded well and was working with the cooperation of the City of Ann Arbor. Mr. Nacht thanked AATA staff and City staff for getting things up and running as quickly as possible.

Mr. Nacht reported on a meeting with the Executive Committee of the Local Advisory Council. Mr. Nacht indicated that he intends to hold meetings with the committee on a regular basis.

Mr. Nacht reported that he and all Board members had individual conversations with the consultant under contract to assist the Board with hiring a new Executive Director. Mr. Nacht indicated that he is excited that the process is underway.

Mr. Nacht announced that the Board would consider an amendment to the Bylaws concerning the ability of people from the public to address the Board about topics to be discussed during Board meetings in advance of the Board taking action. Mr. Nacht indicated that the Bylaws amendment was in response to concerns raised by the public that the Board accommodate more public comment.

### 3.0 Review and Approval of Minutes

#### 3.1 Review and Approval of Minutes of November 19, 2008

Mr. Griffith moved approval of the minutes with support from Mr. Robben.

Mr. Bernstein noted an error in the minutes indicating that he made the motion to adjourn the meeting, when in fact he was absent. Mr. Nacht indicated that Mr. Robben moved to adjourn the meeting.

Item 9.0 was amended as follows.

#### 9.0 Adjournment

Mr. ~~Bernstein~~ Robben moved to adjourn the meeting with support from Mr. Griffith. The motion passed unanimously. The meeting adjourned at 7:18 p.m.

Mr. Annis noted that the Planning and Development Committee report indicated that "There was no report". Mr. Annis reported that the committee is very active and meets almost weekly. Following each meeting a detailed meeting summary is produced. Mr. Annis requested that meeting summaries become part of the public record. Ms. Gabay indicated that meeting summaries are posted to the website once approved by the committee chair. Mr. Annis requested that Board meeting minutes incorporate meeting summaries by reference.

The amended minutes passed: Ajegba – yes, Griffith – yes, Nacht – yes, Robben – yes; Annis – abstained, Bernstein – abstained.

### 4.0 Board and Staff Reports

Ms. Gabay announced that Chris White was prepared to provide an overview of the Service Development Department.

Mr. Annis reported that the Planning and Development Committee (PDC) met three times since the last Board meeting. Mr. Annis reviewed highlights of some of the items discussed by the committee: proposed adjustments to the fare structure, a contingency plan, WALLY, Act 196, and the Ann Arbor Transportation Plan Update. Copies of the meeting summaries are attached hereto and incorporated by reference.

Mr. Annis responded to questions on proposed changes to the fare structure. Mr. Annis referred interested parties to review the chart which is included in the December 16, 2008 meeting summary. Mr. Annis indicated that it is estimated that the issue will be brought to the Board for a vote in April.

Mr. Robben reported that in November the Board passed a resolution for AATA to provide additional funding for the Connector Study and the four study partners would share the cost of the study evenly. Mr. Robben indicated that the PDC was informed that the Ann Arbor Downtown Development Authority Board failed to approve their share and instead are going back to the University of Michigan in an attempt to renegotiate the University's share. Mr. Robben indicated that he wanted the Board to be aware that so far AATA is the only study partner with a firm financial commitment on the table.

Mr. Annis added that the PDC was advised by Eli Cooper, during his presentation on the Ann Arbor Transportation Plan Update that the City is looking at AATA spending \$11Million over the next five years in support of the Plan. The PDC discussed the issue but took no action.

Mr. Bernstein, on behalf of the Performance Monitoring External Relations (PMER) Committee, requested input from Board members on service productivity standards presented by staff. The standards will be available on the secure website. Mr. Bernstein referred to the PMER Committee meeting summary which is attached hereto and incorporated by reference.

#### 5.0 Question Time

Mr. Bernstein asked how a double roundabout at Geddes Road and U.S. 23, being recommended by the Michigan Department of Transportation, would work for buses. Mr. White responded that it is anticipated that a double roundabout would be a significant benefit as there are often major delays due to backups at the intersection.

#### 6.0 Old Business

Mr. Nacht requested an update on the status of recruiting another individual to work on the WALLY project. Ms. Gabay responded that staff has been talking with representatives from the Michigan Department of Transportation (MDOT) to partner with them on a contract for consulting. Ms. Gabay added that AATA staff is preparing a request for proposals for public relations work associated with WALLY. Ms. Gabay indicated that she will report back as to when an individual may be on board once she hears back from the Southeast Michigan Council of Government and MDOT staff on the possibility of AATA working with the firm already under contract.

#### 7.0 New Business

The following resolution was moved by Mr. Bernstein with support from Mr. Griffith.

##### 7.1 Consideration of Resolution Amending Bylaws

Whereas, the Bylaws of the Ann Arbor Transportation Authority (AATA) may be

amended by the Board of Directors (Board), and

Whereas, the Board desires to provide an opportunity for members of the public to comment on agenda items to be discussed by the Board during public Board meetings, and

Whereas the Board recommends the following amendment to the Bylaws to provide for public input on agenda items:

#### ARTICLE IV, Board Meetings

Section 8 – modify the order of business at each regular meeting of the Board of Directors by adding an occurrence of Public Time, immediately following Communications and Announcements, for the specific purpose of allowing comment, for up to two minutes per individual, on agenda items;

Now, Therefore, Be It Resolved, that the Ann Arbor Transportation Authority Board of Directors hereby adopts the amendment to the Bylaws listed above effective December 17, 2008.

The motion passed unanimously.

Mr. Nacht referred to the memorandum recommending award of a contract for insurance brokerage and consulting services. Mr. Bernstein reported that the Performance Monitoring and External Relations Committee recommended that the Board approve the contract.

The following resolution was moved by Mr. Nacht with support from Mr. Bernstein.

#### 7.2 Consideration of Resolution Authorizing Execution of Contract for Insurance Brokerage Services

WHEREAS, the Ann Arbor Transportation Authority issued a Request for Proposal for the purpose of identifying a firm(s) to provide insurance brokerage and consulting services, and

WHEREAS, Marsh USA, Inc. was found to be the most responsive and responsible Proposer,

Whereas, the terms of the agreement may result in payment in excess of \$100,000 which requires approval from the Board of Directors,

NOW, THEREFORE, BE IT RESOLVED, that the Ann Arbor Transportation Authority Board of Directors authorizes the Interim Executive Director to enter into a contract with Marsh USA, Inc., for Insurance Brokerage and Consulting

Services for a one-year period with up to four one-year renewals based on the following fixed monthly fees and hourly rates for additional risk management consulting services provided.

**PROPOSED PRICES FOR  
INSURANCE BROKERAGE AND CONSULTING SERVICES**

Marsh USA, Inc.

Contract Year for	Proposed Monthly Broker Fee	Hourly Rates additional risk management consulting services
First Year	\$4,000.00	\$210.00
Option Year #1	\$4,117.00	\$215.00
Option Year #2	\$4,233.00	\$220.00
Option Year #3	\$4,358.00	\$225.00
Option Year #4	\$4,483.00	\$230.00

The motion passed unanimously.

Mr. Nacht reported that the City of Ann Arbor conducted a competitive procurement in 2007 and hired a firm, Orchard, Hiltz, McClimant (OHM), to provide general civil and traffic engineering and project management services. Staff proposes to contract with the same firm, under the same contractual arrangement and the same rate schedule, to design a park and ride lot on Plymouth Road at U.S. 23.

Mr. Bernstein reported that the PMER Committee was in favor of the Board approving the contract. Mr. Annis added that the PDC discussed the project which calls for a lot to hold 235 cars at a capital expenditure of \$1.4Million.

The following resolution was moved by Mr. Nacht with support from Mr. Bernstein.

**7.3 Consideration of Resolution Authorizing Execution of Contract for Design of  
Park and Ride Lot**

WHEREAS, AATA plans include the development of a park and ride lot on Plymouth Road at U.S. 23 in 2009, and

WHEREAS, the City of Ann Arbor conducted a competitive procurement in 2007 for General Civil and Traffic Engineering and Project Management Services and selected Orchard, Hiltz, McClimant (OHM) as a company to provide such services, and

WHEREAS, the City of Ann Arbor has permitted OHM to provide such services to AATA and OHM has agreed to do so under the same contractual arrangement and the same rate schedule, and

WHEREAS, OHM has submitted a proposed scope of services and cost proposal for the design at total cost of \$125,400, and

WHEREAS, the cost of design is an eligible project cost as part of the grant cost for park and ride lot construction,

NOW, THEREFORE, BE IT RESOLVED that the AATA hereby authorizes the execution of a contract with OHM for park and ride lot design.

The motion passed unanimously.

#### 8.0 Public Time

Jim Mogensen appeared before the Board. Mr. Mogensen commented on the proposed changes to the fare structure. Mr. Mogensen recommended that outreach to locations such as food pantries be included in activities related to the proposed restructure to provide access for individuals who may qualify for certain AATA programs, but who may not be able to travel to the offices necessary to obtain documentation verifying their qualification.

Tom Partridge appeared before the Board. Mr. Partridge called on the Board to continue public commentary period without restrictions and with waivers of any time limitations. Mr. Partridge stated that the public cannot be expected to have access to the AATA website or documentation to know what is on at AATA meetings. Mr. Partridge commented on the location of Washtenaw Area Transportation Study monthly meetings. Mr. Partridge indicated that some members of the public are cut off from these public meetings, as well as the meetings of other significant public bodies in the state and indicated that the meetings should be taped and presented on the Internet as well as held at venues sufficiently large to welcome a greater public audience. Mr. Partridge called on the Board to bring that about. Mr. Partridge brought to the Board's attention that the November 4 ballot had voter issues to enact revenue funding for parks in the county but there was no initiative for countywide transportation. Mr. Partridge called on the Board to turn its attention away from WALLY and instead plan for a comprehensive bus transportation service for the county that is at least connected to southeastern Michigan. Mr. Partridge called on the Scio Township Board of Trustees and all other bodies in the

area to provide access to important county services including library facilities. Mr. Partridge called on the Board to take immediate action to bring about this vital transportation need. Mr. Partridge called on the Board to conduct meetings that are fully informative and accessible to the public.

Carolyn Grawi appeared before the Board. Ms. Grawi distributed a pamphlet on the 2008 James T. Neubacher Award recipient, Gary Talbot. Ms. Grawi commented on Mr. Talbot's work at the Boston Transportation System providing a disability accessible transportation model used by several large cities. Ms. Grawi recommended that information on Mr. Talbot's work be posted on the AATA website.

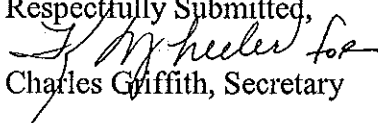
Ms. Grawi encouraged everyone to contact state representatives and ask them to vote for a \$150 Million transportation funding initiative due to be considered on December 18. Ms. Grawi commented on the Bylaws amendment voted in by the Board, and proposed changes to the fare structure.

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

9.0 Adjournment

Mr. Bernstein moved to adjourn the meeting with support from Mr. Annis. The motion passed unanimously. The meeting was adjourned at 7:17 p.m.

Respectfully Submitted,

  
Charles Griffith, Secretary



Ann Arbor Transportation Authority Board of Directors  
 Planning and Development Committee  
 Revised Meeting Summary  
 December 2, 2008 – 5:30 p.m.

The meeting was attended by Paul C. Ajegba (Committee Member), Ted Annis (Chair), Eli Cooper (City of Ann Arbor), and the following AATA Staff: Terry Black, Tom Cornillie, Dawn Gabay, Jan Hallberg, Ed Robertson, Phil Webb, and Chris White.

After reviewing the meeting's agenda, Mr. Annis asked Dawn Gabay to explain the rules for releasing written documentation used in discussions at AATA Board committee meetings. Dawn explained that written documents used in committee work are considered drafts and are for discussion only. They are subject to change and it is AATA's desire not to have erroneous or premature information published which could cause undue public concern or confusion. When all or parts of draft documents are moved from discussion to fact, they will be available for the public and subject to Freedom of Information Act requests. Once the committee approves the documents and the meeting summary, the documents will be posted on the AATA website. Printed copies of approved documents will be distributed upon request.

#### Contingency Planning

Mr. Annis raised the issue of contingency planning in an effort to avoid AATA getting into a disastrous financial situation similar to the one currently being faced by the automotive industry. Mr. Annis recommended that staff prepare three contingency plan scenarios detailing what AATA would do if there were sudden losses in revenue as follows: Level 1 – 10% loss of revenue; Level 2 – 20% loss of revenue; and Level 3 – 40% loss of revenue.

The committee, with input from staff, discussed the contingency planning recommendations made by Mr. Annis. Mr. Ajegba recommended that each level of the plan include efforts to recover any revenue losses. Ms. Gabay recommended that the exercise include the source of revenue noting that different revenue sources may have different loss risks and, therefore, different consequences to the organization. Ms. Gabay requested that any plan be designed for a relatively short and clearly identified period of time given that economic conditions now tend to change quickly. Ms. Gabay noted that the Board recently discussed the minimum level of unrestricted net assets, and requested that this subject be included as a part of contingency planning.

Eli Cooper announced that City of Ann Arbor employees were recently asked to contribute ideas for reducing expenses by 15% as a preliminary effort to prepare for the City's budget process. Mr. Annis asked if there was an inference of less tax revenue behind such a request. Mr. Cooper recommended that Phil Webb engage in early and frequent conversations with the City's chief financial officer to obtain information on the assumptions AATA should be working with. Phil noted that he is keeping in contact with

the City finance department and that more useful and up-to-date information on future property tax revenues is scheduled to be available in February.

The committee unanimously agreed to assign staff the task of preparing contingency plans to address two levels of revenue losses: Level 1 – a 10% reduction in state revenues and a 10% reduction in local revenues; and Level 2 – a 20% reduction in state revenues and a 20% reduction in local revenues. In these scenarios, Federal revenues and farebox revenues are to remain unchanged.

Ms. Gabay requested that staff be given the opportunity to determine what it will take to complete the scenarios. Mr. Annis agreed to the request indicating that at the committee's December 9 meeting, staff should be prepared to report to the committee on how long it is expected to take to complete the contingency plans.

### WALLY Update

Tom Cornillie presented a "process chart" he proposed the PDC use as a guide for planning its future WALLY discussions. Tom explained that the process chart clarifies the interrelationships between tasks and identifies questions or concerns that need to be addressed and resolved in order to make informed decisions on the WALLY project. Tom used the chart to identify key factors that lead to better understanding project priorities in order to create a project timeline. Ted Annis noted that the committee is anxious to receive a timeline to be able to gauge progress on the project.

Tom responded to a series of questions on timing, expected tasks involved in the project and the interdependencies of many of those issues. Eli Cooper recommended that AATA continue to collaborate with WALLY coalition partners and the communities that will be served. Tom noted that he and Mary Stasiak are working on a public outreach component of the project aimed at keeping coalition partners both engaged and interested in making WALLY a success.

Dawn Gabay reported that a meeting is scheduled for December 5 with several coalition partners to discuss funding, and another is set for December 8 between AATA staff and Michigan Department of Transportation (MDOT) officials to discuss WALLY project schedules and the possibility of AATA "piggybacking" on a consulting contract currently held by MDOT. Following the meetings, AATA staff will report back to all coalition partners.

In response to a suggestion that AATA staff communicate directly with railroad representatives, Ms. Gabay cautioned that in order to secure future federal funds, AATA must comply with purchasing requirements of the Federal Transit Administration, and therefore must take care in how closely prospective contractors become involved in WALLY discussions.

### Conversion to Act 196

Dawn Gabay reported that a letter of engagement has been signed with attorney Jeff Ammon who will help AATA develop a structure for Act 196 and WALLY. The next action step will be a meeting between Mr. Ammon and the Board Governance Committee.

### Ann Arbor Transportation Plan Update

Eli Cooper presented the Ann Arbor Transportation Plan Update; the City's long-range plan for improvements to roads, sidewalks, paths, bike lanes and public transit. The plan includes short- mid- and long-range recommendations.

~~Mr. Cooper reported on capital costs and significant ongoing operating costs that will be required to implement the full plan. Mr. Cooper noted that the plan includes programs and projects to be contributed by AATA with associated cost estimates for the Board's consideration. Mr. Cooper agreed to forward detailed information to Board members.~~

Mr. Cooper announced that the draft Plan anticipates an AATA investment of approximately \$11million toward capital investments in the first five years of the planning period. These investments are considered part of the draft Plan's Short-Term Recommendations. Overall, the transit capital investment may be as much as an estimated \$100-\$200 million to implement the full plan over the next 25 years. Mr. Cooper indicated that the Plan includes programs and projects to be contributed by AATA with associated cost estimates for the Board's consideration. Mr. Cooper agreed to forward additional information to Board members.

Mr. Cooper responded to questions on endorsement of the Plan by City Council indicating that the Plan is only one component of the City of Ann Arbor's Master Plan. The Planning Commission will recommend that Council adopt the Transportation Plan Update once public input has been received.

Mr. Cooper responded to a question from Ted Annis as to where or how the University of Michigan is involved in the project. Mr. Cooper indicated that the University will likely be a member of the steering committee. Mr. Cooper reported on five focus groups that were held at the University to gain insight on travel flow as part of the plan's design.

Mr. Cooper indicated that he hopes AATA will be at the table to collaborate with WATS to gain access to federal funds for the transportation improvement project, and suggested that it will be useful for staff to continue participating in the project. Mr. Cooper indicated that it would be helpful to receive input from the Board on the work completed to date and those components of the Plan that depend upon AATA's involvement.

A draft of the full Ann Arbor Transportation Plan Update is available on the project's website: [www.a2transportationplan.com](http://www.a2transportationplan.com).

Prior to adjournment, Ed Robertson announced that the committee will meet on December 9 and December 16 and then take a holiday break until Tuesday, January 6, 2009.

Respectfully Submitted,

Karen Wheeler

Ann Arbor Transportation Authority Board of Directors  
 Planning and Development Committee  
 Meeting Summary  
 December 9, 2008 – 5:30 p.m.

The meeting was attended by Paul C. Ajegba (Committee Member), Ted Annis (Chair), Rich Robben (Committee Member), and the following AATA Staff: Terry Black, Tom Cornillie, Dawn Gabay, Ed Robertson, and Phil Webb.

Karen Wheeler distributed the approved meeting summary from December 2, 2008. Mr. Annis announced that during the December 2 meeting the committee discussed contingency planning to address possible revenue reductions of 10, 20, and 40%, and asked staff to look at the size of the project and report back to the committee on a proposed schedule for developing recommended plans.

Contingency Planning

Phil Webb reported on a work plan developed by staff for completing a set of contingency plans to address possible losses of revenues equal to 10% and 20%. Staff will identify the sources of sudden and substantial revenues losses, quantify the levels of losses, and determine their various interrelationships. It was proposed that Staff check in with the PDC on this phase of the work at the PDC's January 20, 2009 meeting.

The work plan calls for additional analysis by staff to assess the impact of the Americans with Disabilities act and other governmental requirements and to develop service plans based upon service priorities and newly aligned services. Additional check-ins with the PDC were scheduled for the February 3 and February 17 committee meetings. The final check in would be with the Performance Monitoring and External Relations Committee scheduled for March 2009.

The work plan also included an annual review and adjustment of contingency plans that would take place between October and December of each year.

Dawn Gabay asked if the PDC members could identify any flaws in the work plan.

Mr. Annis noted that when the issue of contingency planning was originally raised, he suggested examining three scenarios of lost revenues: -10%, -20% and -40%. At the last meeting the PDC had decided not to have staff present a plan for a 40% drop in revenue, however the committee revisited the issue and unanimously agreed to amend the assignment to direct staff to include a 40% loss in revenue scenario.

Phil Webb noted that AATA's funding from the State of Michigan is at the lowest possible level allowed by current law, and that legislative action would be required to lower the rate below this legal "floor". Rich Robben asked if the PDC should encourage staff to consider an emergency increase in fares as a remedial action in any catastrophic

situation. Mr. Annis indicated that including possible fare increases would be a prudent measure and should not be excluded in planning.

### WALLY

Tom Cornillie provided a quick review of the December 2 PDC's discussions on WALLY before giving a short presentation on the rolling stock safety plan.

Tom responded to questions on the ownership of rail cars. It was noted that (depending upon their operating schedules), there may be an opportunity for the WALLY trains and the proposed East-West trains to actually share some of their rail cars, and thereby save capital dollars.

Tom also reported that he is working with MDOT to quantify the total benefits of the project for passengers and to further identify the various economic benefits from WALLY that could flow directly to our Coalition Partners in this project.

Tom then fielded several questions pertaining to who will be responsible for preparing a cost benefit analysis and a memorandum of understanding between all of the parties. Both the cost benefit analysis and memoranda of understanding are tied closely to the issue of station development. Tom indicated that he is working closely with MDOT on these issues in an effort to have the issues resolved in time for the coming spring/summer construction season.

Dawn Gabay reported that staff is currently identifying what various support services (such as legal counsel, etc.) will be required for the project to advance. She went on to report that on December 5 AATA staff had met with local Coalition Partners to discuss funding. A follow-up meeting was scheduled for December 11 to discuss how to utilize approximately \$1.5Million that has been identified as currently available for the project. Dawn noted that it is important to get some tangible activity underway that will show actual progress on WALLY. She also reported that an environmental study associated with one of the proposed station locations needs to be addressed as quickly as possible.

Mr. Annis questioned which areas staff will be working on immediately related to the project. Dawn indicated that work on rolling stock and other equipment issues is ongoing. There is also a need to gain commitments for the development of stations and parking facilities and to complete the environmental study at one station location. She also reported that further definition is needed pertaining to where service will actually begin and terminate. Dawn noted that there seems to be developing an opportunity to resolve an outstanding issue with the Ann Arbor Railroad. She indicated that staff hopes to be able to report on project progress at the next PDC meeting.

### Act 196

Dawn Gabay reported that the next step regarding Act 196 will be scheduling a meeting between the Governance Committee and Jeff Ammon.

### New Fare Structure

Phil Webb presented a revised five year budget projection that presumed a 25% fare increase in May of 2009, and another 25% increase in May of 2010. Phil noted that this scenario of fare increases places AATA in a much better financial position in the out years, but a structural deficit still begins to appear in year five (using conservative budget assumptions). He went on to say that due to the current unstable economic conditions, many assumptions could change as we move forward, but the fare increase scenarios he had detailed should provide ample time for AATA to make any necessary budget adjustments.

Phil distributed an outline of staff's proposed fare structure changes based upon fare increases occurring in May 2009 and again in May 2010. Phil indicated that staff was looking for input from PDC members on the proposed changes in preparation for taking the new fare structure to public hearings.

The committee discussed the proposed changes to the fare structure and made the following recommendations:

Reduce the proposed fare increase for seniors age 60 to 64;  
Establish the price of go!Passes at \$55;  
Raise ARide Adult Companion Fares to \$2.50 and establish a new category of ARide Children Companion Fares of \$1.25

Staff was asked to investigate the impact of raising cash fares to \$1.50 in May of 2009 and \$2.00 in May of 2010.

During discussion on raising the cash fare higher than staff had proposed, Mr. Annis recommended that staff compare the base cash fare with peer systems.

Ms. Gabay indicated that staff would postpone action to proceed with a public input process pending presentation of information on a prospective higher base fare to the committee at its next meeting.

Mr. Annis noted that the Ann Arbor Transportation Plan Update contains proposed capital expenditures by AATA of \$11Million over the next five years. Ms. Gabay indicated that she would send PDC members additional information on the financial impact the AATPU could have upon AATA. The committee discussed the need to determine an appropriate role for AATA's involvement in the Ann Arbor Transportation Plan.

Respectfully Submitted,

Karen Wheeler

Ann Arbor Transportation Authority Board of Directors  
 Planning and Development Committee  
 Meeting Summary  
 December 16, 2008 – 5:30 p.m.

The meeting was attended by Paul C. Ajegba (Committee Member), Ted Annis (Chair), Rich Robben (Committee Member), Eli Cooper (City of Ann Arbor) and the following AATA Staff: Terry Black, Dawn Gabay, Ed Robertson, Phil Webb, and Chris White.

New Fare Structure

Ted Annis expressed appreciation to Staff on behalf of the PDC members for the excellent quantitative work presented to the committee on the new fare structure. Phil Webb requested clarification on the request made by Rich Robben at the December 9 meeting for staff to analyze the effects increasing the fare to \$1.50 in 2009 and increasing it up to \$2.00 in 2010 (coupled with less of an increase cost for monthly passes). Phil had discussed the request with Rich following the December 9 meeting and was unclear as to what such a strategy hoped to yield, since cash fares amount to about \$800,000 per year, while passes only bring in about \$200,000.

Chris White felt that perhaps there existed a barrier to the 30 day pass since it required a one-time outlay of \$37.50. It was noted that the new farebox system scheduled for installation after the first of the year will allow for a greatly expanded number of pass options, such as one-day passes, or ten ride passes, or 15day passes, etc, which could be priced much lower and be more attractive to those with limited incomes or who do not have use for a full monthly pass. Chris suggested that during the public input meetings there may be opportunities to design lower cost passes and other ways to promote discount fares at a time when cash fares deposited into the fare box are increasing.

Ed Robertson presented data on the cash fares charged by the group of transit systems that have been identified as peers for AATA, as well as cash fares charged by all the other metropolitan transit systems in the State of Michigan. The committee discussed raising the full cash fare higher and making changes to other programs, but eventually agreed to move forward with the proposed Fare Structure originally submitted by Staff (with some minor fine tuning). Hearings will be scheduled to seek public input for increasing the base fare to \$1.25 in May 2009 and increase it to \$1.50 in May 2010.

Dawn Gabay requested that the full Board be apprised of the proposed new fare structure and the PDC's decision to proceed with the public input process.

The committee approved presenting the proposed new fare structure to the full Board with the stipulations that the cash fare for seniors age 60-64 remain at half fare, the ARide adult companion rate be raised to \$2.50, and a new category of ARide Children Companion fares be established at half fare.



### Capital and Categorical Grant Program

Chris White presented the proposed Capital and Categorical Grant Program through 2013. AATA's current adopted program runs only through 2011. Chris reviewed the proposed significant changes to the 2009 program that will require formal action by the Board in January in order to submit next year's federal grant applications.

Ted Annis was concerned whether the proposed changes to the program would allow enough funding to handle the projects already listed and the bus replacement schedule proposed through 2013. Chris responded that the program is based upon two assumptions: 1.) federal funding does not go up; and 2.) AATA will continue to capture Congestion Mitigation/ Air Quality (CMAQ) and Section 5309 funds to be used to cover the added costs associated with hybrid electric buses.

Chris presented a chart projecting Section 5307 federal formula funds through 2013 and noted that AATA has the flexibility to accumulate funds over several years in order to manage long term capital projects. Chris added that AATA is not currently using any local money for capital purchases and has been able to rely thus far upon the State of Michigan to provide the local match.

Chris requested that the committee consider the program and take it to the Board for a formal resolution at the January Board meeting.

### County-Wide Service Plan

Chris White presented a preliminary work plan for the development of countywide services. His work plan was influenced to a great extent by the service models prepared earlier by Parsons Brinckerhoff, the Washtenaw County Transportation Plan, and the City's Transportation Plan Update.

The committee discussed the City of Ann Arbor's position on countywide service. Chris indicated that it only makes sense that the countywide plan consistent with and compliments the City's transportation plan. The countywide plan being developed by Chris will become much more detailed as it is formulated, and will include the number of buses needed and cost estimates for providing services. Chris indicated that once this information is in place, the plan can be taken to the public for input.

Chris distributed and reviewed preliminary descriptions of the proposed types of services and vehicle requirements by type of service. Paul Ajegba suggested that fares for the proposed services be considered as part of the overall fare restructuring now underway. Dawn Gabay indicated that work has begun on cost estimates necessary to put county services into action, and reminded the committee that the added cost of providing increased countywide services would depend upon having a countywide millage. The committee discussed the timing for determining fares for the proposed service. Rich Robben suggested that the plan include a map, estimated costs and capital needs. Paul

Ajegba suggested that the plan also include staffing requirements, a proposed fare structure and a needs assessment for facility improvements.

Chris stated that his focus thus far has been on service design planning and a proposed implementation schedule – both of which would be key elements when presenting countywide service plans to the public for input.

Ted Annis requested that staff prepare a pro forma operating budget showing the cost of additional countywide service and a pro forma capital budget to identify capital needs. Chris indicated that he will bring maps in the near future to PDC meetings that will better illustrate the types and locations of countywide services.

#### Ann Arbor Transportation Plan Update

Ted Annis began discussions on the AATA's position regarding the Ann Arbor Transportation Plan Update (AATPU) by noting that the Plan calls for an \$11Million potential capital investment from AATA during its first five years.

Eli Cooper provided an update on the AATPU and indicated that the City continues to collect comments on the plan from surrounding communities. He informed the PDC that two public hearings on the Plan are scheduled. Following public input from those hearings, it is likely that the Planning Commission will recommend that City Council adopt the plan.

Mr. Cooper indicated that it would be valuable for the AATA Board to show its support of the plan as part of setting the stage for a transit centered strategy for Ann Arbor's future transportation needs. Dawn Gabay indicated that it will be important for AATA staff to continue working with City staff on the plan in order to come to agreement on its elements and to tie the proposed contributions from AATA to specific transit related recommendations made by the plan. Dawn suggested that any endorsement of the Plan by the AATA Board address its funding requirements and clearly state that AATA's involvement in converting the Plan into reality is contingent upon the availability of future funding.

In response to a question from Ms. Gabay on the status of the Connector Study, Mr. Cooper indicated that AATA and the University of Michigan have each agreed to fund 25% of the study. The City of Ann Arbor and the Ann Arbor Downtown Development Authority (the two remaining consortium partners in funding the study), have not yet made firm commitments to the remaining cost of the study. Concern over the uncertainty of the remaining funds necessary to pay the full cost of the study was expressed by committee members. It was noted by Committee members that when the study funding issue had earlier come before the AATA Board in November, it was the understanding of the Board that each of the four consortium partners was committed to funding their equal share (25% each) of the study.

During further committee discussions of the AATPU, Ted Annis indicated that he would be more comfortable addressing the AATPU after the Connector Study has been completed, because there could be Connector Study recommendations that do not properly coordinate with the City's more comprehensive Transportation Plan Update. Eli indicated that the Plan Update can and would be adjusted to accommodate findings and recommendations made by the Connector Study as that study was itself a key component to the City's overall Transportation Plan Update.

Rich Robben indicated that the AATA Board had voted to raise its share of the study cost from \$100,000 up to \$160,000 in the belief that the other three consortium partners had agreed to raise their share to \$160. Rich suggested that if there is going to be a renegotiation of how the study is to be paid for, then AATA should most certainly be at the negotiations table.

Ted Annis indicated that he would like to continue discussing the concerns raised by Rich. Paul Ajegba went on the record stating that all stakeholders should be given the chance to weigh in on the Transportation Plan Update before it is presented to City Council or the public.

Eli responded that he will need to check with the City attorney's office on the material impact of the project's timetable, as the City is looking to have a document to the Planning Commission by the end of January.

#### January 6, 2009 Meeting

Dawn Gabay reported that at the next committee meeting staff will make a presentation on possible renovations to the Blake Transit Center. Staff has been engaged in discussions with representatives from the City, the DDA, the Ann Arbor Library and the Ann Arbor Chamber of Commerce about redevelopment plans of the entire area surrounding the BTC.

Respectfully Submitted,

Karen Wheeler

## DRAFT

**AATA CURRENT AND PROPOSED FARE STRUCTURE**

	<u>CURRENT</u>	<u>May 2009 PHASE I</u>	<u>May 2010 PHASE II</u>
<b><u>CASH:</u></b>			
Full Cash Fare	\$1.00	\$1.25	\$1.50
Transfer (currently 90 minutes)	Free	Free (Consider 60 minutes - weekday)	Free
Reduced Cash Fare:			
Children (5 & under)	Free	Free	Free
Student K-12 (with ID)	\$.50	\$.60	\$.75
Adult Fare Deal:			
Medicare	\$.50	\$.60	\$.75
Income Eligible	\$.50	\$.60	\$.75
Senior (60-64)	\$.50	\$.60	\$.75
ADA (with ID)	\$.25	Free	Free
65+ (with ID)	\$.25	Free	Free
<b><u>PASSES:</u></b>			
Flex Pass	\$37.50	\$48.00	\$58.00
Value Pass – Student K-12 (with ID)	\$18.75	\$24.00	\$29.00
Value Pass – Senior 60-64 (with ID)	\$18.75	\$24.00	\$29.00
Value Pass – Income Eligible (with ID)	\$18.75	\$24.00	\$29.00
Value Pass – Disability (with ID)	\$18.75	\$24.00	\$29.00
Liberty Pass – ADA (with ID)	\$10.00	N/A-Free	N/A-Free
Liberty Pass – Senior 65+ (with ID)	\$10.00	N/A-Free	N/A-Free
<b><u>TOKENS:</u></b>			
Full Fare (10)	\$10.00	\$12.50	\$15.00
½ Fare (100)	\$50.00	\$60.00	\$75.00

**DRAFT****CURRENT****May 2009  
PHASE I****May 2010  
PHASE II****SPONSORED PASSES:**

Go!pass (Free to passengers)	\$52.92 (11/08)	\$55.00(11/09)	\$58.00(11/10)
MRide (Free to passengers, with ID)	\$700,000 annual	To be negotiated with UofM	
Student Semester (with AAPS ID)	\$28,000	\$35,000	\$42,000
<b><u>LINK:</u></b> Route Guarantee by UofM & DDA (UofM and DDA pay via POSA)	Free	Free	Free

**SENIOR TAXI (GOOD AS GOLD):**

Cash – Advance Notice (with ID)	\$2.00	\$2.50	\$3.00
Cash – Will-call return trip (with ID)	\$2.00	\$2.50	\$3.00
Cash – Same day (with ID)	\$3.00	\$3.50	\$4.00
Scrip Tickets (10)	\$20.00	\$25.00	\$30.00
Companion Fare	\$0.50	\$2.50	\$3.00
Companion Fare (Youth K-12)	\$0.50	\$1.25	\$1.50
Companion Fare (Children 5 & under)	Free	Free	Free
Personal Care Assistant (Registered)	Free	Free	Free

**A-RIDE PARATRANSIT:**

Cash – Advance Notice (with ID)	\$2.00	\$2.50	\$3.00
Cash – Will-call return trip (with ID)	\$2.00	\$2.50	\$3.00
Cash – Same day (with ID)	\$3.00	\$3.50	\$4.00
Scrip Tickets (10)	\$20.00	\$25.00	\$30.00
Companion Fare	\$0.50	\$2.50	\$3.00
Companion Fare (Youth K-12)	\$0.50	\$1.25	\$1.50
Companion Fare (Children 5 & under)	Free	Free	Free
Personal Care Asst (Registered with AATA)	Free	Free	Free

**DRAFT****NIGHT RIDE:**

Cash	\$5.00	\$5.00	\$5.00
Senior & ADA (with ID)	\$2.50	\$2.50	\$2.50
	<b><u>CURRENT</u></b>	<b><u>May 2009 PHASE I</u></b>	<b><u>May 2010 PHASE II</u></b>

**HOLIDAY RIDE:**

Cash (Passes, tokens not valid)	\$5.00	\$5.00	\$5.00
Senior & ADA (with ID)	\$2.50	\$2.50	\$2.50

**SPECIAL EVENT SHUTTLE:**

Art Fair	\$1.00	\$1.25	\$1.50
Football	\$1.00	\$1.25	\$1.50

**COMMUTER:**

Chelsea 2AA Express Cash	\$5.00	\$5.00	*
Chelsea 2AA Express Monthly Pass	\$125.00	\$125.00	*
Parking	Free	Free	Free

\* Still in Evaluation Phase, future fares will be determined later.

**The following passes are ILLUSTRATIVE and are options with our new fare collection system. Staff will explore these opportunities before making recommendations:**

		May 2009 CURRENT	May 2010 PHASE I
PHASE II			
Unlimited Pass:			
15 Day Regular	N/A	\$25.00	\$30.00
15 Day Special	N/A	\$12.50	\$15.00
7 Day Regular	N/A	\$15.00	\$18.00
7 Day Special	N/A	\$7.50	\$9.00
1 Day (24 hour) Regular (3x base fare)	N/A	\$3.75	\$4.50
1 Day (24 hour) Special (3x base fare)	N/A	\$1.80	\$2.25
Limited Pass:			
50 Trip Regular	N/A	Discount at X%	
50 Trip Special	N/A	Discount at X%	
10 Trip Regular	N/A	Discount at X%	
10 Trip Special	N/A	Discount at X%	
Smart Cards:			
30 Day Rolling	N/A	\$48.00	\$58.00
Stored Value (able to reload)	N/A	Discount at X%	
Stored Ride	N/A	Discount at X%	

ANN ARBOR TRANSPORTATION AUTHORITY  
PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE

Meeting Summary – 3:30 p.m., December 10, 2008

Present: Committee – Sue McCormick, Chair; Jesse Bernstein  
Staff – Dawn Gabay; Chris White; Ed Robertson; Jan Hallberg; Phil Webb; Lois Crawford  
Absent: Committee – Charles Griffith

Sue McCormick called the meeting to order at 3:35 p.m.

**Secure Web Site for Board**

IT Manager Jan Hallberg demonstrated the new secure web site for AATA Board members to manage their board and committee planning, documents and activities.

**Exception Reporting**

Controller Phil Webb distributed and explained information on the standards for exception reporting of the monthly performance report and financial statement. (Memo and Report of Operations)

**Performance Report**

Manager of Service Development Chris White explained the performance report for November for both AATA-operated and subcontracted services. He detailed the performance indicators and the base data on which they are calculated. (Report)

**Service Productivity Standards**

Mr. White went on to discuss service productivity standards, using a triangular chart (attached) to show the balance of factors that need to be considered. Board Chair Sue McCormick asked that the three measures and the peer comparables be brought back to the committee at its January 14, 2009 meeting. Committee members supported the idea of using the chart as an ongoing graphic for the committee. (Memo)

**Public Participation at Committee Meetings**

At the request of the Board, the Committee discussed the value of public participation at Board committee meetings and recommends the following policy:

- The meetings should not be open to the public.
- Meeting agendas should be posted on the AATA web site, with a note indicating that they are subject to change.
- Meeting summaries with recommendations should be made available to the public online and in print.
- The public may respond in writing, or during public time at the beginning of the Board meeting for a maximum of three minutes.

(Memo)



**Insurance Brokerage Contract**

Mr. Webb presented a draft resolution to renew AATA's insurance brokerage contract with Marsh, USA, Inc. The Committee agreed to support the Board's approval of the contract resolution. (Memo and Draft Resolution)

Interim Executive Director Dawn Gabay recommended looking at other services for which AATA contracts (legal, auditing, etc.) and developing a policy to limit such contracts to no more than five subsequent years with one vendor. Mr. White will write such a draft resolution for the Committee to consider at its January meeting.

**Park & Ride Design**

Mr. White explained a draft resolution to authorize contracting for the design of a Park & Ride lot at US-23. The Committee agreed to recommend approval of the resolution with minor corrections. (Memo and Draft Resolution)

**Fuel Futures**

Mr. Webb discussed the status of fuel futures, reporting that prices have fallen and that AATA will end up under budget for the year.

**Employer Pass Program**

Mr. White updated the Committee on the status of the employer pass program. (Memo)

Respectfully submitted,

Lois Crawford  
Administrative Assistant for Community Relations

Ann Arbor Transportation Authority Board of Directors  
 Planning and Development Committee  
 Meeting Summary  
 January 6, 2009 – 5:30 p.m.

The meeting was attended by Paul C. Ajegba (Committee Member), Ted Annis (Chair), Rich Robben (Committee Member), and the following AATA Staff: Terry Black, Dawn Gabay, Jan Hallberg, Ed Robertson, Mary Stasiak, Phil Webb, and Chris White.

While awaiting the arrival of Paul Ajegba and Rich Robben, Ted Annis discussed some “housekeeping” issues with Staff. Ted requested that five “information binders” pertaining to the following subject areas be assembled and kept on hand PDC meetings to serve as a reference resource:

- PDC meeting agendas and summaries
- The WALLY project
- City of Ann Arbor transportation studies, proposals and requests for proposals
- AATA reports and studies on Park and Ride
- Conversion to an Act 196 Authority.

To review and clarify the purposes for which the Planning and Development Committee (PDC) had originally been created, Ted distributed copies of the PDC’s charge as adopted by the AATA Board on July 23, 2008.

Because PDC meetings are open to public input, Ted recommended that the PDC institute a more formalized agenda with public input times similar to that utilized by the Board of Directors. Future agendas will include two periods of “public time”. The first public input period will be early in the meeting and will be limited to written or oral comments pertaining only to that day’s agenda items. The final public input period will be prior to adjournment and will be open to written or oral comments on any subject.

Staff noted that the Performance Monitoring and External Relations Committee (PMER) had earlier prepared a recommended draft policy for public participation at PDC and PMER Committee meetings. After reviewing this policy, Dawn Gabay suggested that the amount of time for each individual to make comments should mirror the Bylaws and be limited to two minutes.

Ted reported that Eileen Spring from Ann Arbor Food Gatherers had expressed interest in commenting on AATA’s proposed new fare structure. Chris White agreed to discuss the proposed new fare structure and its reduced fares with Ms. Spring, and noted that a public input process will soon get underway to gather comments from all interested parties. These public hearings are a normal part of all considerations involving fare increases.

It was recommended that individuals having concerns about AATA’s fare structure be invited to the future public meetings so that the PDC is not mistaken as the vehicle for

raising such concerns. Using special public hearings and meetings to solicit input on fare changes will allow the PDC to concentrate on other orders of business.

After the arrival of Rich Robben and Paul Ajegba, Ted reviewed his recommendations that the order of business for PDC meetings should follow the order of business outlined in the Board's Bylaws. Rich and Paul agreed with those recommendations.

During discussions on how to notify the public of upcoming PDC meetings, it was agreed that notices of future meetings, along with their agendas, will be posted on the AATA website on the Monday before the meeting. To address sudden or emergency issues, the posted agenda will include a disclaimer that it may be subject to change.

Ted noted that AATA Board meetings now move quickly with little time spent in public discussion on issues being reported by the PDC and the PMER committees. He indicated that he is inclined to continue providing brief summaries at Board meetings. Staff supported the process of vetting issues in their respective committees and then brief verbal reports being presented at Board meetings. This will help keep Board meetings brief, while still insuring that issues are adequately discussed and properly exposed to public input.

Ted inquired about the current job description for the Executive Director (to which he had earlier provided input). Dawn indicated that AATA had established a new and secure Board/Staff website (using a program called HyperOffice), that will be used to communicate and store a wide variety of Board related documents. The current Executive Director's job description will soon be posted on that site.

#### HyperOffice:

To introduce the new HyperOffice website to PDC members, Jan Hallberg presented an overview of how to access the secure website and how documents and communications may be posted and exchanged. Dawn has requested a legal opinion on compliance requirements related to the Michigan Open Meetings Act as it may apply to the use of a common web site by Board members.

Following the introduction of the HyperOffice system, the PDC agreed that the reference binders previously discussed will be replaced by posting this information on the secure HyperOffice website for use during committee meetings. Access to these documents will be available via the overhead projector, or by individual lap-tops that may be made available at work stations in the meeting room.

#### Future Planning and Development Committee Meeting Schedule

The committee discussed their meeting schedule and agreed to bi-weekly meetings to begin at 5:00 p.m. Ed Robertson will present a proposed schedule of meetings for the remainder of the fiscal year at the committee's next meeting scheduled for January 13, 2009 at 5:00 p.m.

### WALLY Update

Dawn Gabay reported that Staff (with cooperation from the Michigan Department of Transportation (MDOT) and Washtenaw County), is taking steps to conduct a required archaeological survey of the Hamburg Township WALLY Station site. This project is expected to commence as soon as spring weather permits.

Ms. Gabay also reported that Staff has been discussing the funding of WALLY planning activities with a variety of stakeholders. The Ann Arbor Downtown Development Authority (DDA) has authorized a \$35,000 contribution toward WALLY work over the next six to nine months. Requests for funding have also been made to the City of Howell, Hamburg Township, and other WALLY project partners in Livingston County.

Staff is continuing to work with MDOT on a variety of issues involving WALLY and MDOT has thus far agreed to complete important rail upgrades necessary for the project. Discussions are continuing with MDOT regarding the system's rolling stock needs.

AATA has issued a request for proposals (RFP) for a public relations firm to improve community relations, governmental relations, event organization, and marketing activities pertaining to WALLY. Responses to the RFP are due February 14. Staff will present a recommendation for award to the PDC as soon as possible, with the expectation of full Board approval by March.

The committee discussed work projects to be completed on WALLY over the next nine months. It was noted that the full Board of Directors should deliberate the future funding of WALLY operations, as it is not anticipated that WALLY fare box revenues will cover its expenses. Future discussions on pursuing a special millage for expanded transit services (such as a county-wide initiative) should also address WALLY operations.

Ms. Gabay reported that Staff will continue seeking funding from project partners in Livingston and Washtenaw Counties, and hopefully more solid commitments from them can be obtained during the next nine months. She also indicated that there appears to be a good deal of support from the State of Michigan for the WALLY project.

Ted commented on a report from a concerned citizen that raised questions pertaining to the need for a comprehensive economic analysis of the WALLY project. Ted provided committee members and Staff a copy of the issues that were raised and requested that Staff prepare a response to the citizen's concerns.

The committee discussed next steps for the WALLY project including gaining a better understanding of its financial impacts prior to making long term financial commitments. Rich Robben suggested that the Board consider hiring a consultant to produce a pro forma for the project. Chris White referred the committee to the WALLY study produced by R.L. Banks which includes some high level assumptions and gives a more detailed picture of the project. The study, however, does not address the questions of

ADA accessibility requirements, nor does it adequately address financial impacts of start-up, capitalization, and operation of the commuter rail system.

The committee requested that staff prepare a WALLY pro forma to include annual operating and capital costs with the understanding that many “best guess” assumptions will have to be made. Those assumptions should be documented so they can be adjusted as more accurate information is obtained. The goal of obtaining a pro forma budget for WALLY is to provide the PDC with a more solid understanding of the project upon which to base future decisions.

#### Response to Ann Arbor Transportation Plan Update

Ed Robertson presented a draft resolution for consideration that provides an official position of the Board of Directors with respect to the Ann Arbor Transportation Plan Update (AATPU). During discussion of the resolution, Chris White explained that there are federal and state planning requirements for municipalities and the AATPU is intended to be an outline for the City’s future transportation projects. It was noted that the AATPU is very “public transit” friendly and identifies several transportation projects where AATA is considered to be the lead agency.

Ted expressed concern that the AATPU cannot be considered completed until the Connector Study is completed. The costs identified in the AATPU may not be accurate because the Connector Study is not completed. Ted thought that it is premature for the AATA to endorse the study when it indicates that the AATA should spend \$11M in Capital Funds over the next five years and an estimated \$100-\$200M to implement the full plan over the next 25 years. The committee wants the AATA to show support for the AATPU but without endorsing its Capital Funds commitment. Therefore, staff was directed to rework the draft resolution to show support and withhold support for its recommendations regarding Capital Funds commitment from the AATA.

#### Connector Study

Paul Ajegba inquired about the commitment of funds from project partners for the Connector Study. Dawn reported that a meeting is scheduled with the partners to discuss this issue, and hopefully new information will be available to move the study forward. Dawn assured the committee members that no contract will be signed until the funding commitment issues have been resolved. The committee agreed to table discussions on this matter until its next meeting.

#### Blake Transit Center Improvements

Dawn Gabay reported that staff is engaged in discussions with the City of Ann Arbor and the Ann Arbor Downtown Development Authority (DDA) regarding redevelopment of the neighborhood surrounding the Blake Transit Center. Dawn indicated that redevelopment of the area will be discussed at an upcoming City retreat and some plans for the project may become available as early as February. The PDC and Staff discussed

various options for the existing Blake Transit Center, as well as the possibility of moving the transit center to another location.

Staff reported that the Blake Transit Center is in need of repairs in order to continue providing transportation services. Regular maintenance has been deferred during two failed attempts at redeveloping the block on which the facility sits. Meanwhile, the facility has continued deteriorating to the point that repairs (including a new roof, HVAC system, etc.) must be made soon.

Staff reported that funds are available for the renovation, rehabilitation, or even relocation of the Blake Transit Center (some of those funds must be utilized during FY 2009). The PDC requested that Staff develop a short-term rehabilitation plan for the BTC for the coming spring construction season that will enable operations to continue from the facility in the short term, and to report the approximate cost of that rehabilitation program to the committee at a future meeting.

#### Contingency Plans

Phil Webb reported that the sale of the Pfizer complex to the University of Michigan will result in an annual loss of property tax revenue of \$468,000. Due to the timing of the sale, the loss should not be felt by AATA until the final three months of FY 2010. The Pfizer property tax issue is scheduled to be discussed at the January 14 Performance Monitoring and External Relations Committee meeting. Phil distributed a preliminary revised five year budget projection to be used in later PDC discussions that illustrates the expected impact of the loss of Pfizer property tax revenues.

#### Conversion to Act 196

Dawn Gabay reported that representatives from the City of Ann Arbor, Washtenaw County, AATA, and AATA's legal counsel are scheduled to meet in early February to begin discussions on converting AATA to an Act 196 Authority.

#### Capital and Categorical Grant Program

Chris White distributed information, including a draft resolution, detailing proposed changes to the FY 2009 capital and categorical grant program. Because federal grant guidelines require formal adoption of such a plan, the revised program should be considered as a business item at the Board's January 21 meeting. The members of the PDC agreed to discuss the revised program at its next meeting.

Respectfully Submitted,

Karen Wheeler

Ann Arbor Transportation Authority Board of Directors  
 Planning and Development Committee  
 Meeting Summary  
 January 13, 2009 – 5:00 p.m.

Present: Committee – Ted Annis, Chair; Rich Robben  
 Staff – Terry Black, Dawn Gabay, Ed Robertson, Phil Webb, Karen Wheeler,  
 Chris White  
 Absent: Committee – Paul C. Ajegba  
 Public: Tom Partridge

Ted Annis called the meeting to order at 5:10 p.m.

### 1.0 Communications and Announcements

Ted Annis announced that the Planning and Development Committee (PDC) meeting agenda will be patterned after the Board's as prescribed in the Bylaws. In order to allow for the free-flow of information and discussion on issues, the committee agreed not to follow Robert's Rules of Order. Since the committee does not contain a quorum of Board members, it was also agreed that there would be no formal approach to voting on issues.

### 2.0 Public Time

Tom Partridge commented on attending meetings of: the AATA Board and the PDC, Washtenaw Area Transportation Study (WATS), Washtenaw County Commission, Ann Arbor City Council, University of Michigan Board of Regents, and Ann Arbor Public Schools. He urged these bodies to think in terms of a unified effort to provide educational support, health care, affordable housing opportunities, and public transportation. Mr. Partridge announced two public meetings of WATS scheduled for the campus of Washtenaw Community College where WATS representatives will make a presentation and take recommendations on transportation planning. Mr. Partridge suggested the PDC and the full Board rededicate themselves to looking at fair and equitable access to transportation for the most vulnerable members of society and to structure programs and fares with priority given to senior citizens, persons with disabilities, and people needing transportation to get to their jobs, medical care, and educational institutions. Mr. Partridge also called on public bodies to expand affordable housing residences in the area.

### 3.0 Staff Reports

3.1 WALLY – Ted Annis reminded staff of the committee's earlier request for cost estimates for WALLY (or a "pro forma" report) that help the full Board decide how to proceed with the WALLY project. The committee and staff discussed the content of the RL Banks study on WALLY, with particular

emphasis on whether that study's ridership estimates might be too optimistic and the recommended capital investment needs might be inflated.

The committee discussed a recommendation from staff to investigate hiring a consultant to be used both to validate the work AATA has already expended on the project and to possibly provide total management of the project in the future. Ted Annis indicated that he was only comfortable looking into hiring a consultant at this stage to verify ridership and cost estimates. Once this information is more credible, the Board could then decide how WALLY's development would proceed. Dawn Gabay noted that WALLY was scheduled to be discussed at the January Governance Committee meeting scheduled for January 14.

- 3.2 Conversion to Act 196 – Dawn Gabay reported that representatives from the City of Ann Arbor, Washtenaw County, AATA, and AATA's legal counsel are scheduled to meet in early February to discuss conversion of AATA to and Act 196 authority.
- 3.3 PDC Meeting Schedule for 2009 – Ed Robertson presented a proposed schedule of PDC meetings for 2009. The schedule is intended to be flexible according to the work that needs to be done, and the committee may choose to add or delete meetings accordingly. (schedule attached)
- 3.4 Mission, Vision and Values Statements – Ed Robertson presented mission and vision statements crafted by the Board's Ad Hoc Committee, and adopted by the Board as a draft working document in November 2007. Ed also presented mission, vision, and values statements he prepared that were based on a combination of the Ad Hoc Committee's work and the discussions on these issues that took place at the Board's May 2008 retreat.

The committee and staff discussed and reworked the documents until everyone agreed on the wording of the Mission, Vision, and Values Statements. The revised wording, along with a draft resolution for adoption of the Statements by the full Board, will be presented to the Governance Committee at its January 14 meeting. (Mission, Vision and Values Statements and the draft Board Resolution are attached).

- 3.5 Capital and Categorical Grant Program and FY 2010 State Funding Application – Chris White reviewed proposed changes to the FY 2009 capital and categorical grant program (memo and report are attached). The discussion that followed focused primarily on the 2009 program which will be the subject of the upcoming Federal application. Chris reviewed the changes in the 2009 application from the adopted program and the projection for Section 5307 Formula Funds on the last page of the report.



The committee approved the program and will recommend its adoption by the full Board.

Chris reported that the FY 2010 application for State Funds is due by February 1, 2009. He also reviewed the application requirements outlined in the attached memorandum.

The committee approved the submission of the State application and will recommend its adoption by the full Board.

- 3.6 Response to Ann Arbor Transportation Plan Update – Ed Robertson reported on a communication received just that day from Eli Cooper at the City of Ann Arbor. This latest communication provided additional insight into the City's expectations regarding AATA's anticipated support of the Plan. Mr. Cooper acknowledged that the PDC's held reservations about committing to a plan that included substantial capital investments from AATA.

Ed presented a second and third draft of a resolution supporting the AATPU. It was noted that the AATPU is scheduled to go before the City's Planning Commission on February 3 and the PDC may wish to delay any support resolution until comments from that meeting can be evaluated. It was agreed to table this issue until sometime after the City Planning Commission's hearing, but before the issue is scheduled to be presented to the full City Council.

- 3.7 Policy for Public Participation at Meetings – Ed Robertson presented two draft policies pertaining to public participation at AATA committee meetings. The first draft represented the outcome of earlier Governance Committee discussions on public participation which allowed for written comments from the public. The second version represented discussions held at an earlier PDC meeting which would allow for oral or written comments from the public both at the start of the meeting and again just prior to adjournment, but would limit any oral comments to two minutes duration. Dawn Gabay announced that the subject of public participation at committee meetings will be discussed at the January 14 meeting of the Governance Committee. The PDC agreed to table discussions on this subject to a future PDC meeting.

- 3.8 Blake Transit Center – Terry Black presented a memo to the committee detailing critical areas in need of repair at the Blake Transit Center (BTC) (memo is attached). Ted Annis informed the other members of the committee that the BTC was the subject of a discussion at a recent Ann Arbor City Council Retreat. In anticipation of the possibility that the City may request that AATA relocate its transfer center at some point in the future, Ted Annis asked staff if the recommended repairs could be postponed. Terry responded that the repairs cannot be postponed any longer without endangering the integrity of the structure and/or our customers, as the maintenance issues these

repairs address have already been postponed for years awaiting a final decision on the BTC.

The committee authorized staff to proceed toward having the repairs done during the coming construction season. The next step in the process will be to write specifications for the project and obtain quotes on the repairs. The committee will take the repair estimates presented today by Staff to the Board as an information item, and because the project is expected to exceed \$100,000, will be seeking formal approval from the Board for these expenditures in the near future.

#### 4.0 Public Time

Tom Partridge appeared before the committee and commented on his attendance at a Local Advisory Council (LAC) meeting earlier in the day. He commented on what he admitted were second hand reports regarding the PDC's and (presumably) the full Board's recent discussions on fare increases. Mr. Partridge stated that he has seen no justification for mid-year fare increases in 2009 or 2010. He indicated that fare increases presented earlier at the LAC by an AATA employee gave the appearance of having already been approved by the PDC and the Board. Mr. Partridge suggested that the proposed increases may not be necessary once President-Elect Obama is in office, a new federal administration is in place, and a new Michigan Legislature is seated.

Mr. Partridge called for fares that would be equitable to the most vulnerable paratransit and senior citizen passengers. He suggested that fares for these groups should be either minimal or free. Mr. Partridge argued that is not fair to require persons who have no other means of transportation to pay inequitable fares on the paratransit system as they are usually on fixed incomes or have serious health problems. He went on to state that paratransit riders should receive free rides for medical related trips and/or trips to the pharmacy.

#### 5.0 Adjournment

There being no further business, Mr. Annis adjourned the meeting at 6:35 p.m.

Respectfully Submitted,

Karen Wheeler

## **PROPOSED PDC MEETING SCHEDULE FOR 2009**

All meetings will begin at 5:00 p.m. in the AATA Training Room unless otherwise posted.

January 6

January 13

January 27

February 10

March 10

March 24

April 21

May 12

May 26

June 9

June 23

July 7

August 11

August 25

September 8

October 13

November 10

December 8

DRAFTMission

It is the Mission of the Ann Arbor Transportation Authority to use traditional and innovative means to provide or facilitate

- Safe
- Reliable
- Cost effective
- Customer-focused
- Environmental leadership

public transportation services and mobility options to enhance the quality of life, economic growth, and overall vitality of the Greater Ann Arbor Community.

Vision

The Ann Arbor Transportation Authority (AATA) will be the primary provider or facilitator of public transportation for those without access to a private vehicle within the greater Ann Arbor community. It will be a viable, valuable and frequently used transportation option for those able to choose between private automobiles and other transportation modes. AATA will be responsive to our customers needs.

AATA will increase ridership by offering attractive transportation services at competitive prices using the highest professional standards, collaborative efforts, public relations and customer interactions to remain responsive to the transportation needs of the community and encourage the use of alternative transportation options.

AATA will be an excellent steward of public funds and resources and will foster collaborative transportation partnerships with public and private entities for the benefit of its customers and the community.

AATA will provide frequent, customer-friendly, reliable, safe, and convenient transportation services that are environmentally conscious and contribute to the reduction of climate changing emissions and vehicle miles traveled (VMT).

AATA will contribute to the enhancement of the quality of life and the economy of the greater Ann Arbor community while improving air quality, decreasing traffic congestion, and reducing dependence on foreign energy sources.

AATA will support a variety of size and type of land development and redevelopment within transit service areas to foster walking, bicycling, carpooling, and vanpooling, thereby enabling the residents, workers and visitors to our community to be closer to transit facilities and services. AATA will actively pursue opportunities for joint development that can benefit the community as well as our ridership and system goals.

AATA will respect and value its stakeholders, customers and employees and will recognize and celebrate the great diversity within its community. It will encourage its employees to do their best work and will provide the tools, training, and environment to enable them to excel.

Adopted by the AATA Board November 14, 2007

## 7.2 Adoption of Draft Mission and Vision Statements

Mr. Ajegba moved adoption of the draft mission and vision statements with support from Ms. McCormick. Members of the Board discussed the work completed by Ad Hoc Committee. Mr. Cooper voiced his support for adoption of the draft mission and vision statements as a draft for the purpose of continuing dialogue beyond the Ad Hoc Committee. In response to a question from Mr. Nacht, Mr. Ajegba indicated that the committee's intention is for the Board to adopt the draft mission and vision statements to continue the work in progress and to have a launch point from which to begin work with a facilitator. Mr. Annis indicated that he was not comfortable adopting the draft statements as the work is preliminary and has not been vetted.

The motion carried. Cooper – yes; Nacht – yes; Ajegba – yes; McCormick – yes; Robben – yes; Annis – no.

November 14, 2007

## MEMORANDUM

**To:** Planning and Development Committee

**From:** Chris White  
Manager of Service Development

**Re:** Proposed Revision to Capital and  
Categorical Grant Program



**Date:** December 11, 2008

We are preparing for a new annual cycle of the submission of federal and state grant applications. The Capital and Categorical Grant Program is the primary tool to meet grant programming requirements, as well as planning our capital expenditures.

Attached are several documents as follows:

- Adopted 5-year program through 2011 (adopted by Board in January, 2008)
- Draft 5-year program including 2012 and 2013, and including proposed changes from adopted program
- Analysis of proposed changes to adopted 2009 program
- Analysis of proposed changes to adopted 2010 program
- Detailed programs for each year, 2009-2013, on an individual page
- Analysis of use of Section 5307 formula funds for the proposed program

We are scheduled to discuss this material at our meeting on December 16, 2008. Adoption of a revised program by the Board is not needed until the January meeting, so we time for additional work before that time.

Board action in January will “lock-in” the FY 2009 program for the annual application to the Federal Transit Administration (FTA). The FY 2010 program will be used for the annual application to the Michigan Department of Transportation (MDOT), but we be able to revise the FY 2010 program until January 2010

Following is some background information on federal and state requirements that tries to help explain all this. Overall, our intent is to comply with requirements while maintaining flexibility to respond to changing conditions.

### BACKGROUND INFORMATION on Federal and State Requirements

The AATA benefits greatly from the way in which the Federal government provides capital funding. The AATA receives an annual allocation of what are called “Section 5307 funds.” We can put these funds into a grant in the year they are allocated, or we can save them for use in subsequent years. This permits us to plan to meet most of our

capital needs. In addition, we are also eligible to receive federal discretionary transit funds. Historically, we have been quite successful in obtaining discretionary funding. The primary sources of federal discretionary funds are Congestion Management/Air Quality (CMAQ) which are allocated through a regional funding process, and Section 5309 funds which are designated for specific projects through Congressional action. In the last three years, we have used these discretionary funds to pay the additional cost for 27 hybrid-electric buses.

Michigan's financial problems have complicated our planning process. By State law, the first priority for State transit funds is to provide 20% of the cost to match the Federal 80% share. The Michigan Department of Transportation (MDOT) is continuing to provide the 20% match for Federal grants for the purchase of replacement buses and facility construction. However, for all other items, MDOT is providing the match for federal grants using "toll credits." This provides the match, but we do not receive the funds. The effect of this on AATA is that for \$100 in AATA's program, we get \$80 in Federal funds, and do not have to pay any local share. We have to decide if we can reduce the cost of the item to available funds, or provide the local match with local funds. The use of toll credits was supposed to be a one-year fix for the State in FY 2005, but it has continued, and there is no end in sight.

AATA submits an annual application to FTA for Section 5307 funds. There is no specific deadline for this application, and AATA submits this application after the beginning of the fiscal year. The FTA cannot act on the application until Congress makes the annual appropriation of transit funds, and there is no advantage to submitting this application early. The annual application to MDOT must be submitted much earlier. AATA is required to submit an application to MDOT by February 1 for the fiscal year that begins on October 1, eight months later. However, MDOT does not actually provide a contract until much later. After the FTA approves their contract MDOT provides their contract to match the items in the FTA grant. As a result of this arcane process, the application to MDOT can be revised well after it is submitted, particularly to reduce or eliminate items.

The FTA application must be consistent with a long-range plan (currently through 2030), and a four-year transportation improvement program (TIP). For each of these, AATA submits projects to the Washtenaw Area Transportation Study (WATS) to be incorporated into the Washtenaw County submission. From WATS it goes to the Southeast Michigan Council of Governments (SEMCOG) for inclusion in the regional long-range plan and TIP. From SEMCOG, it goes to MDOT, and then to FTA for final approval. A new long-range plan is developed every five years, and will be developed later this year. There are a number of specific requirements with the long-range plan and TIP. The most significant of these is "fiscal constraint," which requires that the funding that is programmed must be within the amounts than can be expected based on historical levels.

**ANN ARBOR TRANSPORTATION AUTHORITY  
FIVE-YEAR CAPITAL & CATEGORICAL GRANT PROGRAM  
THROUGH FISCAL YEAR 2011**

DESCRIPTION	2006 actual	2007 actual	2008	2009	2010	2011
Large Buses - Replacement	Quantity Cost \$0	18 \$9,282,573	9 \$4,860,000	0 \$0	10 \$5,310,000	0 \$0
Medium/Small Buses - Replacement	Quantity Cost \$0	0 \$0	0 \$0	0 \$0	0 \$0	6 \$1,440,000
Large Buses - Expansion	Quantity Cost \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Medium/Small Buses - Expansion	Quantity Cost \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
On-Board Systems and Equipment	\$0	\$800,000	\$400,000	\$500,000	\$0	\$0
Maintenance Equip. and Bus Components	\$40,000	\$120,000	\$0	\$150,000	\$500,000	\$0
Computer Hardware and Software	\$120,000	\$120,000	\$120,000	\$150,000	\$150,000	\$150,000
Park and Ride Lots & Transfer Facilities	\$0	\$0	\$800,000	\$0	\$0	\$1,000,000
Preventive Maintenance	\$720,000	\$1,840,000	\$1,680,000	\$2,100,000	\$2,100,000	\$2,100,000
Non-revenue Vehicles	3 \$72,000	0 \$0	2 \$48,000	0 \$0	0 \$0	3 \$90,000
Passenger Area Facilities and Equip.	\$120,000	\$0	\$64,000	\$80,000	\$0	\$80,000
Capital Cost of Contracting	\$160,000	\$160,000	\$200,000	\$200,000	\$200,000	\$200,000
Fixed Facilities	\$880,000	\$800,000	\$0	\$0	\$0	\$0
Planning	\$240,000	\$300,000	\$300,000	\$375,000	\$375,000	\$400,000
Outreach and Rideshare	\$142,000	\$215,000	\$170,000	\$175,000	\$180,000	\$200,000
<b>TOTAL</b>	<b>\$2,494,000</b>	<b>\$13,637,573</b>	<b>\$8,642,000</b>	<b>\$3,730,000</b>	<b>\$8,815,000</b>	<b>\$5,660,000</b>

Adopted:  
January 2008

Prepared by:  
Chris White



**ANN ARBOR TRANSPORTATION AUTHORITY  
FIVE-YEAR CAPITAL & CATEGORICAL GRANT PROGRAM  
THROUGH FISCAL YEAR 2013**

DESCRIPTION	2008 actual	2009	2010	2011	2012	1/14/2009 Prepared by: Chris White
Large Buses - Replacement	Quantity Cost \$3,796,110	0 \$0	10 \$5,500,000	0 \$0	7 \$3,990,000	0 \$0
Medium/Small Buses - Replacement	Quantity Cost \$0	0 \$0	0 \$0	8 \$1,080,000	0 \$0	0 \$0
Large Buses - Expansion	Quantity Cost \$0	0 \$0	4 \$2,320,000	0 \$0	0 \$0	0 \$0
Medium/Small Buses - Expansion	Quantity Cost \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
On-Board Systems and Equipment	\$400,000	\$0	\$0	\$0	\$0	\$0
Maintenance Equip. and Bus Components	\$0	\$150,000	\$500,000	\$0	\$250,000	\$0
Computer Hardware and Software	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
Park and Ride Lots & Transfer Facilities	\$0	\$1,400,000	\$200,000	\$1,000,000	\$0	\$0
Preventive Maintenance	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000
Non-revenue Vehicles	Quantity Cost \$48,000	2 \$0	0 \$0	3 \$90,000	0 \$0	3 \$105,000
Passenger Area Facilities and Equip.	\$64,000	\$80,000	\$0	\$80,000	\$0	\$80,000
Capital Cost of Contracting	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Fixed Facilities	\$0	\$0	\$0	\$0	\$0	\$0
Planning	\$300,000	\$375,000	\$375,000	\$400,000	\$400,000	\$400,000
Outreach and Rideshare	\$170,000	\$175,000	\$180,000	\$200,000	\$200,000	\$200,000
<b>TOTAL</b>	<b>\$6,778,110</b>	<b>\$4,180,000</b>	<b>\$11,075,000</b>	<b>\$4,850,000</b>	<b>\$6,840,000</b>	<b>\$2,785,000</b>
Federal Share						

**ANN ARBOR TRANSPORTATION AUTHORITY**  
**FY 2009 CAPITAL & CATEGORICAL GRANT PROGRAM**

DESCRIPTION	LOCAL	FEDERAL		STATE	TOTAL	NOTES
		Section 5307	OTHER			
0 Large Buses - Replacement		\$0			\$0	
0 Medium/Small Buses - Replacement		\$0			\$0	
0 Large Buses - Expansion		\$0			\$0	
0 Medium/Small Buses - Expansion		\$0			\$0	
On-Board Systems and Equipment		\$0			\$0	Radio system upgrade/replacement
Maintenance Equip. and Bus Components		\$150,000			\$150,000	Associated Capital Maintenance
Computer Hardware and Software		\$120,000			\$120,000	Ongoing upgrade of computer capabilities
Park and Ride Lots & Transfer Facilities		\$1,120,000		\$280,000	\$1,400,000	Plymouth and US23
Preventive Maintenance		\$1,680,000			\$1,680,000	Operating expense
0 Non-revenue Vehicles					\$0	
Passenger Area Facilities and Equip.		\$80,000			\$80,000	
Capital Cost of Contracting		\$200,000			\$200,000	Operating expense - portion of subcontracted service attributable to capital costs
Fixed Facilities		\$0			\$0	
Planning		\$375,000			\$375,000	Operating expense
Outreach and Rideshare			\$175,000		\$175,000	Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,725,000</b>	<b>\$175,000</b>	<b>\$280,000</b>	<b>\$4,180,000</b>	

**1/14/2009**  
 Prepared by:  
 Chris White

**DRAFT**  
 Not Adopted

# ANN ARBOR TRANSPORTATION AUTHORITY

## Capital and Categorical Grant Program

Prepared by: Chris White  
12/12/08

### FY 2009 Change from Adopted Program

DESCRIPTION	Adopted Program	Change	Proposed Program	Notes
On-Board Systems and Equipment	\$500,000	-\$500,000	\$0	Designated for radio replacement several years ago. The FY 2008 program included \$400,000 for upgrade of AOS. The current plan is to use a portion of these funds to do the necessary upgrades to the radio system, which is a component of the AOS system.
Associated Capital Maintenance	\$150,000	\$0	\$150,000	
Computer Hardware and Software	\$150,000	-\$30,000	\$120,000	Reduced by 20% for loss of state share. Now 100% federal
Park and Ride Lots & Transfer Facilities	\$0	\$1,400,000	\$1,400,000	Carried forward from 2008. Project pending final approval by FTA with completion of details on agreement with MDOT
Preventive Maintenance	\$2,100,000	-\$420,000	\$1,680,000	Reduced by 20% for state share in toll credits. Now 100% federal
Capital Cost of Contracting	\$200,000	\$0	\$200,000	
Passenger Area Facilities and Equipment	\$80,000	\$0	\$80,000	
Planning	\$375,000	\$0	\$375,000	
Rideshare and Outreach	\$175,000	\$0	\$175,000	For FY 2010 expenses
<b>TOTAL</b>	<b>\$3,730,000</b>	<b>\$450,000</b>	<b>\$4,180,000</b>	

**ANN ARBOR TRANSPORTATION AUTHORITY**  
**FY 2010 CAPITAL & CATEGORICAL GRANT PROGRAM**

**DRAFT**  
 Not Adopted

1/14/2009

Prepared by:  
 Chris White

DESCRIPTION	LOCAL	FEDERAL		STATE	TOTAL	NOTES
		Section 5307	OTHER			
10 Large Buses - Replacement		\$2,800,000	\$1,600,000	\$1,100,000	\$5,500,000	Hybrid buses. Other federal funds from Clean Fuels Program or CMAQ.
0 Medium/Small Buses - Replacement						
4 Large Buses - Expansion		\$1,152,000	\$704,000	\$484,000	\$2,320,000	Seek 5309 funds to replace 5307 for these buses
0 Medium/Small Buses - Expansion					\$0	
On-Board Systems and Equipment		\$0			\$0	
Maintenance Equip. and Bus Components		\$500,000			\$500,000	Associated Capital maintenance
Computer Hardware and Software		\$120,000			\$120,000	Ongoing upgrade of computer capabilities
Park and Ride Lots & Transfer Facilities		\$160,000		\$40,000	\$200,000	
Preventive Maintenance		\$1,680,000			\$1,680,000	Operating expense.
0 Non-revenue Vehicles		\$0			\$0	
Passenger Area Facilities and Equip.		\$0			\$0	
Capital Cost of Contracting		\$200,000			\$200,000	Operating expense - portion of subcontracted service attributable to capital costs
Fixed Facilities		\$0			\$0	
Planning		\$375,000			\$375,000	Operating expense
Outreach and Rideshare			\$200,000		\$200,000	Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.
<b>TOTAL</b>	<b>\$0</b>	<b>\$6,987,000</b>	<b>\$2,504,000</b>	<b>\$1,604,000</b>	<b>\$11,095,000</b>	

# ANN ARBOR TRANSPORTATION AUTHORITY

## Capital and Categorical Grant Program

Prepared by: Chris White  
12/12/08

### FY 2010 Change from Adopted Program

DESCRIPTION	Adopted Program	Change	Proposed Program	Notes
10 Large Buses - Replacement	\$5,310,000	\$190,000	\$5,500,000	Revised price estimate
4 Large Buses - Service Expansion	\$0	\$2,320,000	\$2,320,000	
Associated Capital Maintenance	\$500,000	-\$200,000	\$300,000	Spare bus components and capital repair parts. Reduction in estimated use.
Computer Hardware and Software	\$150,000	-\$30,000	\$120,000	Reduced by 20% for loss of state share. Now 100% federal
Park and Ride Lots & Transfer Facilities	\$0	\$200,000	\$200,000	Various improvements at casual park and ride lots, not yet specified
Preventive Maintenance	\$2,100,000	-\$420,000	\$1,680,000	Reduced by 20% for loss of state share. Now 100% federal
Capital Cost of Contracting	\$200,000	\$0	\$200,000	
Passenger Area Facilities and Equipment	\$0	\$0	\$0	
Planning	\$375,000	\$0	\$375,000	
Rideshare and Outreach	\$180,000	\$0	\$180,000	For FY 2011 expenses
<b>TOTAL</b>	<b>\$8,815,000</b>	<b>\$2,060,000</b>	<b>\$10,875,000</b>	

**ANN ARBOR TRANSPORTATION AUTHORITY**  
**FY 2011 CAPITAL & CATEGORICAL GRANT PROGRAM**

**DRAFT**  
 Not Adopted  
 Prepared by:  
 Chris White

1/14/2009

DESCRIPTION	LOCAL	FEDERAL		STATE	TOTAL	NOTES
		Section 5307	OTHER			
0 Large Buses - Replacement		\$0		\$0	\$0	
6 Medium/Small Buses - Replacement		\$864,000		\$216,000	\$1,080,000	Replacement for A-Ride buses
0 Large Buses - Expansion					\$0	
0 Medium/Small Buses - Expansion					\$0	
On-Board Systems and Equipment					\$0	
Maintenance Equip. and Bus Components					\$0	
Computer Hardware and Software	\$0	\$96,000		\$24,000	\$120,000	Ongoing upgrade of computer capabilities
Park and Ride Lots & Transfer Facilities	\$0	\$800,000		\$200,000	\$1,000,000	1 large or 2 medium-size lots. No location determined
Preventive Maintenance	\$0	\$1,344,000		\$336,000	\$1,680,000	Operating expense.
3 Non-revenue Vehicles	\$0	\$72,000		\$18,000	\$90,000	Replacement of maintenance vehicles
Passenger Area Facilities and Equip.	\$0	\$64,000		\$16,000	\$80,000	Shelter program
Capital Cost of Contracting	\$0	\$160,000		\$40,000	\$200,000	Operating expense - portion of subcontracted service attributable to capital costs
Fixed Facilities	\$0	\$0		\$0	\$0	
Planning	\$0	\$320,000		\$80,000	\$400,000	Operating expense
Outreach and Rideshare	\$0		\$200,000		\$200,000	Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.
<b>TOTAL</b>	<b>\$0</b>	<b>\$3,720,000</b>	<b>\$200,000</b>	<b>\$930,000</b>	<b>\$4,850,000</b>	

**ANN ARBOR TRANSPORTATION AUTHORITY**  
**FY 2012 CAPITAL & CATEGORICAL GRANT PROGRAM**

**DRAFT**  
 Not Adopted

**1/14/2009**

Prepared by:  
 Chris White

DESCRIPTION	LOCAL	FEDERAL		STATE	TOTAL	NOTES
		Section 5307	OTHER			
7 Large Buses - Replacement		\$1,652,000	\$1,540,000	\$798,000	\$3,990,000	
0 Medium/Small Buses - Replacement				\$0	\$0	Replacement for A-Ride buses
0 Large Buses - Expansion					\$0	
0 Medium/Small Buses - Expansion					\$0	
On-Board Systems and Equipment					\$0	
Maintenance Equip. and Bus Components		\$250,000			\$250,000	
Computer Hardware and Software		\$120,000			\$120,000	Ongoing upgrade of computer capabilities
Park and Ride Lots & Transfer Facilities		\$0			\$0	1 large or 2 medium-size lots. No location determined
Preventive Maintenance		\$1,680,000			\$1,680,000	Operating expense.
3 Non-revenue Vehicles		\$0			\$0	Replacement of maintenance vehicles
Passenger Area Facilities and Equip.		\$0			\$0	Shelter program
Capital Cost of Contracting		\$200,000			\$200,000	Operating expense - portion of subcontracted service attributable to capital costs
Fixed Facilities		\$0			\$0	
Planning		\$400,000			\$400,000	Operating expense
Outreach and Rideshare	\$0		\$200,000		\$200,000	Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.
<b>TOTAL</b>	<b>\$0</b>	<b>\$4,302,000</b>	<b>\$1,740,000</b>	<b>\$798,000</b>	<b>\$6,840,000</b>	

**ANN ARBOR TRANSPORTATION AUTHORITY**  
**FY 2013 CAPITAL & CATEGORICAL GRANT PROGRAM**

DESCRIPTION	LOCAL	FEDERAL		STATE	TOTAL	NOTES
		Section 5307	OTHER			
0 Large Buses - Replacement		\$0	\$0	\$0	\$0	
0 Medium/Small Buses - Replacement		\$0		\$0	\$0	
0 Large Buses - Expansion					\$0	
0 Medium/Small Buses - Expansion					\$0	
On-Board Systems and Equipment					\$0	
Maintenance Equip. and Bus Components		\$0			\$0	
Computer Hardware and Software		\$120,000			\$120,000	Ongoing upgrade of computer capabilities
Park and Ride Lots & Transfer Facilities		\$0			\$0	1 large or 2 medium-size lots. No location determined
Preventive Maintenance		\$1,680,000			\$1,680,000	Operating expense.
3 Non-revenue Vehicles		\$105,000			\$105,000	Replacement of maintenance vehicles
Passenger Area Facilities and Equip.		\$80,000			\$80,000	Shelter program
Capital Cost of Contracting		\$200,000			\$200,000	Operating expense - portion of subcontracted service attributable to capital costs
Fixed Facilities		\$0			\$0	
Planning		\$400,000			\$400,000	Operating expense
Outreach and Rideshare	\$0		\$200,000		\$200,000	Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.
<b>TOTAL</b>	<b>\$0</b>	<b>\$2,585,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$2,785,000</b>	

1/14/2009

Prepared by:  
Chris White

DRAFT

Not Adopted



# Section 5307 Federal Formula Funds

Conservative Projection: No increase in Section 5307 allocation. Authorizing legislation increases 5307 funds.  
Shaded cells are actual figures.

As Of:	12/8/2008
DRAFT	Not Adopted

Fiscal Year	2006*	2007*	2008	2009	2010	2011	2012	2013
Balance from prior year	\$4,448,676	\$6,359,157	\$1,323,362	\$2,008,032	\$2,871,702	\$473,372	\$1,342,042	\$1,628,712
Plus Allocation of Section 5307 funds (actual allocation 2006-2008)	\$4,086,481	\$4,224,205	\$4,588,670	\$4,588,670	\$4,588,670	\$4,588,670	\$4,588,670	\$4,588,670
Less Reserved Funds (explanation at right)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Available	\$8,535,157	\$10,583,362	\$5,912,032	\$6,596,702	\$7,460,372	\$5,062,042	\$5,930,712	\$6,217,382
Amount Programmed for Section 5307 Program (actual grant 2006-2008)	\$2,176,000	\$9,260,000	\$3,904,000	\$3,725,000	\$6,987,000	\$3,720,000	\$4,302,000	\$2,585,000
Amount Remaining - Carryover to following year	\$6,359,157	\$1,323,362	\$2,008,032	\$2,871,702	\$473,372	\$1,342,042	\$1,628,712	\$3,632,382

\*The large balance in 2006 and 2007 was the result of saving for several years for a major bus replacement

Prepared by: Chris White

## MEMORANDUM

**To:** Planning and Development Committee  
**From:** Chris White  
Manager of Service Development  
**Re:** FY 2010 State Funding Application  
**Date:** January 13, 2009



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We are required to submit our application for FY 2009 state funding by February 1, 2008. The application date, and many of the other requirements are set by statute. There are two financial elements in the required application.

One element of the application is for capital funding. This portion of the application will consist of the FY 2010 element of AATA's Capital and Categorical Grant Program. In the past, MDOT has reserved funds for bus replacement and facility construction and toll credits for all other items. However, if there is a change in the actual program submitted for federal funding in FY 2010, MDOT works with us to accommodate the change. Given the State's current financial status, it may not operate in the same way this year.

The second element is an operating budget for FY 2010. The budget is required by statute, but it is of little actual consequence. The state operating assistance we will receive will be based on our actual expenses next year. In addition, MDOT will request – and we will provide – a copy of our final budget for FY 2009 once it is adopted in September. MDOT does use the operating budget submitted in the applications for planning purposes. For this application, I am planning to use Phil's projected budget for FY 2010 from 1/5/2009.

The application also includes several standard certifications and assurances required to receive State funding. In addition, MDOT requires a single application for Washtenaw County. As a result, included is application for a total of \$87,026 designated for four specific private non-profit agencies.

A Board resolution is required to authorize submission of the application. A draft resolution is attached.

## MEMORANDUM

**To:** Planning and Development Committee

**From:** Terry D. Black  
Manager of Maintenance

**Re:** BTC Improvements

**Date:** January 12, 2009



---

Listed below is a summary of items that were identified during a facility assessment inspection at the Blake Transit Center. The inspection was performed by National Building Inspections on 4-14-2008 outlining critical areas which were in need immediate attention.

1. Perform pillar column assessment (Erosion concerns).
2. Miscellaneous concrete and asphalt repairs.
3. Replace Roof.
4. Replace Gutters/Downspouts
5. Replace both HVAC Units.
6. Upgrade restrooms to be ADA compliant.
7. Re-seal or replace windows in customer lobby area.
8. Re-lamp light fixtures to more energy efficient lighting.
9. Upgrade electrical outlets to GFI receptacles.
10. Drywall repairs.
11. Replace water damaged ceiling tiles.
12. Interior Painting/Wallpapering.
13. Replace carpeting/floor tiling.

The estimated cost of making the repairs is \$150,000 to \$200,000. A formal RFQ process would need to be followed to obtain exact cost figures for the repairs.

Staff would like to proceed in obtaining quotes for the listed work so that work can start as soon as possible.

**\*\*Please note these repairs only extend the life of the facility for the next 3-5 years and do not include any customer or technology enhancements.\*\***

# DRAFT

## ANN ARBOR TRANSPORTATION AUTHORITY PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE

Meeting Summary – 3:30 p.m., Wednesday, January 14, 2009

Present: Committee – Sue McCormick, Chair; Jesse Bernstein;  
Staff – Dawn Gabay; Chris White; Mary Stasiak; Ed Robertson; Phil  
Webb; Lois Crawford  
Absent: Committee – Charles Griffith

Sue McCormick called the meeting to order at 3:40 p.m.

### DISCUSSION ITEMS

#### Exception Report of Monthly Financial and Performance Reports

Mr. Webb reviewed the budget to actual variances for the first quarter of FY 2009. During discussion, it was noted that a first report on on contingency planning revenue projections, including millage, would be made to the Planning and Development Committee on January 27. A decrease of 1.2-1.5 percent in Ann Arbor millage revenue across the board is expected. (Memo)

Mr. White reviewed the Performance Report exceptions for the first quarter for fixed-route and paratransit services. As a result of discussion, he will compile data for the committee on the number of senior and ADA people using paratransit service. Mr. White noted that there is a problem with budgeted passenger revenue that will be addressed. (Memo and Performance Report)

Mr. White reviewed the Quarterly Service Standard Exception Report for the first quarter. Discussion of the Complaints and Compliments standard resulted in a request for a sample of the complaint report page. (Report)

#### Report on Service Changes Implemented August 24, 2008

Mr. White reviewed the status of Fall, 2008 service changes. During discussion, Ms. McCormick suggested that the committee explore on-time performance by route, not only system-wide. (Memo)

### Revisions to Procurement Manual

Mr. Webb reported on the revisions, noting the primary revision is the addition of a credit card policy. He expects that a condensed version for vendors will also be revised.

(Memo)(Draft Procurement Manual is posted in Hyperoffice\*)

### Aligning Goals and Objectives with the Marketing Plan

Following a brief presentation by Ms. Stasiak on efforts to align the marketing plan to the Goals and Objectives, committee discussion focused on the draft Goals and Objectives. A suggestion was made that the outline be reorganized to better group related items. As a preliminary step, staff will prepare a version of the draft for the committee with only the strategic goals and the objectives listed.

### Preparation for On-board Survey of Riders

Mr. White reported that there is a critical need to conduct a survey of riders. The most recent survey was conducted in 2006. AATA has paid the University of Michigan to conduct the survey in the past, but we may have an opportunity to reduce the cost by having a driver who is on light duty distribute and collect the surveys. Mr. Bernstein and Ms. McCormick expressed their willingness to donate some time to help conduct the survey. The results of the 2006 survey are available on the AATA web site at [www.aata.org/pdf/2006 survey.pdf](http://www.aata.org/pdf/2006%20survey.pdf).

## UPDATES

### Report on Quarterly Report of Continuous Improvement Teams (CIT)

Ed Robertson reviewed the quarterly report of the CI Teams. He was asked to expand the report to include a column for actual savings. (CIT Summary Report)

### Peer Status on 3 Major Performance Indicators

White reviewed the peer status charts in Hyperoffice. Discussion followed on the status of RideTrak. Reactivation of RideTrak is planned for January 26, in coordination with the full migration of the web site to the City of Ann Arbor system. (Charts in Hyperoffice\*)

\*Items posted in Hyperoffice may be accessed under:

Shared Documents /PM&ER/ January 2009 meeting

Respectfully submitted,  
Lois Crawford  
Administrative Assistant for Community Relations

# Memorandum



To: Board of Directors  
 From: Philip Webb, Controller  
 Date: January 14, 2009  
 Re: Notes for the Operating Statement for Three Months Ended December 31, 2008

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The following are the explanations and notes for budget to actual variances for the Ann Arbor Transportation Authority's year-to-date unaudited financial report of operations, generally +/- 5.0% and \$20,000.

**REVENUES: Total Revenues are 2.4% under budget (unfavorable).**

1. Interest and Other is under budget as interest rates have fallen since the budget was created and we have put \$6.0 million of our cash in low yielding, but secure Treasury Bills. Also, our advertising vendor has stopped paying us (budget of \$21,200). We have legal helping us.
2. Federal Operating Assistance is under budget because we have not billed as much preventive maintenance as budgeted (\$110,000).

**EXPENSES: Total Expenses are 0.5% over budget (unfavorable).**

3. Operator wages and other wages are over budget. We had a training class that just ended in October. Even though we have the correct total MCOs, we incurred overtime to cover the service on the street while the trainees and trainers were not providing service.
4. Other wages are under budget since we have a vacant CEO position.
5. Security services are under budget. This is a timing difference of only having two monthly invoices included rather than two and we overlooked accruing the first quarter of BTC Security provided by the AAPD (\$15,000).
6. Net Diesel Fuel is over budget by \$28,700. The budget assumes \$3.10 and we are using the diesel fuel that was in inventory on 9/30/2008, which averaged \$3.33 per gallon and October, November and December purchases. The deliveries averaged \$2.13. Our latest delivery of 25,000 gallons of diesel fuel on January 6, 2008 was at \$1.92 per gallon. However, we incurred losses of \$82,000 on our futures activity for December (\$1.65 per gallon).
7. Bus parts are under budget by \$15,700. This is a timing difference that may reverse, even though we bought additional parts for the bus involved in an accident.
8. Printing is under budget, because of no significant projects so far this fiscal year.
9. Vehicle Insurance is under budget. We received a \$10,000 check for an estimated claim on a bus involved in an accident.
10. ARide, Good as Gold and Night Ride are over budget because of higher demand. ARide passenger trips were 9% over budgeted.
11. Other expenses are under budget by \$25,500 because of less spent on Employee Development, Media, and Travel

## MEMORANDUM

**To:** Performance Monitoring &  
External Relations Committee

**From:** Chris White  
Manager of Service Development

**Re:** Exception Report – Performance Report  
October 1 – December 31, 2008

**Date:** January 14, 2008

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### Fixed-Route Service

- The variations are all favorable
- Ridership is up 6% over last year. However, the rate of growth was less in November and December than in September and October. We will see if this trend continues.
- Expenses are less than budgeted and less than last year.
- The number of service hours and service miles is slightly lower than last year and the budgeted figures because of selected service reductions during the holiday period which came out of the CIP process.
- The percent of cost paid by the rider is higher than will be sustained through the year. We received all of the payment for go! passes up front, while the ridership continues through the year.

### Subcontracted Paratransit Service (A-Ride and Night Ride)

- The number of riders is up 8% from last year and 5% from the budget figure. This has a direct effect on the cost of service.
- Miles are up less than riders, which reduces the cost impact of increased ridership.
- There is a problem in the budgeted passenger revenue that needs to be addressed by staff.

# Ann Arbor Transportation Authority

## Performance Report - Year to Date

### AATA operated Service

December 2008

Performance Indicators	Actual Year to Date	Budgeted Year to Date	Budgeted % Variance	Previous Year to Same Date	Previous Year % Variance
Average # of Weekday Passengers	23,261	31.2	9%	21,852	6%
Passengers per Service Hour	34.0			32.0	6%
Operating Expense per Passenger	\$ 2.97	\$ 3.26	-9%	\$ 3.19	-7%
Operating Expense per Service Hour	\$ 100.90	\$ 101.62	-1%	\$ 102.09	-1%
Operating Expense per Service Mile	\$ 7.32	\$ 7.31	0%	\$ 7.77	-6%
Percent of Cost paid by Passenger	26.8%	26.8%	0%	24.9%	7%

Base Data	Actual Year to Date	Budgeted Year to Date	Budgeted % Variance	Previous Year to Same Date	Previous Year % Variance
Service Inputs					
AATA Operating Expenses	\$ 4,783,275	\$ 4,917,492	-3%	\$ 4,838,142	-1%
Service Outputs					
AATA Service Hours	47,406	48,391	-2%	47,390	0%
AATA Service Miles	653,292	672,700	-3%	622,551	5%
Service Consumption					
AATA Passengers	1,611,787	1,509,386	7%	1,516,135	6%
AATA Passenger Revenue	\$ 1,281,487	\$ 1,319,347	-3%	\$ 1,206,211	6%
Total # of Weekday Passengers	1,488,730			1,398,552	6%

Number of Weekdays

Fy 2008:

64

Fy 2009:

64



\* Includes funds from Mride  
Program not paid by Passenger

## Performance Report - Year to Date

### Subcontracted Urban Service

December 2008

Performance Indicators	Actual Year to Date	Budgeted Year to Date	Budgeted % Variance	Previous Year to Same Date	Previous Year % Variance
Average # of Weekday Passengers	619			578	7%
Passengers per Service Mile	0.139	0.128	9%	0.133	5%
Operating Expense per Passenger	\$ 19.39	\$ 19.93	-3%	\$ 18.25	6%
Operating Expense per Service Mile	\$ 2.70	\$ 2.54	6%	\$ 2.42	12%
Percent of Cost paid by Passenger	12%	14%	-13%	13%	-7%

Base Data	Actual Year to Date	Budgeted Year to Date	Budgeted % Variance	Previous Year to Same Date	Previous Year % Variance
Service Inputs					
SubContracted Operating Expenses	\$ 912,266	\$893,495	2%	\$ 791,934	15%
Service Outputs					
SubContracted Service Miles	337,329	351,153	-4%	327,223	3%
Service Consumption					
SubContracted Passengers	47,045	44,840	5%	43,397	8%
SubContracted Passenger Revenue	\$ 107,683	\$121,112	-11%	\$ 100,151	8%
Total # of Weekday Passengers	40,879			37,594	9%

Number of Weekdays

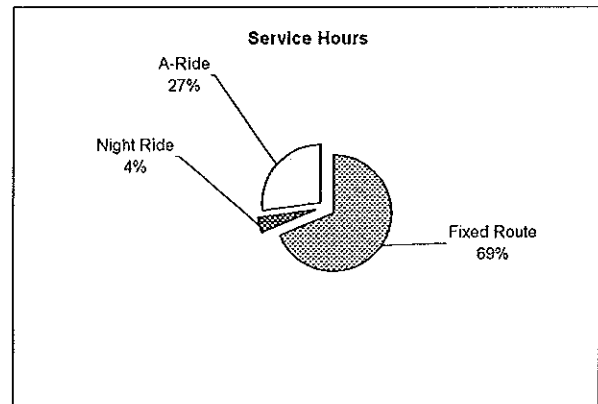
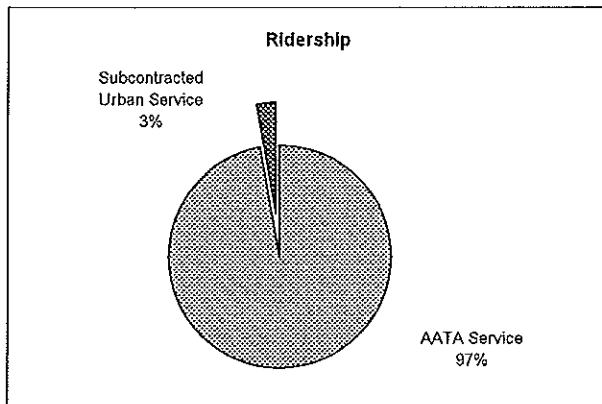
Fy 2008:  
Fy 2009:

65  
66

# Ann Arbor Transportation Authority Operating Statistics

October 1, 2008 - December 31, 2008

	All Service	AATA Service		Subcontracted Urban Service		
	Total	Fixed Route	Total	Night Ride	A-Ride	Total
Ridership	1,658,832	1,611,787	1,611,787	4,673	42,372	47,045
Service Hours	69,012	47,406	47,406	2,815	18,791	21,606
Passengers Per Service Hour	24.0	34.0	34.0	1.7	2.3	2.2
Average # of Weekday Passengers	24,777	23,261	23,261	46	1,469	1,516
Average Operating Expense per Passenger	\$ 3.43	\$ 2.93	\$ 2.93	\$ 18.27	\$ 20.76	\$ 20.51
Subsidy per Passenger	\$ 2.60	\$ 2.14	\$ 2.14	\$ 13.68	\$ 18.72	\$ 18.22
Percent Cost Paid by Passenger	24.4%	27.1%	27.1%	25.1%	9.8%	11.2%



**Quarterly Service Standard  
Exception Report  
October 1 – December 31, 2008**

**Standard 2 – Reliability**

The percent of trips on-time is not yet available. The recent upgrade to a new version of the Advanced Operating System resulted in a change that provides inaccurate summary information. The raw data is accurate and staff is working to correct the problem

**Standard 4 – Safety**

There were 2.9 accidents per 100,000 miles for the quarter, which is higher than usual but well below the service standard of 3.5. These were mostly weather related and most did not result in any damage. There were no serious accidents in the quarter.

**Standard 6 – Complaints and Compliments**

There were somewhat fewer complaints and more compliments than average for the quarter. There were a relatively large number (7) of complaints about subcontracted service in November. This was primarily due to a change of personnel at Select Ride, and has been resolved.

**Standard 7 – Fixed-Route Productivity**

Overall productivity was 32.8 passengers per service hour, a 2.5% increase over the same period a year ago. The following routes had productivity below 20 passengers per service hour:

- #13 Newport (18.2 passengers per service hour). This route has been consistently under 20 passengers per service hour. It was considered for a service reduction last year, but service was not changed after considerable public input.
- #16 Ann Arbor – Saline Rd. (16.4 passengers per service hour). This route was shortened in August to eliminate some unproductive time. However, the service hours were not reduced until the #17 began service in December. The productivity of this route will increase significantly next quarter.
- #17 Amtrak – Depot St. (2.9 passengers per service hour). This route began service on December 1<sup>st</sup> and has only been in operation for 1 month. In addition, it will not be able to have stop on campus until North Quad is completed in the summer. We will be monitoring the growth in ridership and developing marketing opportunities.
- #18 Miller-University (18.7 passengers per service hour). This was a new route in August, 2008. We anticipate ridership growth over time.

## SERVICE STANDARD REPORT

### October 1 – December 31, 2008

#### SERVICE LEVELS

1. **Coverage Goal:** *90% or more Ann Arbor households within 1/4 mile of a bus route.*

91% of Ann Arbor residents are within 1/4 of a route based on 2000 census data.

#### SERVICE QUALITY

2. **Reliability Goal:** *95% or more of trips on-time.*

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Percent of trips on-time:	<b>XX%</b>	82.9%	85.1%	86.1%	85.2%

The percent of trips on-time is not yet available. The recent upgrade to a new version of the Advanced Operating System resulted in a change that provides inaccurate summary information. The raw data is accurate and staff is working to correct the problem

3. **Condition of Bus Goal:** *80% of buses will score 80 or higher on the 100-point scale.*

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Average score	<b>xx</b>	92	93	92	90
Percent of buses exceeding 80 points	<b>xx%</b>	100%	99%	99%	97%

Compilation of the data is not yet complete

4. **Safety Goal:** *3.5 accidents or less per 100,000 miles of service.*

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Total Accidents	<b>19</b>	10	14	16	12
Accidents per 100,000 miles	<b>2.9</b>	1.6	2.3	2.5	1.9
Preventable Accidents	<b>9</b>	2	10	6	4
Preventable Accidents per 100,000 mi.	<b>1.4</b>	0.3	1.6	0.9	0.6

5. **Waiting Comfort Goal:** *All bus stops with more than 50 daily boardings will have a shelter where physically feasible.*

Two shelters were installed when UM completed the necessary concrete work. There is now a shelter at 88 bus stops, 55 of which are AATA-owned. We have agreements with 45 property owners to provide basic maintenance such as snow and trash removal at 65 of the shelters.

6. **Driver Courtesy and System Performance Goal:** *All complaints will be investigated.*

The following provides a tabulation of complaints for the quarter.

Category	October		November		December		Total		
	Valid	Invalid	Valid	Invalid	Valid	Invalid	Valid	Invalid	Total
Passenger Missed	1					1	1	1	2
Careless/Unsafe Driving	1	2		4	2	1	3	7	10
Rudeness/Lack of Courtesy	1	3	1	1		2	2	6	8
Other Operator Actions		4	1	3		3	1	10	11
Bus Off Schedule	4	3	3			2	7	5	12
Incorrect Information							0	0	0
Equipment/Facilities	1				1		2	0	2
System (policies/rates/etc.)			1			2	1	2	3
Other AATA			1	1	1	2	2	3	5
Subcontracted Service		2	7	3	1		8	5	13
<b>TOTAL</b>	<b>8</b>	<b>14</b>	<b>14</b>	<b>12</b>	<b>5</b>	<b>13</b>	<b>27</b>	<b>39</b>	<b>66</b>

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Total Complaints	<b>66</b>	89	77	107	74
Valid Complaints	<b>27</b>	31	22	35	26
Compliments	<b>20</b>	16	1	22	14

## **SERVICE PRODUCTIVITY**

7. **Fixed-Route Service in the Urbanized Area Productivity Goal:**

*25 passengers per service hour or higher.*

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Passengers per Svc. Hour	<b>32.8</b>	33.2	30.1	32.6	32.0

9. **Overall AATA System Productivity Goal:**

*20 passengers per service hour or higher.*

	<b><u>This Quarter</u></b>	<b><u>Last Four Quarters</u></b>			
Passengers per Svc. Hour	<b>32.9</b>	33.9	30.1	32.6	32.0

Following are tables showing the riders and productivity for each route and event service for the last 5 quarters. Also included are tables which show the riders and productivity for each route for the fiscal year, and the previous 4 fiscal years.

Ann Arbor Transportation  
Authority

## Riders by Route

Route # and Name		FY 2008			
		Oct. - Dec. 2007	July - Sept. 2008	Apr. - June 2008	Jan. - Mar. 2008
1	Pontiac	56,601	61,323	56,436	59,472
1U	Pontiac University	7,351	6,359	4,718	5,431
2	Plymouth	157,194	155,424	129,487	156,794
2X	Pymouth Shuttle	7,910	4,789	6,371	6,545
3	Huron River	67,928	66,156	61,794	62,491
4	Washtenaw	208,861	214,422	184,879	197,965
5	Packard	157,313	159,712	147,244	152,247
6	Ellsworth	171,160	171,520	146,158	162,430
7	S. Main - East	82,790	88,002	78,883	74,871
8	Pauline	60,884	59,528	48,081	48,145
9	Jackson	46,213	49,164	47,572	44,661
609	Jackson University	9,890	7,481	5,713	8,518
10	Ypsilanti Northeast	33,282	36,633	34,761	31,754
11	Ypsilanti South	23,705	24,140	22,915	23,761
12A/B	Miller Liberty	63,566	62,306	63,411	70,461
12UL	Liberty University		2,207	6,355	9,832
12UM	Miller University		16,194	10,473	9,665
13	Newport	10,487	9,482	11,455	11,294
14	Geddes - E. Stadium	12,976	18,735	25,433	25,833
15	Scio Church - W. Stadium	18,210	18,366	19,091	19,611
16	Ann Arbor - Saline Rd.	33,131	36,939	37,008	36,126
17	Amtrak - Depot	521			
18	Miller-University	19,361			
20	Ypsilanti Grove - Ecorse	33,761	33,328	29,948	28,442
22	North - South Connector	56,556	56,851	48,941	55,297
33	EMU Shuttle	38,364	16,688	9,537	29,558
36	Wolverine Tower Shuttle	106,045	79,243	66,958	115,610
60	LINK	61,052	27,665	23,852	101,445
<b>Subtotal</b>		1,545,112	1,482,658	1,327,476	1,548,259
Senior Ride		422	572	756	727
Football Ride		12,001	9,822		12,644
Art Fair Shuttle			64,578		
<b>Fixed-Route Total</b>		1,557,535	1,557,630	1,328,232	1,516,135

Ann Arbor Transportation  
Authority

**Passengers per  
Service Hour**

Route # and Name		Oct. - Dec. 2008	FY 2008			
			July - Sept. 2008	Apr. - June 2008	Jan. - Mar. 2008	Oct. - Dec. 2007
1	Pontiac	28.1	30.4	27.9	29.4	28.1
1U	Pontiac University	27.6	22.7	17.4	20.0	21.7
2	Plymouth	33.9	34.5	29.0	34.0	32.7
2X	Pymouth Shuttle	32.3	17.7	23.6	17.7	26.5
3	Huron River	28.2	28.1	26.3	24.7	23.6
4	Washtenaw	42.0	46.7	41.5	39.3	39.4
5	Packard	34.6	35.2	32.3	33.6	33.8
6	Ellsworth	41.1	40.9	35.0	39.0	39.7
7	S. Main - East	21.6	22.8	20.4	20.1	20.8
8	Pauline	46.8	51.8	46.0	46.0	45.9
9	Jackson	42.8	45.2	43.8	42.5	40.4
609	Jackson University	23.7	21.5	18.8	26.2	31.2
10	Ypsilanti Northeast	39.7	43.1	41.2	38.1	35.3
11	Ypsilanti South	38.8	38.9	37.2	34.8	34.0
12A/B	Miller Liberty	31.5	30.8	31.3	36.1	33.5
12UL	Liberty University		10.4	17.8	27.1	24.5
12UM	Miller University		22.6	21.4	19.6	17.4
13	Newport	18.2	16.4	19.6	18.3	19.8
14	Geddes - E. Stadium	28.8	21.7	22.2	22.8	26.0
15	Scio Church - W. Stadium	22.8	23.0	23.9	22.9	21.8
16	Ann Arbor - Saline Rd.	16.4	17.7	17.9	18.0	17.7
17	Amtrak - Depot	2.9				
18	Miller-University	18.7				
20	Ypsilanti Grove - Ecorse	48.5	47.8	42.9	36.2	44.2
22	North - South Connector	20.7	20.6	17.9	20.7	19.5
33	EMU Shuttle	49.7	61.2	35.0	36.2	40.5
36	Wolverine Tower Shuttle	42.9	38.0	33.8	44.0	43.8
60	LINK	31.4	33.0	38.9	51.6	38.9
<b>Subtotal</b>		<b>32.8</b>	<b>33.2</b>	<b>30.1</b>	<b>32.6</b>	<b>32.0</b>
Senior Ride		9.6	11.4	16.8	15.1	12.1
Football Ride		37.6	42.2			40.4
Art Fair Shuttle			64.7			
<b>Fixed-Route Total</b>		<b>32.9</b>	<b>33.9</b>	<b>30.1</b>	<b>32.6</b>	<b>32.0</b>



# Memorandum



To: Performance Monitoring and External Relations Committee  
From: Phil Webb, Controller  
Date: **January 14, 2009**  
Re: **AATA Procurement Manual (2009 Revision)**

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In September 2003, the AATA Board of Directors approved AATA's comprehensive Procurement Manual. This manual was created to codify the appropriate purchasing policies and procedures that were currently being followed. The manual applies to every expenditure using public money.

The 2009 revision incorporates changes necessary from our implementation in May 2006 of Ultramain software. We previously used a paper based order request form (ORF) system for procurement. The software incorporates purchasing, inventory, maintenance, work order processing and accounts payable. The new software uses electronic requests, approvals, purchase orders, etc.

The 2009 revision also includes the AATA credit card policy adopted by the Board of Directors on September 22, 2004.

The 2009 revision also incorporates the periodic update in the Federal Procurement regulations from Circular 4220.1F, "Third Party Contracting Guidance" effective November 1, 2008. The previous circular 4220.1E was effective in July 2003 and the version before (4220.1E) was revised in April 1996.

We are requesting the Performance Monitoring and External Relations Committee review this document and recommend it for approval in February for the Board of Directors at the February 2009 meeting.

# SUMMARY

## CONTINUOUS IMPROVEMENT TEAMS

### OND 2008 QUARTERLY REPORT

<u>TEAM</u>	<u>PROJECT NAME</u>	<u>ESTIMATED ANNUAL SAVINGS</u>	<u>STATUS</u>
Holiday Service	Post Holiday Service Levels	\$40,000	Service reductions were implemented between 12/24/09 and 1/2/09 based upon previous ridership history. Additional temporary service reduction opportunities are under investigation by a joint Labor/Management Committee
Energy Conservation	Removal of AS 400 System	\$5,441	Expected completion in 6 months
Energy Conservation	Automate Interior Garage Door	not yet known	Consultant has been contacted. Study & implementation in 2009
Facilities Maintenance	Recycle Route Signs	\$560 in yr 1	Ongoing
Facilities Maintenance	Bus Shelter Amenities	\$3,599 in yr 1	Ongoing
Facilities Maintenance	Shelter Maintenance Agreements	\$52,000+	Agreements now exist with 45 property owners covering 65 bus shelter locations where property owners have agreed to assume snow and trash removal responsibilities. Total annual savings is influenced by annual snow totals.
Internal Culture	Internal Culture Survey	not yet known	Surveys will be used to set benchmarks. Future surveys will measure progress. Relationships between internal culture and efficiency/cost savings to be determined.
Paratransit	Shopping Trips	not yet known	Analysis of how shopping trips may reduce Paratransit cost is ongoing
Paratransit	Personal Care Assistant (PCA)	not yet known	PCA verification policies and procedures are under development
Paratransit	Fuel Cost Adjustment	not yet known	Fuel cost adjustment issues have been identified for future service contracts

<u>TEAM</u>	<u>PROJECT NAME</u>	<u>ESTIMATED ANNUAL SAVINGS</u>	<u>STATUS</u>
Paratransit	Free Fare on Fixed Route	\$80,000 in yr 1	Free fares to attract high paratransit cost passengers to fixed route has been coordinated with new Fare Structure
Paratransit	Eligibility Denials	not yet known	Standardization of denial criteria is being developed.
Paratransit	Companion Fare	not yet known	Companion fare increases have been coordinated with new Fare Structure
Paratransit	Non ADA Trip Demand Control	not yet known	Policies and procedures for controlling non-ADA trips are under development
Paratransit	Assessment	not yet known	Viability of establishing in-house assessment is ongoing and grant funding is being investigated
Paratransit	Travel Training	not yet known	Investigating potential of grant funding to pay for program
Paratransit	Agency POSA	not yet known	Identification of agency consumers with Transportation funding is ongoing
Paratransit	Advanced Scheduling	not yet known	Advanced Booking issues are being identified for inclusion in new policies
Paratransit	Advanced A-Ride Booking Window	not yet known	Investigating narrowing advanced booking window from 2 weeks to 1 day to reduce/eliminate cancellations, no-shows, Call-taker hours, stand-by vehicles
Part Time Employees	Hire PT Drivers	\$55,000 in yr 1 (\$98,000/yr in out years)	First class of PT drivers now working. Second class of PT drivers scheduled for mid-winter/spring
Vehicle Maintenance	Waste Oil Disposal	\$4,750	In place and ongoing
Vehicle Maintenance	Support Vehicle Maintenance	\$3,000	In place and ongoing
Vehicle Maintenance	Shop Material Supplies	not yet known	Alternative lower cost cleaners are under investigation
Vehicle Maintenance	Service Lane Cleaning Supplies	not yet known	Alternative lower cost cleaners are under investigation

<u>TEAM</u>	<u>PROJECT NAME</u>	<u>ESTIMATED ANNUAL SAVINGS</u>	<u>STATUS</u>
Vehicle Maintenance	Service Crew Job Descriptions	not yet known	Evaluation and re-definition efforts are underway
Vehicle Maintenance	Vehicle Idle Reduction Program	not yet known	Hybrid buses are completed; other engine systems under investigation with manufacturers

**TEAM LEADERS:**

CIT Coordination Team: Dawn Gabay  
 Energy Conservation: Tom Borowski  
 Facilities Maintenance: Jeff Murphy  
 Internal Culture: Connie Curry  
 Paratransit: Brian Clouse  
 Part Time Employees: Ed Robertson  
 Vehicle Maintenance: Terry Black

## MEMORANDUM

**To:** Performance Monitoring &  
External Relations Committee

**From:** Chris White  
Manager of Service Development

**Re:** Status of Fall, 2008 Service Changes

**Date:** January 12, 2009

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The AATA implemented service changes on August 24, 2008. Overall the number of daily service hours was not changed. The service changes were designed to add service during morning and afternoon peak hours and improve on-time performance on routes where this has been a problem. Service on some routes with lower productivity was reduced in order to add peak-hour service on other routes without increasing overall service.

This is the first report on the results of these changes. The results should be considered preliminary at this time.

The effect of the service changes on ridership is not yet known with confidence for several reasons:

- The number of riders is changing for other reasons. It is difficult to tease the effect of the service changes from other factors such as an overall increase in ridership.
- It typically takes up to two years to achieve the full effect of service increases.
- In areas where service was changed or decreased, we can see the immediate effect of fewer riders on the route. However, it is difficult to determine the number of switched to other service as opposed to those who stopped riding altogether.

Unfortunately, we are not able to report on reliability at this time. There is a problem with on-time performance data from the Advanced Operating System (AOS). We recently had an upgrade of AOS this Fall. Apparently the contractor, Continental, changed the definition of "late" so that it only includes timepoint arrivals more than 9 minutes behind the scheduled time. The actual standard is more than 5 minutes behind schedule. We are working to reconstruct the performance based on the actual standard, but it is not available at this time.

Following is an evaluation of each of the change in ridership by route for service that was changed:

**Route #1U** – The change was to adjust the schedule to improve on-time performance and make it more convenient for commuters. Ridership and productivity increased significantly after the change. However, the number of riders declined on the #1 Pontiac

route which operates in the same corridor. It is likely that much of the increase in the #1U was by existing riders for whom it was a more convenient alternative. The change may have generated little new ridership, but increased convenience is likely to result in increased ridership over time.

**Route #4 Washtenaw** – A number of changes were made to reduce the operating time of peak-hour trips to improve on-time performance. Anecdotal evidence indicates that on-time performance did not improve because of increased ridership and traffic congestion. Staff will be conducting a more detailed analysis.

**Route #8 Pauline** – An increase in peak-hour service replaced service on the #12UL route, which was eliminated. The route was through-routed with the #2 Plymouth route to provide a “one-seat” ride to and from UM Central Campus and Medical Center. The through-routing has been favorably received by riders. The number of riders on route #8 is 9% higher for the quarter than for the sum of riders on route #8 and #12UL a year ago. It appears that this change has had a positive impact on overall ridership so far.

**Route #9U Jackson-University** – The route was reoriented away from former park and ride lot at Maple Village to the Miller Road park and ride lot. The number of riders is up slightly and productivity has remained about the same. Few riders are using this route from the Miller Road park and ride so far. Most of the riders are local riders so far.

**Route #14 Geddes-Stadium** – Midday service was discontinued and the peak-hour service on the route to the Blake Transit Center was discontinued. The new route operates between Pioneer H.S. and the UM Medical Center and Central Campus only. Ridership is down 57% from the same period a year ago. However productivity (passengers per service hour) is up 11%. Former riders who can no longer use the new route could have switched to several routes depending on their location. As a result, it is very difficult to even estimate the number of lost riders as a result of this change.

**Route #18 Miller-University** – This route replaced the former #12UM route, which also served the Miller Rd. corridor between the Miller Park and Ride lot and UM Central Campus and Medical Center. The #18 route provides more frequent peak-hour service (every 20 minutes) and also provides midday service to the lot. The number of riders increased by 20% over #12UL ridership in the previous quarter. Productivity is 17% less. Considering that the number of service hours was increased by 44%, this is a fairly positive result. Whether this was a successful change will be determined by the growth in ridership experienced over the next 9-20 months.

## Resolution 7/2009

## APPROVAL OF FY 2009-2013 CAPITAL AND CATEGORICAL GRANT PROGRAM

WHEREAS, the Ann Arbor Transportation Authority (AATA) is required to develop a four-year program of projects for inclusion in the Transportation Improvement Program (TIP) in order to be eligible for federal funds, and

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

WHEREAS, the AATA is required to submit the program for FY 2010 – FY 2012 to the Michigan Department of Transportation (MDOT) by February 1, 2009 as part of the annual application for FY 2010 funding, and

WHEREAS, the AATA has developed a current program for FY 2009-2012 by updating and revising the previously-adopted program, and

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

NOW, THEREFORE, BE IT RESOLVED, that the Ann Arbor Transportation Authority Board of Directors hereby adopts the FY 2009-2013 Capital and Categorical Grant Program.

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David Nacht, Chair

January 21, 2009

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Charles Griffith, Secretary

January 21, 2009

Resolution 8/2009

RESOLUTION OF INTENT TO APPLY FOR FINANCIAL ASSISTANCE FOR FISCAL  
YEAR 2010  
UNDER ACT NO. 51 OF THE PUBLIC ACTS OF 1951, AS AMENDED

**WHEREAS**, pursuant to Act No. 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the Ann Arbor Transportation Authority (AATA), established under Act 55, to provide a local transportation program for the state fiscal year of 2010 and, thereby apply for state financial assistance under provisions of Act 51; and

**WHEREAS**, it is necessary for the Ann Arbor Transportation Authority, to name an official representative for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or Michigan Department of Transportation for its administration of Act 51; and

**WHEREAS**, it is necessary to certify that no changes in eligibility documentation have occurred during the past state fiscal year; and

**WHEREAS**, the performance indicators for this agency have been reviewed and approved by the AATA.

**NOW THEREFORE**, be it resolved that the Ann Arbor Transportation Authority does hereby make its intentions known to provide public transportation services and to apply for State financial assistance with this annual plan, in accordance with Act 51; and

**HEREBY**, appoints the Executive Director, as the Transportation Coordinator, for all public transportation matters, who is authorized to provide such information as deemed necessary by the Commission or Department for its administration of Act 51 for 2010.

**BE IT FURTHER RESOLVED**, that the Executive Director is hereby authorized to execute agreements with the Michigan Department of Transportation for capital, operating, and planning funds offered as a result of this application for financial assistance.

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David Nacht, Chair

January 21, 2009

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Charles Griffith, Secretary

January 21, 2009