



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

Agenda

September 25, 2014

Ann Arbor Area Transportation Authority

Board of Directors Meeting

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

- 1.0 Public Hearing – None Scheduled
- 2.0 Communications and Announcements
- 3.0 Public Time – Comment on Agenda Items
- 4.0 Review and Approval of Minutes
 - 4.1 Review and Approval of Minutes of August 21, 2014 (p. 1-18)
- 5.0 Election of Officers – Term of Office October 1, 2014-September 30, 2015
 - 5.1 Election of Board Chair, Treasurer and Secretary
 - 5.2 Board Committee Appointments
 - 5.3 Local Advisory Council Liaison Appointment
 - 5.4 Washtenaw Area Transportation Study Policy Committee Appointment
- 6.0 Board and Staff Reports
 - 6.1 Chief Executive Officer (p. 19-25)
 - 6.2 Planning and Development Committee (p. 26-31)
 - 6.3 Performance Monitoring and External Relations Committee (p. 32-51)
 - 6.4 Local Advisory Council (p. 52-54)
 - 6.4.1 Executive Committee Appointments (p. 55)
- 7.0 Question Time

8.0 Old Business

- 8.1 Approve Submission of Title VI Program to Federal Transit Administration (p. 56 and Separate Cover)

9.0 New Business

- 9.1 Approve FY2015 Board Meeting Schedule (p. 57)
- 9.2 Approve FY2015 Budget (p. 58-59)
- 9.3 Approve Revised Community Donation Program (p. 60 and Attachment)

10.0 Public Time

11.0 Adjourn



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

Proposed Minutes
Thursday, August 21, 2014
Ann Arbor Area Transportation Authority
Board of Directors Meeting
AAATA Main Office, 2700 South Industrial Highway, Ann Arbor, Michigan, 6:30 p.m.

Board Members Present: Susan Baskett, Anya Dale, Gillian Ream Gainsley, Sue Gott, Charles Griffith (Chair), Roger Kerson, Larry Krieg, Eric Mahler

Absent with Notice: Jack Bernard, Eli Cooper

Guests from Michigan Department of Transportation: Paul Ajegba, Stephanie Palmer, Mark Sweeney

Board Chair Charles Griffith declared that a quorum was present and called the meeting to order at 6:36 p.m.

1.0 Public Hearing – None Scheduled

There was no Public Hearing.

2.0 Communications and Announcements

Michael Ford announced that he accepted the CEO position of the Regional Transit Authority. Mr. Ford thanked board members and AAATA employees for their part in what has been a major movement during his tenure.

3.0 Public Time – Comment on Agenda Items

Tom Partridge appeared before the Board. Mr. Partridge complimented Michael Ford on his work to make service better for senior citizens and people with disabilities. Mr. Partridge called on the Board to provide the necessary leadership during the transition and to remove problems associated with the use of the transportation systems by seniors and disabled persons. Mr. Partridge made an allegation of discriminatory

practices on ARide service, and the use of high mileage vehicles, and some not in good repair, which is causing a poor service experience.

Jim Mogensen appeared before the Board. Mr. Mogensen commented on the Title VI Policy suggesting that the standards are not yet ready. AAATA is classified as a large organization and therefore required to do more extensive analysis than a regular fixed-route provider. Mr. Mogensen referred to the standard of minimum headways of 60 minutes which has been in place for a long time for all routes. This does not address the issue of looking at the differences between minority and nonminority routes, if that is the standard used. Mr. Mogensen referred to the Purchase of Service Agreement recently signed by Superior Township. Mr. Mogensen indicated that service should be looked at as whole; all of the fixed route service. Mr. Mogensen referred to underlying financial dynamics that are a part of things historically put there, and any policies in place aren't supposed to maintain historical things. Mr. Mogensen urged the Board to postpone a vote on the Title VI policy until their September meeting. Mr. Mogensen made a commitment to do a more formal analysis of the policy and provide that to the Board. Mr. Mogensen suggested that the Board ask staff about the need to have more formal data collection and analysis.

Michelle Barney appeared before the Board. Ms. Barney voiced concern about what appears inequity in terms of bus service provided in Ypsilanti and Ypsilanti Township compared to Ann Arbor stating that all entities are entitled to the same level of service. Ms. Barney characterized the alleged inequity as prejudice behavior. Ms. Barney commented on the new service to be provided on route 46. Ms. Barney noted that while additional service on Sunday on route 6 won't start until next year, there is a need now for the additional service.

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

4.0 Presentation on Michigan Department of Transportation (MDOT) US-23 Project by Paul C. Ajegba, Region Engineer, MDOT

Michigan Department of Transportation (MDOT) Representatives Paul Ajegba, Stephanie Palmer and Mark Sweeney were present to provide an update on the MDOT Active Traffic Management (ATM) Project being planned for the US-23 corridor between I-96 and M-14. The group first presented on the project to the board in December 2013.

Paul Ajegba introduced the presentation made by Mark Sweeney. Mr. Sweeney reported that a US-23 Feasibility Study was completed in 2009 which explored several alternatives including transit service options, bus bypass shoulders and High Occupancy Vehicle lanes. The Feasibility Study recommendations include further action including a local agency led transit study, implementing ITS Technologies in the near-term and bridge work in the mid-term.

Corridor traffic management strategies include use of ITS cameras, message signs, freeway courtesy patrol (currently in operation), operational improvements, an AAATA Interceptor Lot; and longer-term, coordination with WALLY commuter train service between Howell and Ann Arbor.

The project has two phases: Phase 1 from 9 Mile Road/M-36 to M-14 and Phase 2 from I-96 to 9 Mile Road/M-36. Mr. Sweeney described the prospective options for implementation: no build; no build with Traffic System Management; Active Traffic Management (ATM), and ATM with High Occupancy Vehicles (HOV). The recommendation is for an Active Traffic Management (ATM) System which affords the use of a median shoulder as a thru lane, to include lane control signs, to notify drivers when the system is active.

Next steps for the project include completion of an Environmental Assessment (EA) in the fall of 2014, distribution of the EA for public and agency comment in November 2014, a public hearing in November 2014, including the ATM project in the Transportation Improvement Program in December 2014 and Federal Highway Administration Finding of No Significance Impacts (FONSI) in early 2015.

Paul Ajegba reported that MDOT sent the AAATA board a letter detailing a request for a partnership (attached). MDOT would purchase land for AAATA to develop an interceptor lot of 250 spaces. The location of the lot would be decided with AAATA and could possibly be fit in with a WALLY station for future use for commuter train service.

Mr. Ajegba presented slides highlighting a project in Tel Aviv which is similar to the ATM project being proposed. The Tel Aviv implementation is consistent with the North-South study completed in 2009. Mr. Ajegba noted that while the Tel Aviv application has a designated lane for buses, the MDOT proposal is to have an ATM for buses and use Park and Ride lots for commuters to park their cars.

Mr. Ajegba responded to questions from board members on the ATM proposal and the Tel Aviv example. It was noted that while in Tel Aviv there are dedicated commuter railway lanes in the middle of the freeway, that implementation is not part of the ATM proposal. Mr. Ajegba characterized the MDOT proposal as a "three legged stool" with ATM, an interceptor lot and WALLY in the longer term to completely relieve congestion.

Stephanie Palmer responded to questions on the modeling completed, and whether WALLY was included. Ms. Palmer indicated that WALLY was not included in the analysis. Operational improvement extensions for the ATM, along with the concept of HOV, were considered. Mr. Ajegba responded to a question on the anticipated improvements expected from the different strategies indicating that the results could not be shared as they have not yet been shared with WATS and SEMCOG who assisted in the modeling. Mr. Ajegba added that just doing ATM alone provides improvement, but not maximum for maximum efficiency.

Mr. Ajegba responded to questions on anticipated operational costs indicating that the preliminary estimate is \$250,000 per year for traffic monitoring, technology adjustments and plowing snow. A detailed concept of operation costs is scheduled to be available in December or January.

Mr. Ajegba responded to questions on the impact of bottleneck traffic in and out of Main Street on M-14 indicating that the analysis could not be shared as it had not yet been presented to stakeholders.

There was support voiced for bus service in the corridor as it appears to be the quickest way to get commuter service into the corridor. There was also support for exploring an HOV lane. Mr. Ajegba indicated that the costs associated with enforcing HOV lanes may be prohibitive. Mr. Ajegba urged the Board to consider the concept of a Park and Ride lot similar to the one at the Plymouth Road-US23 interchange.

Concerns were raised about funding for the project given that the Authority just asked voters for a millage, and the project area is outside of the AAATA service area. Michael Ford made a commitment to bring together prospective partners for a meeting to discuss cost sharing. Mr. Ford indicated that representatives from the University of Michigan, Downtown Development Authority, City of Ann Arbor, MDOT and Livingston County would be asked to attend.

Mr. Ajegba concluded his remarks noting that the analysis completed indicates that if there is no improvement to the corridor, by 2040 traffic can't go anywhere. Mr. Ajegba encouraged the Board to consider the ATM concept with an inceptor lot and possible future integration of WALLY.

Mr. Griffith thanked the MDOT representatives for their presentation. Copies of the ATM and Tel Aviv presentations are included with the electronic version of the board meeting minutes.

5.0 Review and Approval of Minutes

5.1 Review and Approval of Minutes of July 24, 2014

Larry Krieg moved approval of the minutes with support from Eric Mahler. The motion carried. Sue Gott and Charles Griffith abstained.

6.0 Board and Staff Reports

6.1 Chief Executive Officer

Michael Ford reported on readiness for rolling out additional service on August 24. Mr. Ford reported on the impact of construction and detours on on-time performance and the costs associated with providing additional buses for back-up in an effort to keep service on time.

6.2 Planning and Development Committee

Gillian Ream Gainsley provided the Planning and Development Committee report. The Committee received a presentation on clean diesel and hybrid buses. An order for 27 buses is set to be placed (to replace 14 existing conventional and for 13 expansion). Committee members discussed the low emissions of clean diesel buses and noise levels between the two types of vehicles. There were questions raised about the additional \$200,000 per hybrid bus and how to weigh the difference between being environmentally responsible and fiscally responsible. The Committee discussed the option of maintaining a combination of similar to the ratio of the existing fleet. Staff recommended purchasing all conventional low emission buses for the upcoming order.

The Committee endorsed a resolution to contract with Gillig to purchase buses over the next five years. The decision about the combination of hybrid and clean diesel buses to pursue still needs to be made.

6.3 Performance Monitoring and External Relations Committee

Roger Kerson presented the Performance Monitoring and External Relations Committee report. Staff reported on a Supreme Court decision requiring an amendment to the pension plan to provide pension plan benefits for same-sex spouses. Staff presented the proposed Title VI service standards. Mr. Kerson suggested that the Board may want to consider the information shared during public time.

Staff presented the financial and performance data. Staff have been charged with rigorous tracking and reporting on the use of new millage funds entrusted to the Authority by taxpayers. A presentation on hybrid and conventional drive trains was made with a decision is needed by the Board in November. Mr. Kerson urged board members to get requests for additional information in to staff in order to have what is needed to make their decision. Staff reported on ongoing efforts to address concerns about the accessibility of the website.

6.4 Local Advisory Council

Cheryl Weber provided the Local Advisory Council (LAC) report. Ms. Weber thanked Michael Ford for his service and his ability to empower the AAATA staff to go forward with visions that are going to build the future.

Ms. Weber reported that the LAC discussed the accessibility of the website at length; specifically the user friendliness for people who look there for information. Ms. Weber indicated that her personal experience has been that the website is not useful enough to consult it and she uses Google Maps instead. Ms. Weber and members of the LAC are looking forward to improvements expected to be forthcoming on the website. Ms. Weber concluded her report commenting on LAC member terms coming to an end and new terms beginning in the fall.

7.0 Question Time

Larry Krieg asked if the number of employees out on disability was higher than usual and causing higher expenses. Ed Robertson responded that there are currently two employees out noting that there were more employees out on disability in the winter.

Michael Ford requested that board members share their concerns and questions about hybrid vs. conventional technology by August 31 so that staff can prepare responses. Mr. Ford distributed an outline of next steps and a timeline for making the decision.

8.0 Old Business

There was no Old Business for the Board to consider.

9.0 New Business

9.1 Bus Procurement Contract

Eric Mahler moved the following resolution with support from Larry Krieg.

APPROVAL OF CONTRACT AWARD FOR PURCHASE OF LOW EMISSION CONVENTIONAL OR HYBRID PUBLIC TRANSIT BUSES FOR A FIVE YEAR PERIOD

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) issued Request for Proposal (RFP) # 2014-02 "Public Transit Buses" for the purpose of identifying firms for purchase and delivery of transit buses, and

WHEREAS, one (1) response was received, and

WHEREAS, the Federal Transit Administration Buy America regulations require 65% American components and final assembly in the United States, and

WHEREAS, AAATA staff evaluated the proposal and determined that the submittal from Gillig LLC of Hayward, California was found to be most responsive and responsible, and

WHEREAS, buses have a useful life of twelve years and need to be replaced, and

WHEREAS, TheRide is expanding services per the voter approved 5YTIP and need additional buses to provide services, and

WHEREAS, the cost of buses is expected to exceed \$100,000, and Board policy requires advance authorization to incur products or services over \$100,000, and,

WHEREAS, the cost of each bus will be between \$444,000 and \$662,500, depending on the length, drive system and appropriate options, with the final cost will be determined at the pre-production meeting, where we will specify the bus length, drive system and required options, and

WHEREAS, the total maximum cost of the contract to purchase up to sixty buses will be \$39,735,000, and

WHEREAS, subsequent bus orders will be brought to the Board of Directors for approval before any purchase orders are placed, therefore

IT IS RESOLVED, that the Ann Arbor Area Transportation Authority Board of Directors authorizes the Chief Executive Officer to execute a contract for the purchase and delivery of up to sixty transit buses from Gillig LLC over a five year period.

Charles Griffith announced that the contract was based on one bid received noting that there are a limited number of bus manufacturers. Mr. Griffith added that the procurement process was followed. Gillian Ream Gainsley thanked staff for their efforts in the largest purchase the agency makes which will allow for more buses and the expansion of service.

The motion passed unanimously.

9.2 Replacement/Expansion Bus Order

Larry Krieg moved the following resolution with support from Eric Mahler.

APPROVAL OF ORDER OF 27 LOW EMISSION CONVENTIONAL OR HYBRID PUBLIC
TRANSIT BUSES

WHEREAS, the Ann Arbor Area Transportation Authority requires the purchase of fourteen replacement buses and thirteen buses for expansion for delivery starting in November 2015, and

WHEREAS, the manufacturing process for buses takes approximately one year from the issuance of a purchase order, and

WHEREAS, there are sufficient Capital and 5YTIP funds budgeted for Low Emission Conventional Buses for new service, and

WHEREAS, if any unanticipated hybrid-dedicated funds become available, a change in decision could be made by December, 2014, and

WHEREAS, the cost of buses will exceed \$100,000, and Board policy requires advance authorization to incur products or services over \$100,000, therefore,

IT IS RESOLVED that the Ann Arbor Area Transportation Authority Board of Directors authorizes the Chief Executive Officer to execute an order for the purchase of fourteen replacement and thirteen expansion Low Emission buses from Gillig LLC to be delivered within the next 15 months for an amount not to exceed \$660,000.00 per bus.

Charles Griffith noted that there had been quite a bit of discussion around the issue of bus technology. Staff will be preparing additional analysis to help with the decision, and Mr. Griffith requested that the Board be committed to making that decision in a timely fashion. Michael Ford requested that the board decide by November 2014.

The motion passed unanimously.

9.3 FY2015 Work Plan

Sue Gott moved the following resolution with support from Eric Mahler.

Approve FY 2015 Work Plan

WHEREAS, Ann Arbor Area Transportation Authority (AAATA) staff developed a Work Plan for Fiscal Year 2015 to help guide programs and projects that are important to the advancement of public transportation, and

WHEREAS, the Work Plan was presented to the Board Planning and Development Committee (PDC) at the Committee's June 2014 meeting, at the board retreat in June 2014, and

WHEREAS, the programs and projects contained within the FY 2015 Work Plan have been incorporated into the FY 2015 Operating Budget in order that they may be appropriately funded, now therefore

IT IS RESOLVED, that the FY 2015 Work Plan prepared by Staff and reviewed by the PDC is hereby approved by the AAATA Board of Directors, and

IT IS FURTHER RESOLVED, that the FY 2015 Work Plan is assigned to the Performance Monitoring and External Relations Committee for appropriate monitoring of AAATA's activities, and progress toward goals and objectives associated with it, during Fiscal Year 2015.

In response to a request from Sue Gott, Michael Ford reviewed highlights in the Work Plan.

The motion passed unanimously.

9.4 Pension Plan Amendment

Roger Kerson moved the following resolution with support from Anya Dale.

PENSION PLAN AMENDMENT

WHEREAS, the U.S. Supreme Court decision in *United States v. Windsor* has declared Section 3 of the Defense of Marriage Act of 1996 to be unconstitutional because it prohibited the recognition of same-sex spouses for purposes of Federal tax law, including the Internal Revenue Code as it applies to the AAATA 401(a) Defined Contribution Pension Plan, and

WHEREAS, the Internal Revenue Service has issued *Revenue Ruling 2013-17* and *IRS Notice 2014-19* as guidance to pension plans to enable them to bring them into compliance with the Supreme Court's decision, and

WHEREAS, MassMutual holds and administers the AAATA Pension Plan and has prepared a Plan Amendment in accordance with IRS guidelines that will bring the AAATA Pension Plan into compliance with law by recognizing a same-sex marriage that was validly entered into in a state or foreign jurisdiction whose laws authorize the marriage, even if the married couple lives in a state that does not recognize the validity of same-sex marriages, therefore

IT IS RESOLVED, that the AAATA 401(a) Defined Contribution Pension Plan shall be amended to comply with IRS *Revenue Ruling 2013-17* and *IRS Notice 2014-19* to recognize same-sex marriages and for the terms "spouse", "husband and wife", "husband" and "wife" to include a same-sex spouse, and

IT IS FURTHER RESOLVED, that the AAATA Pension Plan Administrator shall take measures necessary to legally incorporate this amendment and its effects into the AAATA Pension Plan.

The motion passed unanimously.

9.5 Approval of Revised Service Standards and Policies for Title VI

Eric Mahler moved the following resolution with support from Larry Krieg.

APPROVAL OF REVISED SERVICE STANDARDS AND POLICIES FOR TITLE VI

WHEREAS, the current service standards and policies of the Ann Arbor Area Transportation Authority (AAATA) do not fully meet expanded Title VI requirements, and

WHEREAS, staff had developed revised standards and policies which meet Title VI requirements and relate directly to service quality and customer perceptions, and

WHEREAS, means to collect the necessary data are in place or in development,

NOW, THEREFORE, BE IT RESOLVED, that the Ann Arbor Area Transportation Authority Board of Directors hereby adopts the attached revised service standards and policies for fixed-route service.

Ann Arbor Area Transportation Authority

Fixed-Route Service Standards and Policies - PROPOSED

Modes of Service (September 1, 2014)

	Local Fixed-Route Service	Commuter Service	AirRide Airport Service
Number of routes	28	2	1
Method of operation	operated by AAATA	operated by AAATA	contracted service
Annual riders (FY13)	6,428,724	37,083	59,008
Annual service hours (FY13)	197,644	2,150	8,339

1. **Service Frequency (headway)**

Local fixed-route service – The minimum service frequency is every 60 minutes.

Commuter bus – The minimum service level is two trips in the peak direction during both the morning and afternoon peak periods.

AirRide regional airport service – The minimum service frequency is every 120 minutes.

2. On-Time Performance

All Modes – A minimum of 90% of scheduled trips will be completed within 5 minutes of the scheduled time.

3. Service Availability

Local fixed-route service – A minimum of 90% of households in the member jurisdictions (Ann Arbor, Ypsilanti, and Ypsilanti Township) will have service within 0.5 mile.

Commuter service – A minimum of 40 park-and-ride parking spaces will be available for each morning trip to the regional employment center in Ann Arbor.

AirRide regional airport service - Service will be provided between the Blake Transit Center and both domestic terminals at Detroit Metropolitan Airport.

4. Vehicle Load Factor

Local fixed-route service – The vehicle load at the maximum load point is 1.5 times the number of seats. For example, the maximum load for a bus with 36 seats is 54 riders (36x1.5). The maximum time an individual should be required to stand on a given trip is 15 minutes.

Commuter service – The vehicle load at the maximum load point is equal to the number of seats.

AirRide airport service - The vehicle load at the maximum load point is equal to the number of seats.

Fixed-Route Service Policies

5. Vehicle Assignment Policy

Local fixed-route service – Service is operated from a single facility. All buses are low-floor and have the same environmental, security, and accessibility features. Over 50% of the fleet has a hybrid-diesel propulsion system, while the remainder are conventional diesel buses. More than 80% of buses are 40-foot long, while the remainder of the buses are 35-foot long. Hybrid buses are used throughout the fixed-route system on daily, long-duty cycles (12-16 hours), so that these buses operate a higher share of service miles than their numerical proportion in the fleet. 35-foot buses are used on local routes with lower ridership.

Commuter service – Service is operated from the same facility. 40-foot conventional diesel buses are used on these two routes. Hybrid buses are not used because most of the service miles are on the expressway where there is little or no advantage to the use of hybrid buses.

AirRide airport service – This service is operated by a subcontractor using 45-foot long highway coaches.

6. Transit Amenities Policy

The location of transit amenities along bus routes is based on the number of passenger boardings at individual bus stops. Passenger shelters shall be provided at bus stops with 50 or more boardings per day where there is not other shelter available, and a shelter is physically and legally feasible. Seating, information, and a trash receptacle shall also be provided at these bus stops. A trash receptacle shall be provided near the front door of every bus. In addition, a trash receptacle shall be installed at bus stops at which a third-party agrees to service it. Electronic information displays shall be provided at transit centers.

FY 2013 Performance on Proposed Service Standards

30-Jul-14

Proposed Service Standard	Local Fixed-Route Service	Commuter Service	AirRide Airport Service
Service Frequency (headway)	Current service meets proposed standard	Current service meets proposed standard	Current service meets proposed standard
On-Time Performance	FY 2013 results (90.2%) meet proposed standard	FY 2013 results (85.7%) are below the proposed standard	FY 2013 results (96.9%) meet proposed standard
Service Availability	Current service meets proposed standard. 94.5% of population is within 1/2 mile of service	Service Standard Performance	Current service meets proposed standard with service to both terminals
Vehicle Load Factor	Data required for the service standard is not currently available. Drivers report standing loads, but not numbers or duration. Revisions underway to collect and compile data.	Current service meets proposed standard as no standing loads were reported	Current service meets proposed standard as no standing loads were reported

Board members discussed the resolution commenting on the complexity of Title VI, the clarity of purpose and goals yet somewhat difficulty complying with requirements of the Federal Transit Administration, and the challenge from the public to do more.

In response to a request from Charles Griffith, Chris White commented on the Title VI program noting that it is a major accomplishment for the Five-Year Transit Improvement

Program providing a level of service throughout service area which is consistent in terms of coverage, span of service, days of week, and frequency. Mr. White indicated that the standard on peak and off-peak service could be looked at further, but all service cannot be implemented at once as that is not included in the service plan, and there are not enough buses. Despite that, there is a desire to be practical in the provision of service and be responsive to people. Mr. White agreed to look further at the interim standards noting an obligation to file a report with the Federal Transit Administration (FTA) in September. Mr. White added that the Program is designed to meet the requirements put forth by FTA. Mr. White commented on the 60 minute headway minimum level in off peak time acknowledging that 30 minute frequency in Ypsilanti could not be adjusted for that service area now; there are plans to do that in 2016.

Mr. White commented on other comprehensive service standards being prepared, including the Performance Star, which relates directly to the Mission Statement. Mr. White commented on the change when the Authority expanded in terms of looking at the entire service area to bring levels up noting that the expanded area and distribution of low income and minority population has an impact on the analysis. Mr. White indicated that if the Board tabled the matter, he would conduct further review of the program, restating the requirement to submit the report next month.

Staff was encouraged to get Mr. Mogensen's feedback on the Program. Staff was also asked to look at disparate impact, and share that information with the PMER Committee. Staff was also encouraged to outline how the areas that appear to be underserved with existing service will be better served with further expansion in the 5YTIP.

A suggestion was made to convene a public meeting to include others in the learning process about the Program, and allow people to be better informed. An alternative proposed was having the discussion at the Planning and Development Committee meeting which is a public meeting.

Sue Gott made a motion to postpone. Roger Kerson supported the motion. The motion to postpone passed unanimously.

9.6 Appoint CEO Search Committee for Selection of New Chief Executive Officer

Charles Griffith introduced a resolution from the Governance Committee to establish a search committee and hire a search firm to assist with hiring a new Chief Executive Officer. Mr. Griffith added that the Governance Committee would discuss other interim plans for the period when the CEO position is vacant and bring forth additional proposals on that matter.

Sue Gott moved the following resolution with support from Eric Mahler.

**APPOINTMENT OF CEO SEARCH COMMITTEE
FOR THE SELECTION OF
NEW CHIEF EXECUTIVE OFFICER**

WHEREAS, **Michael G. Ford**, the Chief Executive Officer (CEO) of the Ann Arbor Area Transportation Authority (AAATA) has tendered notice of his resignation to accept a new professional position, and

WHEREAS, the AAATA Board of Directors (Board) desires to promote a smooth transition as the Board fills the vacancy resulting in the CEO's resignation to allow as seamless a change in AAATA's chief executive management,

NOW THEREFORE, BE IT RESOLVED that the Board hereby authorizes its Chair to appoint an Ad Hoc "CEO Search" Committee to develop and oversee the process for identifying and recommending candidates to be considered by the Board for serving AAATA as its new CEO,

BE IT FURTHER RESOLVED that the Ad Hoc CEO Search Committee develop a process and make a selection of an executive search consultant to assist the Committee in fulfilling its charges as set forth above, and for the Committee to oversee and coordinate with the administrative staff the solicitation of proposals from executive search consultants for such services, per AAATA's procurement policies and procedures,

BE IT FURTHER RESOLVED that the Board authorizes up to \$50,000 for securing the services of the selected Executive Search Consultant,

BE IT FURTHER RESOLVED that the CEO Search Committee or its Chair may consult with AAATA's legal counsel regarding its activities and processes,

BE IT FURTHER RESOLVED that the final decisions with respect to the appointment of a new CEO shall rest with the Board, with the Board not being limited to the consideration of those recommended by the CEO Search Committee, and

BE IT FINALLY RESOLVED that the Ad Hoc CEO Search Committee shall perform its task as quickly as feasible, without compromising members' current commitments to their work on the Board, to identify high quality candidates who can provide AAATA with the skills, knowledge, leadership and vision needed as AAATA moves forward with expanding its operations while continuing to provide excellent services to its riders and the communities it serves.

Board members discussed the resolution including the timeline and whether an expedited process and timeline is appropriate, and if specifications for a search firm had been identified. Charles Griffith responded that Federal Transit Administration

procurement guidelines will be followed, and the search committee would develop criteria for a search firm.

Mr. Griffith asked Anya Dale, Gillian Ream Gainsley and Eric Mahler to join the CEO Search Committee.

The motion passed unanimously.

Charles Griffith announced that Board elections were scheduled for September and a nominating committee needs to be put in place. Mr. Griffith asked Board members to contact him if they have an interest in serving on the nominating committee.

10.0 Public Time

Jim Mogensen appeared before the Board. Mr. Mogensen thanked the board for postponing the issue on Title VI and agreed to do his best to provide input under the deadlines to assist. Mr. Mogensen commented on the Title VI regulations and his understanding of the regulations based on his professional career. Mr. Mogensen expressed concern about the issue of commuter service vs. mobility service mid-day noting that a lower standard of mid-day service causes difficulty for those who need to get around. Mr. Mogensen commented on a meeting with law enforcement and the idea of having police officers ride buses suggested that this be given careful consideration as it could be seen as surveillance and monitoring people's activities. Mr. Mogensen commented on an RTA meeting during which he spoke about Title VI and how those issues impact the RTA.

Michelle Barney appeared before the Board. Ms. Barney announced that Mr. Mogensen is not alone in the challenge he has issued. Ms. Barney commented on the complexity of Title VI and the option of making requests of legislators and legal counsel to determine if there is a summary of Title VI. Mr. Barney commented on her participation in the millage effort and efforts of leaders in Ypsilanti and their expectations for new service and possible misunderstanding about the phased implementation. Ms. Barney suggested that the Board write an article explaining the changes to be sure that voters have the correct information and the opportunity to have a good understanding. Ms. Barney requested that citizens are invited to the interviews for finalists for the CEO position.

Tom Partridge appeared before the Board. Mr. Partridge requested that in all proceedings AAATA give priority to senior citizens, people with disabilities and people with fixed incomes. Mr. Partridge recommended that the new CEO is required to have experience with senior ride and handicapped ride programs and at each board meeting address concerns about paratransit service rates.

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

11.0 Adjourn

Eric Mahler moved to adjourn the meeting with support from Larry Krieg. The motion passed unanimously and the meeting adjourned at 8:39 p.m.



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
UNIVERSITY REGION OFFICE

RICK SNYDER
GOVERNOR

KIRK T. STEUDLE
DIRECTOR

August 11, 2014

The AAATA Board of Directors
c/o Mr. Michael G. Ford
Chief Executive Officer
Ann Arbor Area Transportation Authority
2700 South Industrial Highway
Ann Arbor, Michigan 48104

Dear Board Members:

As you are aware, the Michigan Department of Transportation (MDOT) has been in contact with the Ann Arbor Area Transportation Authority (AAATA) regarding our future Active Traffic Management (ATM) project along the US-23 corridor. We have met with Mr. Ford and his staff, as well as with both the Planning and Development and Performance Monitoring and External Relations Committees. The purpose of this letter is to formalize the offer of a new AAATA interceptor lot along the US-23 corridor as detailed below.

The US-23 corridor north of Ann Arbor is subject to peak hour congestion on southbound direction during the morning and northbound direction during the evening rush hour time periods. This condition has existed for many years, and was the subject of a feasibility study which ultimately recommended that a permanent third lane be added to US-23 in both directions. Although MDOT is not able to add a permanent third lane to US-23 at this time, we are able to add a system that would allow the means of utilizing the median shoulder for traffic use via our ATM during the morning and afternoon peak hours.

We believe that our ATM project will benefit the commuters traveling along this roadway, but it alone will not solve the overall congestion problem. The solution to this problem requires a multi-disciplined approach which includes the implementation of the WALLY train service, as well as the expansion to the AAATA's current bus service.

To demonstrate MDOT's commitment in solving this problem, and to assist the AAATA with expanding their bus service along the US-23 corridor, MDOT has proposed to provide property for a future AAATA interceptor lot. We have shared the locations of property currently available at both the 8 Mile and 6 Mile Road interchanges, as well as other possible locations along the corridor. These locations were not presented as being the only locations available, but rather as a starting point to the conversation as we initiated this discussion.

The AAATA Board of Directors
August 11, 2014
Page 2

At this time we are requesting a commitment from the AAATA that if MDOT were to provide the property for a future interceptor lot, the AAATA would then, under an MDOT permit, design, construct, operate and maintain the site as an AAATA owned interceptor lot with bus service to and from the greater downtown Ann Arbor area. This commitment must include, at a minimum, the year the interceptor lot would be constructed and in operation, as well as the number of parking spaces that would be provided at the lot, the number of bus runs anticipated per day, and the overall volume of traffic expected. This information is needed for us to evaluate both the short and long-term impacts at the affected interchange. We look forward to your timely response to this offer.

Should you have questions or wish to discuss this further, please contact me at (517) 750-0428.

Sincerely,

Paul C. Ajegba
University Region Engineer

MAS:PCA:ep

cc: Mark Sweeney, Brighton TSC Manager
Jeff Reid, Associate Region Engineer – Development
Stephanie Palmer, Region Traffic & Safety/Operations Engineer
Kari Martin, Region Planner
Dawn Gabay, AAATA COO

US-23 Environmental Assessment Background and Status

M-14 to M-36

Livingston & Washtenaw Counties
University Region

US-23 Existing Corridor



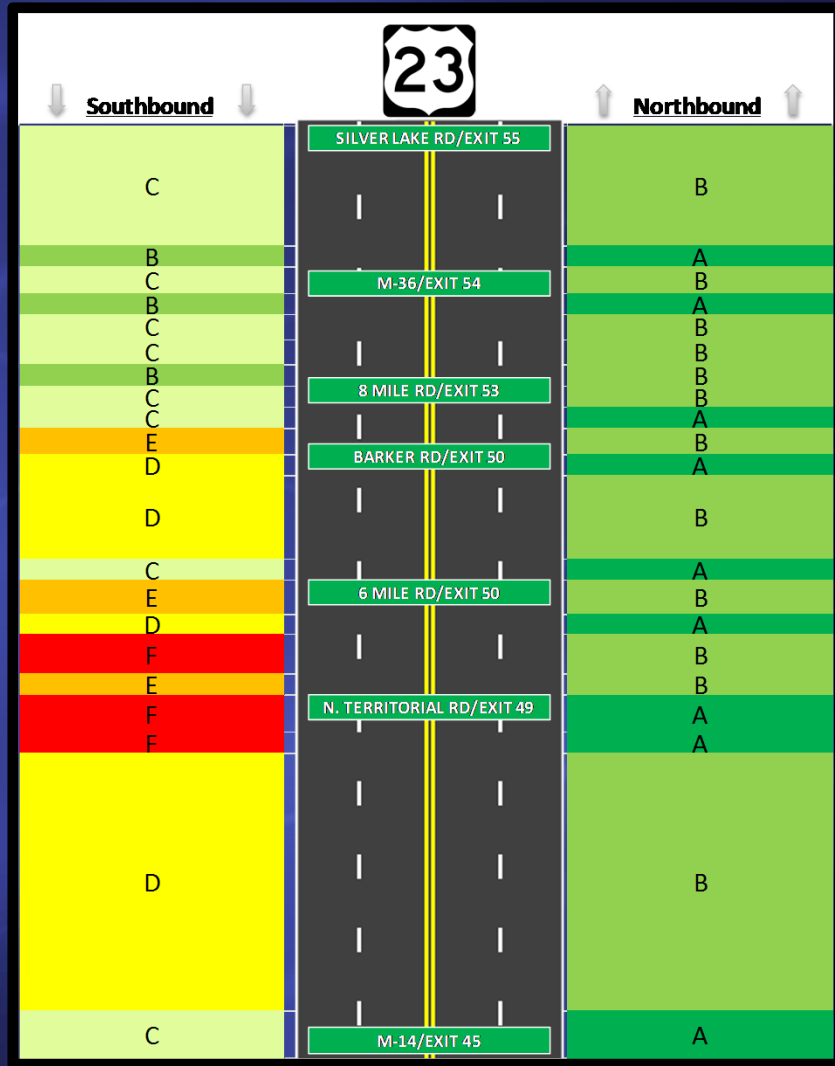
- M-14 – I-96 (15 Miles)
- US-23 two lanes in each direction
- ADT 66,000
- Existing LOS D/E/F
- 4 incidents per day
- No funding to add a third lane

Traffic Information - Level of Service

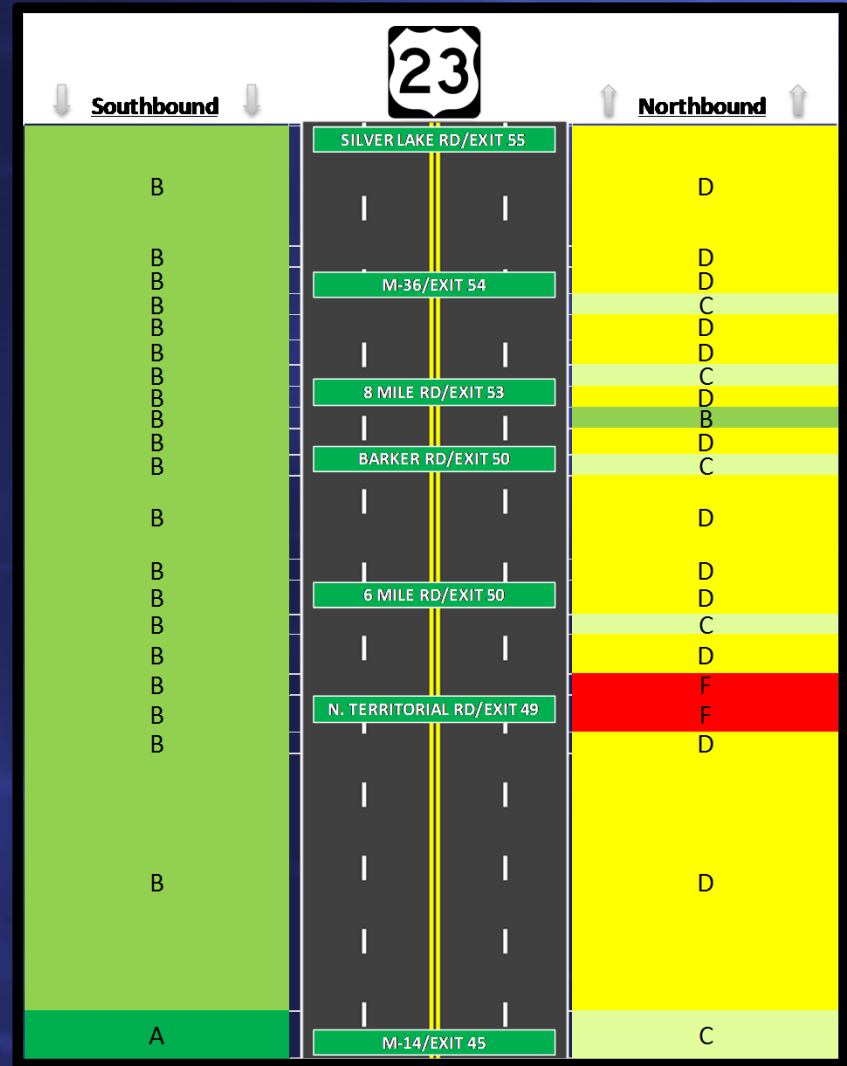
- Defining Level of Service
 - Level of Service A-B
 - Low Delay
 - No Congestion
 - Level of Service C-D
 - Moderate Delay
 - Reasonable Congestion
 - Level of Service E-F
 - High Delay
 - Significant Congestion



US-23 Traffic (Do Nothing in 2040)



AM Rush Hour



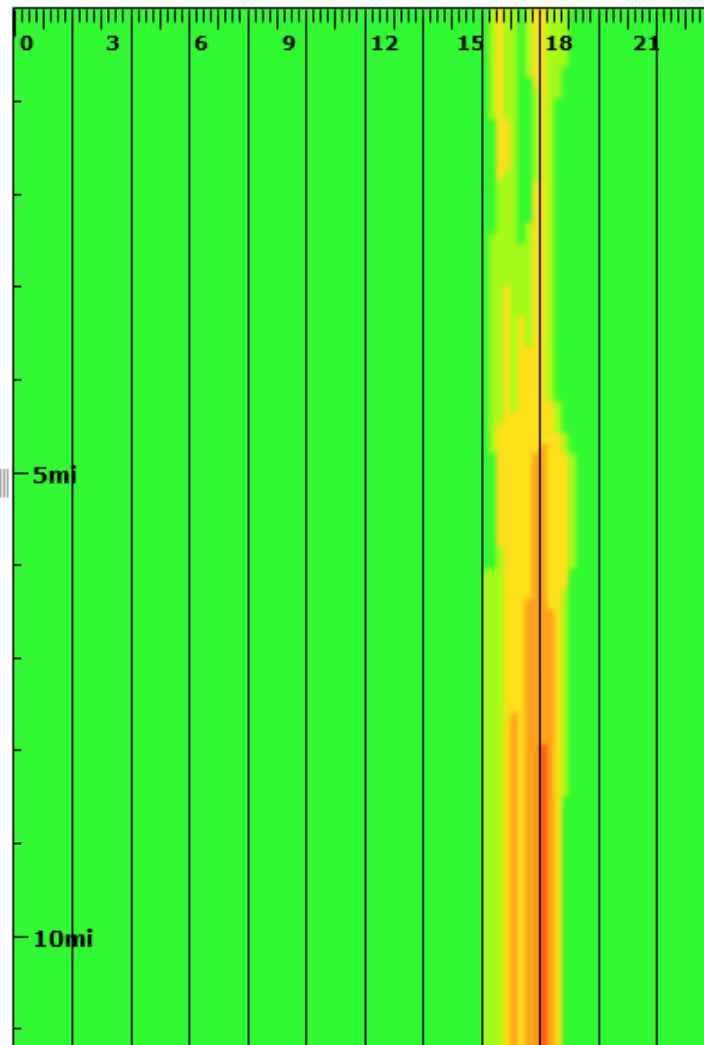
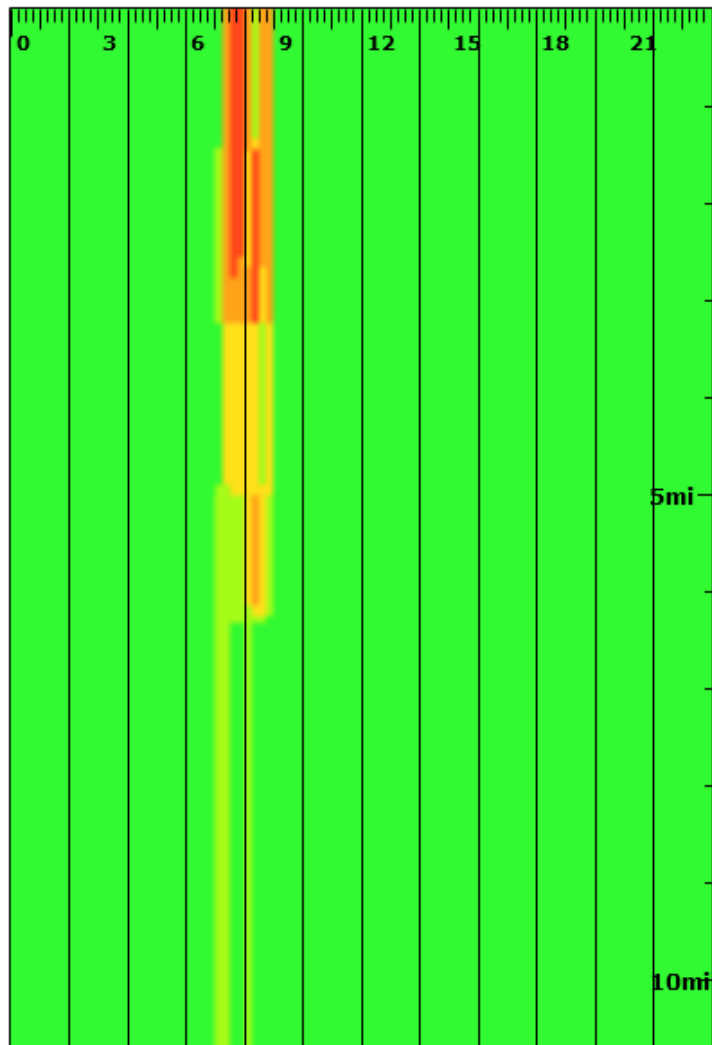
PM Rush Hour

Speed on US-23 between M-14/Exit 41 and M-36/Exit 54

↓ Southbound ↓



↑ Northbound ↑






0 mph 10 mph 20 mph 30 mph 40 mph 50 mph



Raw speed

US-23 Feasibility Study

Michigan Department of Transportation
US-23 FEASIBILITY STUDY
M-14 to I-96



MDOT
Michigan Department of Transportation

NOVEMBER
2009

http://www.michigan.gov/mdot/0,4616,7-151-9621_11058-226949--,00.html

Feasibility Study Recommendations

- Further Action or Study
 - Local agency led transit study
 - Tolling as partial answer to funding
 - Corridor communities consider adopting transit oriented development (TOD) land use policies
- Specific Recommendations
 - Near-Term
 - ITS Technologies
 - Expand Courtesy Patrol
 - Mid-term
 - Bridge work
 - Operational Improvements
 - Long-Term
 - General purpose lane/HOV/HOT during environmental studies

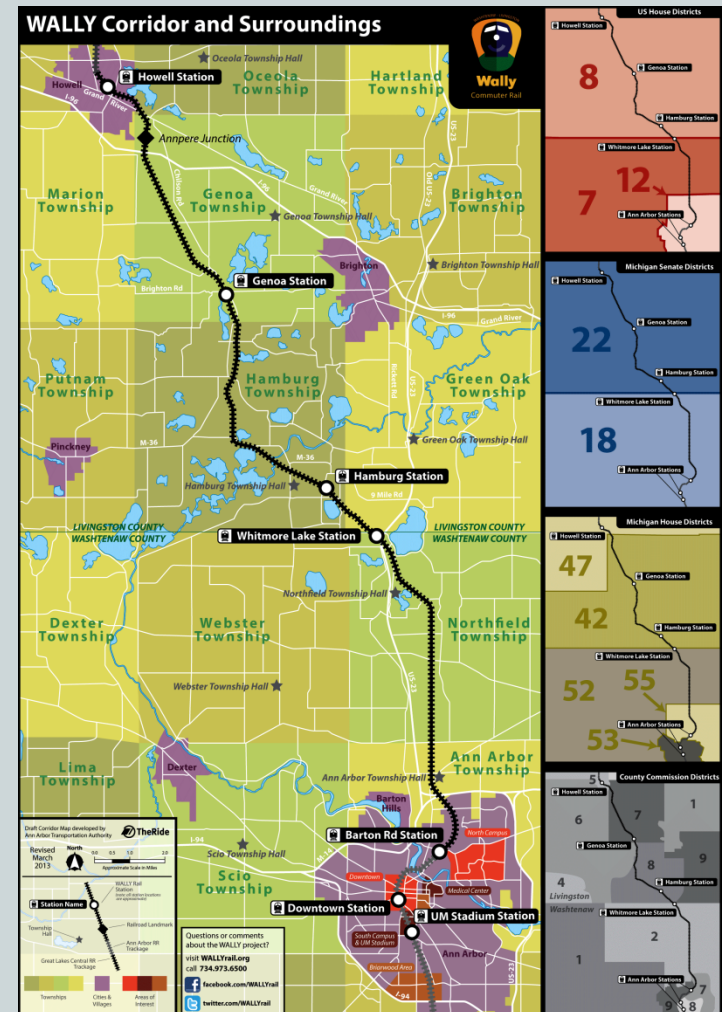
Corridor Traffic Management Strategies

- Intelligent Transportation Systems (ITS) – CCTV cameras, Detection, Dynamic Message Signs – Existing System
- Freeway Courtesy Patrol – In Operation
- **US-23 Operational Improvements**
 - *AAATA Interceptor Lot (The Ride) – Future (TBD)*
 - *Long term WALLY concept – Daily commuter Train Service between Howell and Ann Arbor – Future (TBD)*

CONCURRENT WALLY DEVELOPMENT

Howell to Ann Arbor Proposed Commuter Rail

- *Separate Funding Sources*
- AAATA acting as Lead Agency
- MDOT fully supports Local Initiatives
- Development continues with or without work on US-23
- Phase II Feasibility Study (2014)
- Estimated \$4.5M-\$40M Capital Start-up
- Estimated \$1.5M-\$7M Annual Operating





23 Active Traffic Management



Phase 2

From I-96 to 9 Mile Road/M-36

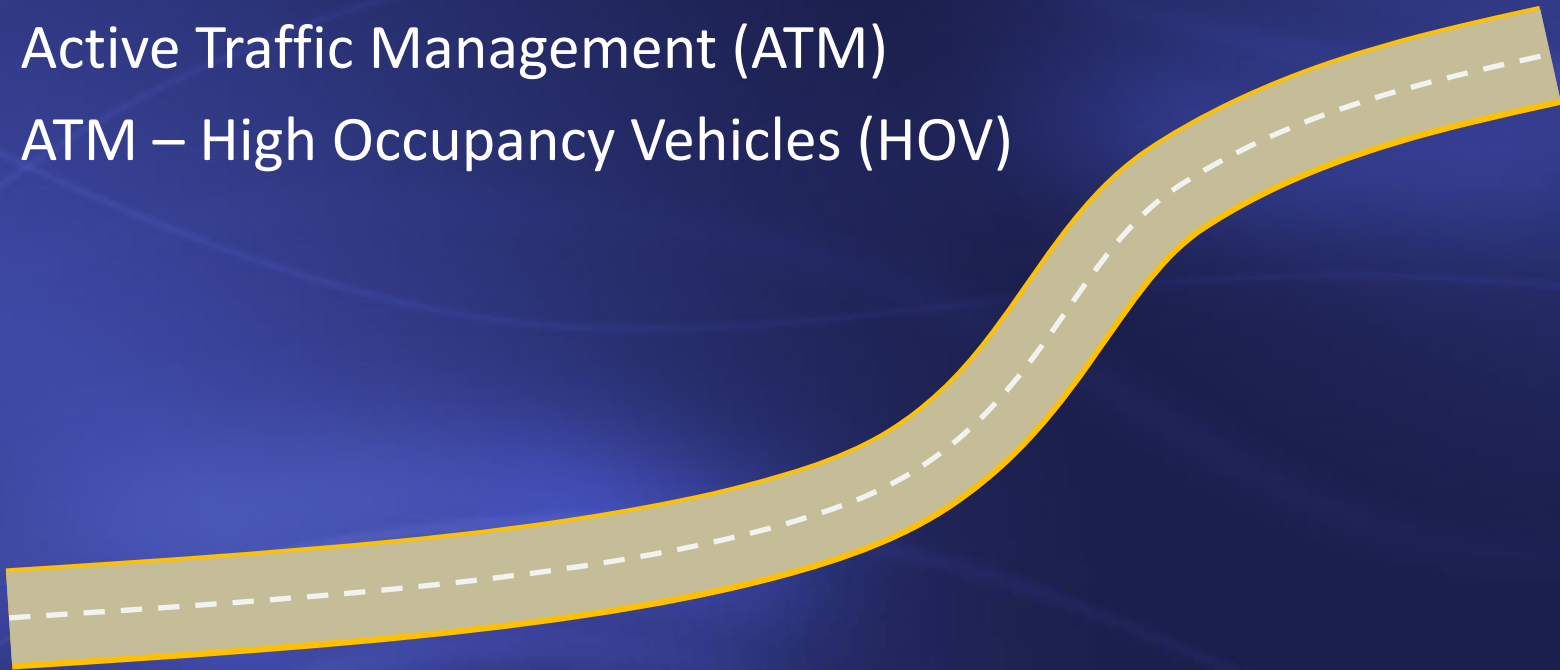


Phase 1

From 9 Mile Road/M-36 to M-14

Preliminary EA Alternatives

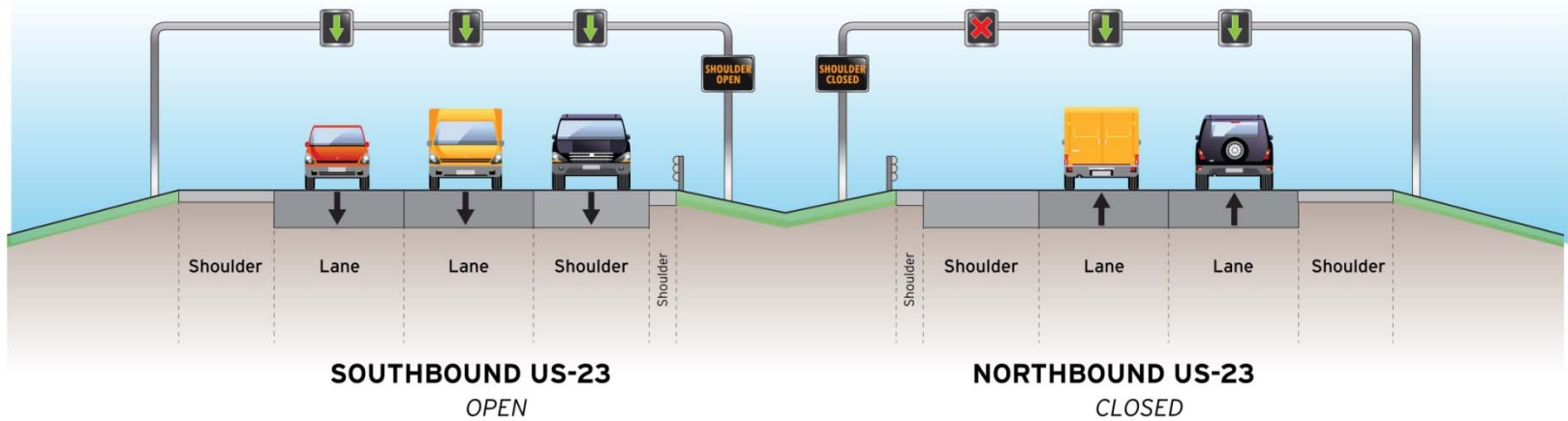
- No Build
- No Build with Traffic System Management (TSM)
- Active Traffic Management (ATM)
- ATM – High Occupancy Vehicles (HOV)



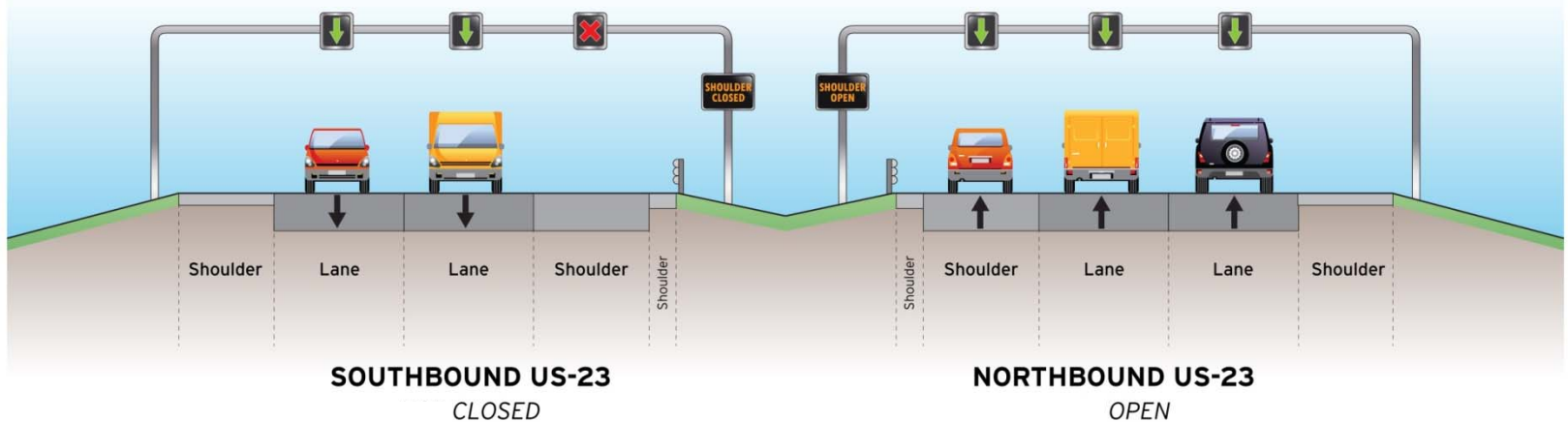
Active Traffic Management

Full Lane Control - Truss Concept

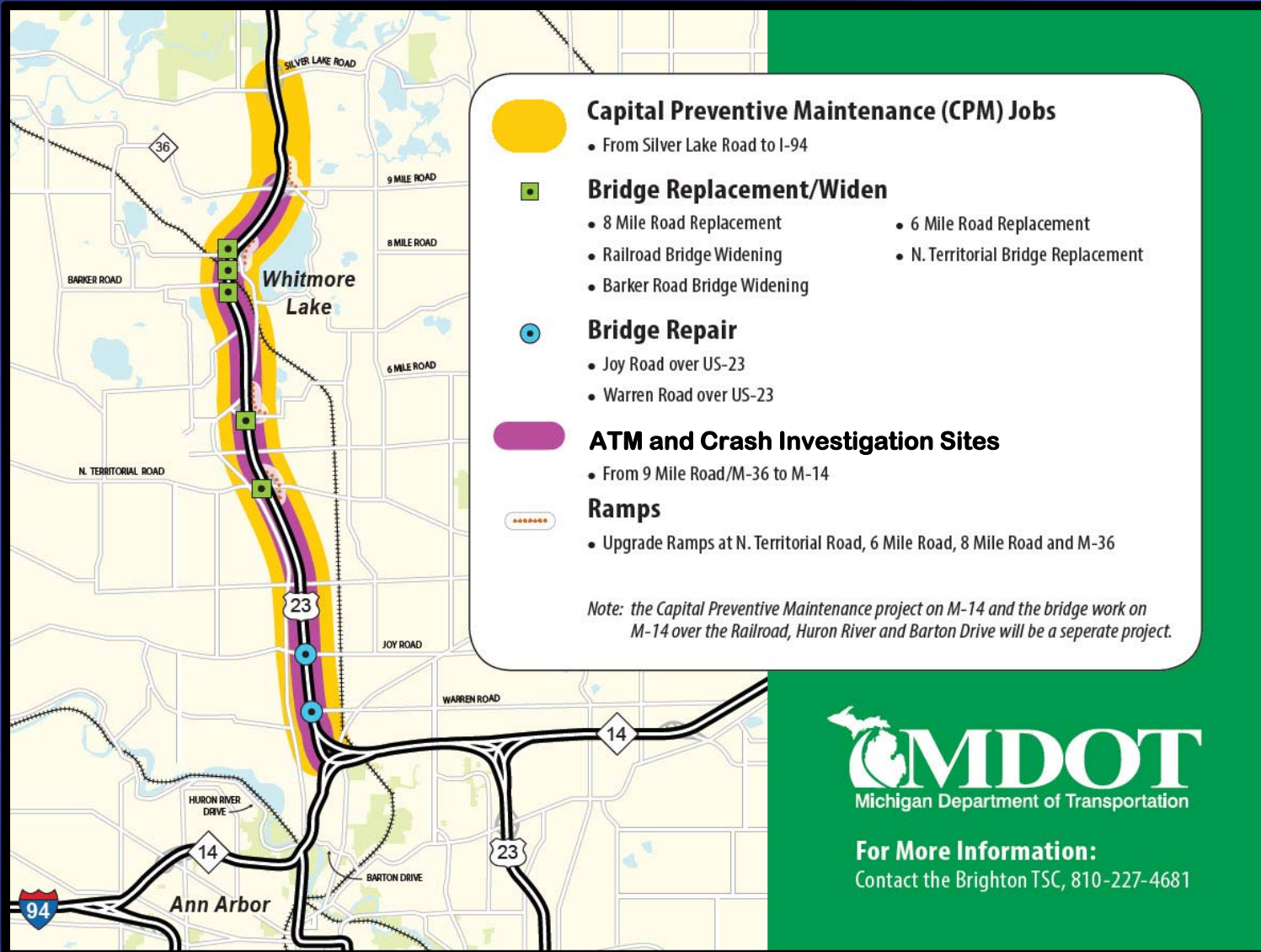
AM
OPERATION



PM
OPERATION



Environmental Assessment



Next Steps

- Completion of the Environmental Assessment (EA)
Early Fall 2014
- Distribution of EA for Public and Agency Comment
Fall 2014
- Public Hearing
November 2014
- Inclusion of the Project in the Transportation Improvement Program (TIP)
December 2014
- FHWA Finding of No Significance Impacts (FONSI)
Early 2015

Questions





Fast Lane to TLV

Israel 2014

The concept

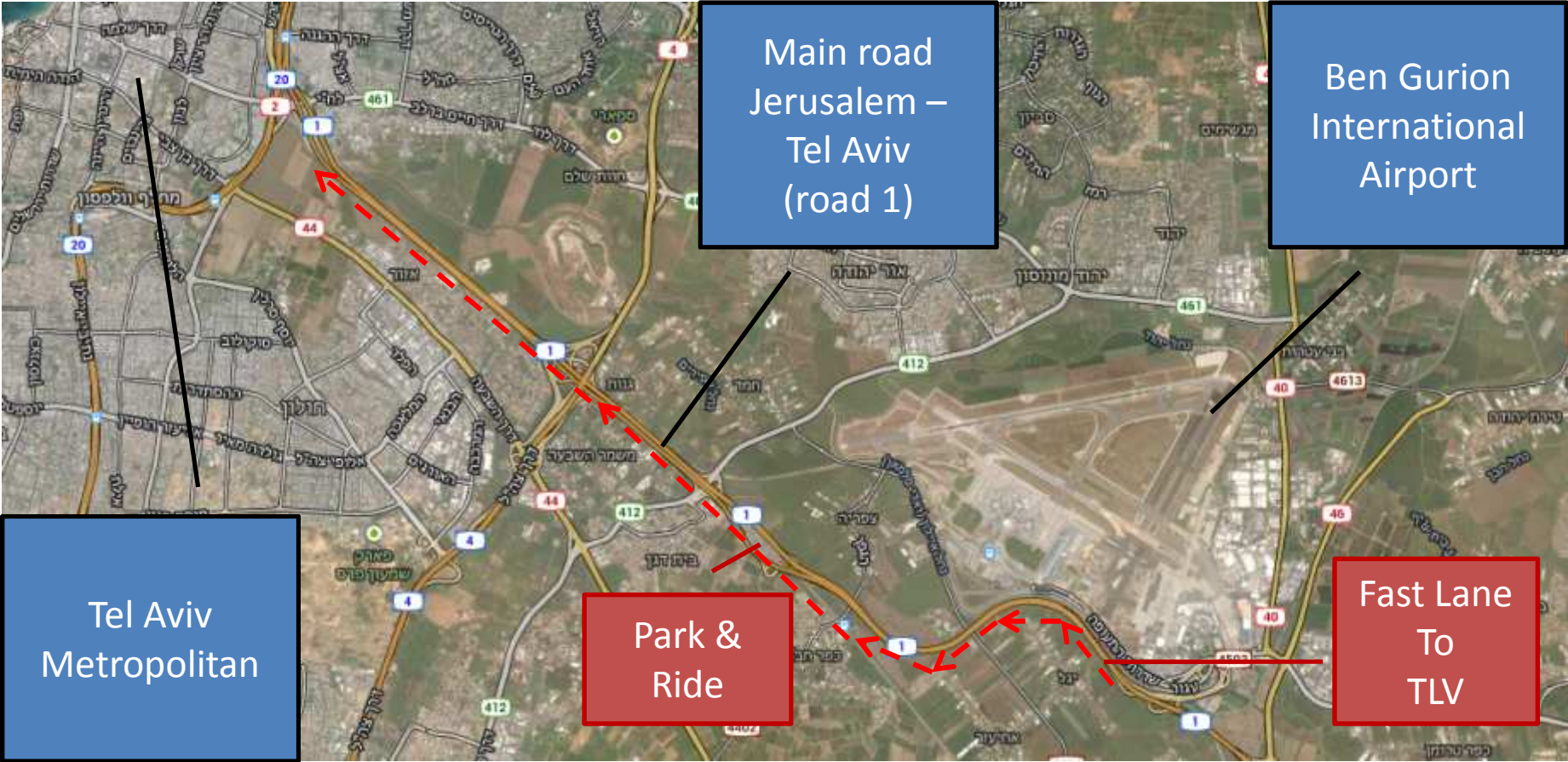
Adding a single lane, at the left side of the public road – a Fast Lane (FL). The FL project was designated to reduce the heavy traffic towards TLV by giving priority to public transportation and carpool.

This is achieved by the following:

- Public transportation - free use.
- Free Chattel services.
- 2,000 free parking lots for the Chattel users.
- Free access to Park & Ride for drop off & pick up passengers.
- Toll free to 3/4 passenger cars (HOV)

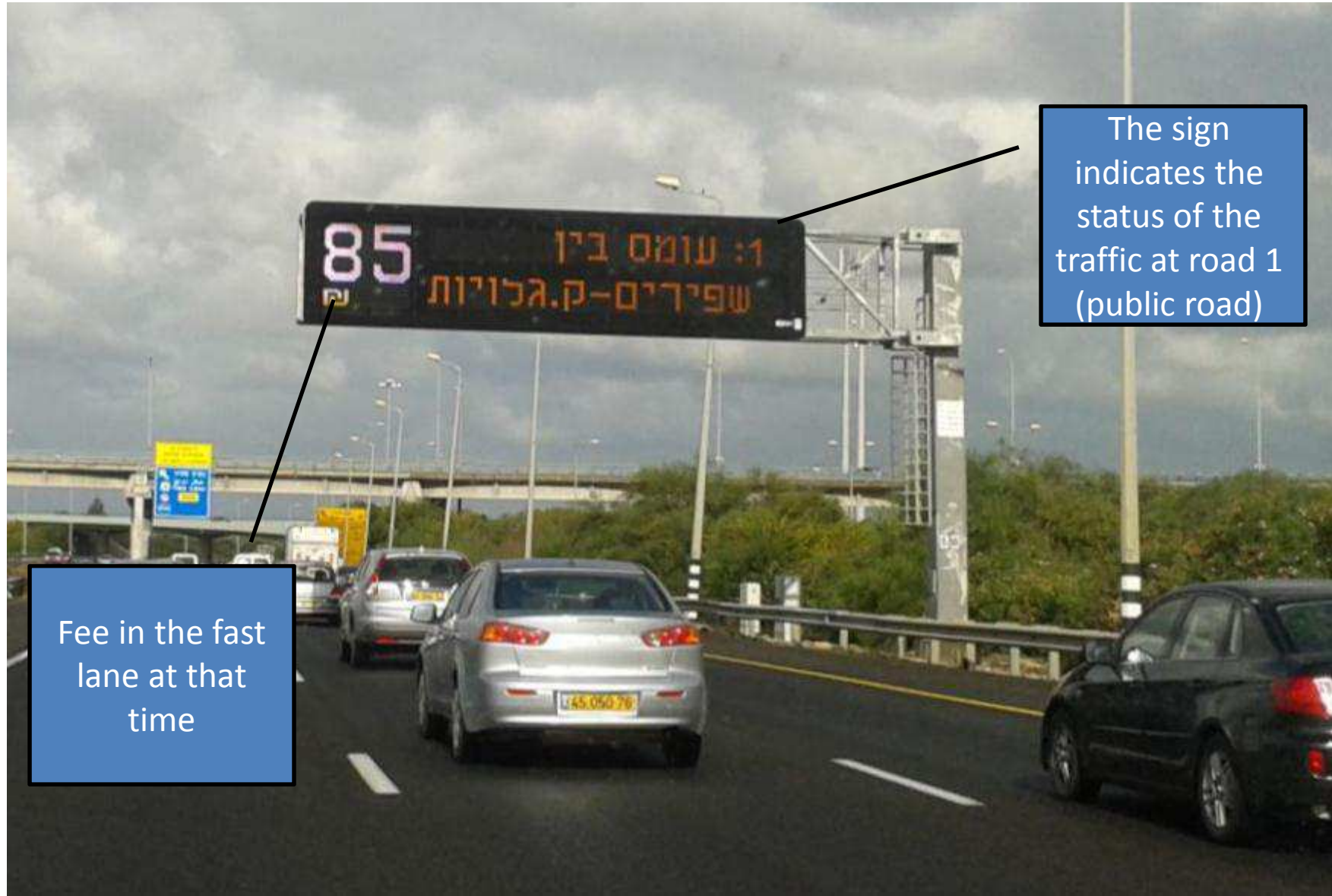


General orientation map



VMS at east entrance

1.2 KM before



Toll road using variable rates

- The concept is to use the FL efficiently by controlling the traffic using variable price per travel.
- A unique algorithm was developed to control the usage of the lane, number of cars, minimum speed and price.
- The price is determined automatically to maximize the traffic flow in the FL.



The
price.
7-85 NIS

Exemption for HOV vehicles



Roadside signs
Showing the
amount of
passengers
entitled to an
exemption

+3/+4

Fast Lane entrance



Fast Lane Part I



Fast Lane End of Part I



Control
Center

Fast Lane
Part II

Enter
Park & Ride

Public road

Fast Lane Part II



Fast Lane Part II



Fast Lane Exit



Park & Ride

2,000 free parking lots



The Chattel services



The Chattel services



- Provides services during working days
- 6 AM to 11 PM
- Free of charge
- Free parking
- Every 5 minutes at rush time



To: Board of Directors
From: Michael Ford, Chief Executive Officer
Date: September 19, 2014
Re: Monthly Report

Change to AirRide Stop at DTW

Effective Monday, September 22, 2014, the AirRide bus stop at the Detroit Metropolitan Airport (DTW) McNamara terminal is expected to be relocated from the International Arrivals level to the Ground Transportation Center (GTC). This move is being implemented by Detroit Metropolitan Airport and the Wayne County Airport Authority. Following the move, AirRide will continue to serve customers with convenient, affordable, near-hourly service between two Ann Arbor locations and both DTW airport terminals. Please note that the move at the McNamara terminal will not affect the North Terminal bus stop location. Passengers needing assistance are encouraged to locate an Airport Ambassador, who will be happy to answer questions or provide additional help.

Board Meeting Follow-Up and Preview

We met with Jim Mogensen as a follow-up to the discussion about Title VI at the August Board meeting. Mr. Mogensen expressed particular concern about the disparity in service in the City of Ypsilanti, compared to Ann Arbor. Per the discussion, a revision was made to the Title VI service standard to specify 30 minute vehicle headways during peak hour and 60 minute non-peak hours (early morning, mid-day, evening, weekend). . Mr. Mogensen acknowledged that this addressed one of major concerns, though Mr. Mogensen would also like to see a standard of 30 minutes during the midday period. Mr. Mogensen also acknowledged that the service enhancements in the Five-Year Transit Improvement Program will eliminate the current service

disparity. However, a concern remains about what could happen if a change in funding prevents implementing the program.

As requested following the Michigan Department of Transportation (MDOT) presentation on their Active Traffic Management (ATM) project, a meeting of prospective partners was held to discuss MDOT's offer to provide property for a Park and Ride lot that could be used for an express bus terminal

Participants included representatives from AAATA, MDOT, City of Ann Arbor, City of Howell, Livingston County and the University of Michigan. MDOT representatives explained the ATM project and timing expectations as follows:

- Draft environmental Assessment by October 2014
- Finding Of No Significant Impact (FONSI) by March 2015
- Funding and Construction to start in spring 2016
- Construction complete late 2016 or early 2017

We noted that the US-23 express bus is included in our 30-year plan, but not in the 5YTIP which is funded by the millage. Hence we cannot fund the project, but we can leverage federal funds, if others come forward with funding.

There was discussion of incorporation of High Occupancy Vehicle (HOV) lanes in the ATM project. MDOT favored considering HOV lanes later, after ATM was already in place.

The September 25 Board meeting agenda includes three action items moved forward in committee this month that appear under New Business: approval of the FY2015 Board meeting schedule; approval of the FY2015 budget and approval of a revised Community Donation Program. There is one pending under Old Business: Approval of Revised Service Standards and Policies for Title VI. Board elections are also scheduled to take place next week.

Planning and Development Committee Meeting

The Planning and Development Committee met on September 9. The Committee discussed the FY2015 committee meeting schedule and tentatively set the schedule. It was agreed that adjustments may be made, if the composition of the committee changes as a result of the Board Committee assignments.

The committee discussed the proposed FY2015 budget and moved forward a resolution for the full Board to consider approving the FY2015 budget. The committee also discussed the Title VI Program Submission in considerable detail, and a report was made on the walkway between Fourth and Fifth Avenues. Staff presented supplemental information regarding hybrid versus low emission bus technologies. Staff provided updates on several projects. Details of the committee's deliberations are included in the meeting summary in the Board packet.

Performance Monitoring and External Relations Committee

The Performance Monitoring and External Relations (PMER) met on September 16. The Committee supported two items for the full Board to consider approving:

- Revised Community Donation Program
- Title VI Program Submission

There was extensive discussion around the Title VI Program. Minor adjustments were made to the Program based on the input received from committee members.

Staff reported on the Performance Star, monthly financial and performance data, and provided updates on the website, the effects of road construction and ongoing projects. A detailed meeting summary is included in the Board packet.

5YTIP Implementation and Outreach

Five-Year Transportation Improvement Program Press Event, Rolling Bus Tour, and P4T Celebration

A press event for the launch of the Five-Year Public Transit Improvements in the Ann Arbor –

Ypsilanti Area was held on Monday, August 25, 2014 at the Ypsilanti Transit Center, and on board Route 46; which now provides connections between the City of Ypsilanti and Ypsilanti Township. During the event, residents, business owners, and community leaders shared their thoughts on the opportunities that the transit improvements will bring. The Rolling Bus Tour along new Route 46 provided attendees a chance to see all of the new locations in the City of Ypsilanti and Ypsilanti Township that are now being served by public transportation. During the evening, Partners for Transit (P4T) hosted a celebration of the new services at the Ladies' Literary Club in Ypsilanti. It was a wonderful day to celebrate the hard work that has gone into turning a transit improvement plan into a reality.

Outreach

We recently concluded our participation at this year's fairs and festivals. My thanks to staff who worked to help the events run smoothly, including the Art Fairs and the Ann Arbor Public Schools orientations. Staff will continue to promote the new later night and weekend service throughout the year.

Staff recently met with the Ecology Center's Transit Coordinator to discuss the focus of future Partners 4 Transit (P4T) activities and strategies for continuing to engage the public. P4T is interested in working to support the future expansion of transit options in the townships of Pittsfield and Scio and in the City of Saline.

Meetings and Events

CEO Search Committee

Staff has prepared and released a Request for Proposals to hire a search firm that will identify and recruit qualified candidates for the replacement of the AAATA Chief Executive Officer. Proposals are due on Thursday, September 25, 2014. The selection of a consultant is expected to be made by October 7, 2014. The CEO Search Committee has held two meetings to discuss the proposal review and interview processes.

Connector

The public input meeting for the Connector Alternatives Analysis previously scheduled for Wednesday, September 17 was postponed until November to accommodate further refinement of meeting materials. A new meeting date will be announced once that is set.

Ann Arbor Downtown Development Authority

Staff and I recently attended a meeting with Ann Arbor Downtown Development Authority (DDA) representatives to discuss the prospect of an express route from Belleville and Ypsilanti Township. An ExpressRide service is programmed for service from the Ypsilanti area starting in 2017 per the 5YTIP, and would be extended to Belleville, if funded. The DDA has a commitment to alternative transportation options into downtown Ann Arbor due to periodic times throughout the day and week when parking is near capacity. We will continue to explore the concept of an express route and agreed to convene a meeting to include additional staff from AAATA and DDA to discuss possible timing and alternatives. It is important to note that funding has not yet been identified for this concept, were it to be accelerated prior to the current prescription of 2017. The DDA Operations Committee is expected to discuss the matter this month.

Ypsilanti Township

Staff and I met with Ypsilanti Township Supervisor Brenda Stumbo and Clerk Karen Lovejoy Roe to discuss the new service and its popularity in the community. Supervisor Stumbo suggested a moving application program for ARide and MyRide programs. We were asked to coordinate meetings between the AAATA ARide and MyRide program managers and Ypsilanti Townships to pre-screen eligible individuals for either service. We will work with Supervisor Stumbo to arrange the community meetings. We agreed to produce a simple flyer explaining the ARide program for Ypsilanti Township residents, and will continue to promote all of the new services within the township.

Colliers

Staff and I recently met with Jim Chaconas of Colliers International. We were advised that there are companies interested in leasing space in the former Border's headquarters on Phoenix Drive, and asked if it would be possible to add bus service throughout that business park. Mr. Chaconas is aware of the linkage between public transportation and real estate sales and leasing. We discussed working with tenants in the business park to conduct a survey measuring the transit needs of employees in that area. Mr. Chaconas also informed us of a new Menard's store being built on Jackson Road in Scio Township, along with 65 acres of residential development in the same area. We will work to explore how to best connect these potential riders with transit options.

Regional Transit Authority

Staff attended the September Regional Transit Authority (RTA) Providers Advisory Committee and Planning and Service Committee. Both committees reviewed and approved the final version of the first RTA Transit Systems map which includes edits based on citizen input. Attendees discussed the FY2015 annual state grant applications, and the providers Comprehensive Transportation Fund state operating assistance distribution at 31.423%. Because the Detroit Department of Transportation's operating expenses are below a 1997 "floor", the RTA providers' overall operating expenses are below the floor and all will receive this 31.423%. This is above last year's 30.85%, and about 1-2% higher than other urban systems.

Consultants presented the first findings of the Seamless Fare Integration Study, with an overview of each systems' fare and fare media characteristics. TheRide is notable in having many fewer cash fares (vs. cards and passes). Most systems have similar fareboxes, but widely varying policies.

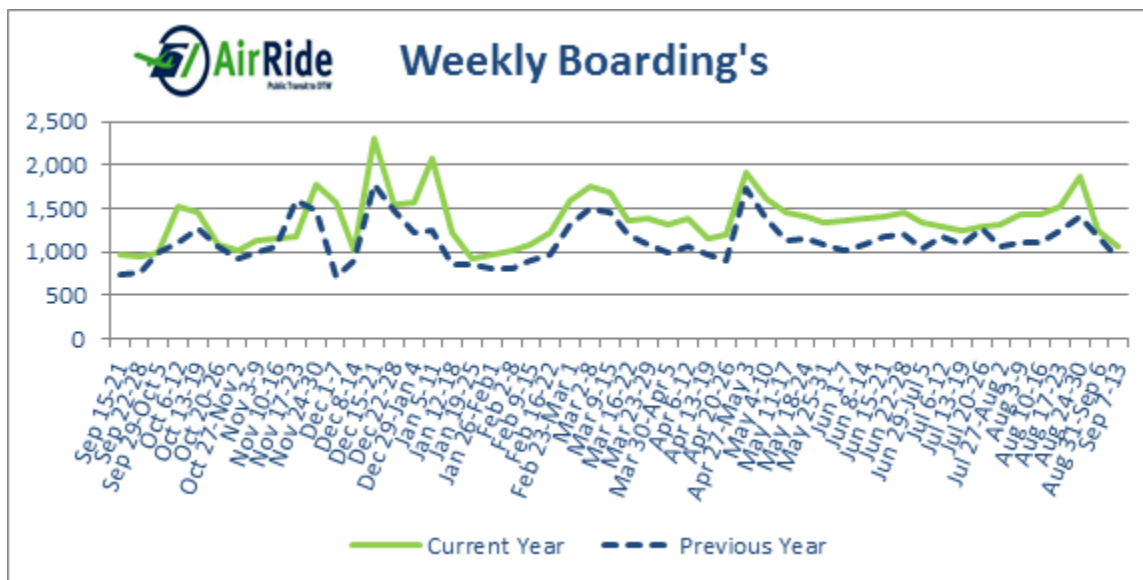
MDOT Annual Conference

In late August staff attended the Michigan Public Transit Association's (MPTA) Annual Conference. The conference focused on the changes that impact public transportation within the state. The Federal Transit Administration hosted a session on the state of federal funding,

federal programs and introduced the regional staff that oversees Michigan operations. The Michigan Department of Transportation hosted several sessions about the state of public transportation in the state and a session on funding for transportation. MPTA introduced a new “MIWheel” award recognizing outstanding contributions in direct communications and public information pieces about public transit. AAATA received an award for the “family of services” piece. Congratulations to the Community Relations team for development of this award winning effort.

AirRide

AirRide service continues to produce strong ridership numbers with a weekly average of 1,426 passengers over the past five weeks.



Ann Arbor Area Transportation Authority Board of Directors
Planning and Development Committee
Proposed Meeting Summary
September 9, 2014 – 3:00 p.m.

Present: Committee –Eli Cooper (via phone), Sue Gott (Chair), Larry Krieg, Eric Mahler, Gillian Ream Gainsley

Staff – Ron Copeland, Michael Benham, Terry Black, Felix Carreon, Ron Copeland, Bill De Groot, Michael Ford, Dawn Gabay, Sarah Pressprich Gryniewicz, Ed Robertson, Mary Stasiak, Elizabeth Tibai, Phil Webb, Karen Wheeler, Chris White, Michelle Whitlow

Public – Clark Charnetski, Jim Mogensen

Committee Chair Sue Gott called the meeting to order at 3:03 p.m.

1.0 *Communications and Announcements*

There were no announcements or communications.

2.0 *Public Time – Comment on Agenda Items*

Jim Mogensen thanked staff members for meeting with him last week to discuss the policies pertaining to the Title VI requirements. He still has more questions for staff. He is familiar with the discussion on hybrid versus low emission buses and noted that it is easy to monetize cost but harder to monetize the benefits of each technology, and this is a challenge.

With no one further appearing, Ms. Gott declared public time closed.

3.0 *New Business*

3.1 *Setting FY2015 PDC Meeting Dates: Ed Robertson*

Ed Robertson stated that the Planning and Development Committee meetings are historically held Tuesday of the week before the week of the Board meeting. He presented a draft meeting schedule for fiscal year 2015 to the committee. Ms. Gott supported moving forward with the proposed schedule but reminded staff of the upcoming committee rotations. With those rotations, there may be a standing conflict with one of the new members and the committee will need to be flexible to those possibilities.

The new PDC dates for fiscal year 2015 will be posted and the dates will be revisited if there is a standing conflict after the upcoming committee rotation.

3.2 *BTC 4th Ave to 5th Ave Pedestrian Walkway: Michael Ford*

Michael Ford reported on the pedestrian walkway to be constructed along the north side of the BTC transit mall between 4th and 5th Avenues. Funds have been secured, including a \$250,000 contribution from the Ann Arbor Downtown Development Authority, and a site plan is in development. Ms. Gott requested a copy of the plan, once available.

Mr. Ford noted that AAATA is working with the city to develop better way-finding signage around the BTC. The signage will need to be ADA compliant. It was also reported that the new sidewalk construction will need to satisfy the Davis-Bacon Act.

4.0 *Action Items*

4.1 *Approval of the FY2015 Budget: Phil Webb and Bill De Groot*

Phil Webb reported on the FY2015 budget which includes existing services, new services as described in the 5YTIP, and projects found in the FY2015 work plan. Phil stated that the proposed budget assumes an increased level of service on fixed route due to the implementation of first year service improvements as of August 24, 2014. It also assumes an increase in service for ARide due to the increased in the size of the service area. NightRide is expected to decrease in FY2015, mainly due to the longer service hours of fixed routes. It was noted that 96% of FY2015 budget funds are going toward core services and programs. The other 4% of the budget is programmed for planning projects. Mr. Webb highlighted that on July 1, 2014, the Authority received .7 mills of the new Authority tax levy. Some \$3.8 million of the collected millage has been set aside for future capital purchases.

Phil stated that the proposed FY2015 budget has allotted for the purchase of conventional low-emission diesel buses, as described in the 5YTIP. The millage would have needed to be .82 mill for the Authority to be able to purchase hybrids buses due to their higher cost. As the budget currently stands, the Authority can still purchase hybrids, but would need to keep many of the older existing buses longer as a result. These older vehicles not only use more diesel fuel than the new low-emission buses, but will likely have much higher maintenance costs due to their age. The Authority would also need to find additional funds in the budget to cover the incremental cost associated with the purchase of hybrid vehicles. The first bus order will not arrive until FY2016, thus the decision on their mode of power does not affect the FY2015 proposed budget.

Gillian Ream Gainsley asked if staff could identify the routes where riders were highly transit dependent and add Sunday service in January 2015 to those routes. The 5YTIP did not schedule such Sunday implementation until 2016. Chris White noted that the Authority would need funding to support the additional service hours for early implementation of Sunday service. If AAATA were to add weekend service in January as

Gillian requested, it would require the entire bid to be recut. This is a huge undertaking for the Authority, and is usually done only once or twice a year. Chris also noted that the 5YTIP was put together as the result of years of research and extensive public input. It was then adopted by 71% of the voters in Ann Arbor, Ypsilanti, and Ypsilanti Township in May 2014. If changes are to be made to the adopted plan, the Authority will need to come up with a formal filtering mechanism or formal process to make service changes.

Larry Krieg noted that it would be better to have more service using conventional low emission diesel buses than to have less service using hybrid buses. Eric Mahler agreed to the importance of providing service to the riders. Eli Cooper voiced appreciation for staff time in creating the 5YTIP baseline. He is interested in speaking with staff in Finance and Service Development to see if funds could be obtained for additional service above and beyond the base plan. Michael Benham reported that the 5YTIP includes 'Continuous Improvement' language which refers to any changes made to the plan. Ms. Gainsley would like staff to draft a formal change process for the PDC to review.

Eric Mahler recommended support of the motion as written to adopt the FY2015 budget. Larry Krieg seconded the motion. All were in favor of the motion which will be forwarded to the full board for further consideration.

5.0 *Continuing Business*

5.1 *Hybrid or Low Emission Buses: Staff*

Felix Carreon reported that the total life cycle cost for a low-emission conventional bus is \$761,559 versus \$948,000+ for a hybrid bus. There are fuel savings associated with the hybrid over its lifetime (\$244,501 for hybrid versus \$301,261 for conventional), however the overall lifetime cost of the hybrid is still greater. The Authority has seen \$1.3 million in fuel savings over the seven years while operating hybrid vehicles within its fleet. These fuel savings, however, have not been "banked", but have been used to provide additional services to riders.

Mr. Carreon found that some transit agencies are still purchasing hybrid buses but with the assistance of dedicated grants. At this time, TheRide does not have any dedicated grants to pay for the incremental cost of hybrid buses. It was noted that average noise levels for hybrids are 2dB lower than conventional diesel buses. This is not a significant difference in noise. Mr. Carreon reported that bus manufacturers have reduced their production of hybrid vehicles from 30% of all vehicles made in 2010 to only 15% in 2014. This shows that industry demand for the technology is decreasing.

Mr. Carreon reported on the next steps for the Authority which include: dedicated routing, purchasing a blended fleet, and the development of an overall environmental

policy for AAATA. In order to purchase hybrid buses, TheRide would need to either: 1.) reduce services, 2.) delay older bus replacements, 3.) postpone or reduce other capital projects, 4.) use a projected capital surplus in the future, or 5) a combination of some or all of these options. Mr. Carreon noted that historically TheRide has been an industry leader in taking steps to reduce the environmental impact of its services. Staff will work to develop a draft comprehensive sustainability plan for the organization that will work to reduce energy consumption, increase ridership and decrease greenhouse gas emissions.

Mr. Mahler stated that there should be significant public input associated with the creation of any environmental policy. He requested that the Authority keep a similar ratio of hybrids and conventional buses as is found in the current bus fleet. Mr. Cooper also agreed with respecting public input during the formation of the environmental policy. He requested the Authority move forward with the bus purchase but remain an environmental leader in the transit industry. Mr. Krieg recommended the purchase of conventional diesel buses for the first order in FY2016 but requested staff to research other clean technologies in the interim. Ms. Gainsley also voiced support for the purchase of conventional diesel buses. She would like the Authority to pay attention to noise levels both inside and out of the bus. She also requested information on other bus technologies and all maintenance costs for each batch of buses purchased.

Ms. Gott requested the details of the discussion between UM and AAATA staff to be featured in the report as another case example regarding hybrid technology. Several board members also requested that the hybrid and low emission conventional technology report be made available to the public.

5.2 *Title VI: Chris White*

Chris White reviewed the Title VI program with the committee. The only section that has changed since last month's review of the document is the *Service Standards and Policies* section. The main revision to this section is in Service Headways. During weekday peak hours, headways are 30 minutes and 60 minutes during off-peak hours. The standard is up-to-date with AAATA's current practices. However, this standard is not currently met in Ypsilanti's local services. This gap will be remedied with the implementation of the 5YTIP service plan and is scheduled for 2016. Mr. Krieg requested a clearer explanation for the Sunday weekend standard, as featured in Attachment K of the document under Vehicle Headway.

Since disparity was found regarding Vehicle Headways in local Ypsilanti services, staff will need to submit an action plan to the Federal Government (which will incorporate the 5YTIP implementation). Mr. White noted that although some routes are below the standard for on-time performance it does not necessarily mean disparate impact.

Figure K-7 will be updated with further explanation of the data origin (specifically the Ypsilanti Township figure).

6.0 *Updates*

6.1 *August 2014 Service Improvements: Michael Ford*

Michael Ford reported that Route 46 has been in operation since August 24 and is performing well. There are approximately 154 daily riders and total ridership has reached 1,760 since implementation. He reminded the committee that new services take time to mature.

6.2 *YTC Update: Terry Black*

Terry Black reported that there will be an estimated 50% increase in usage of the Ypsilanti Transit Center over the next five years. He addressed some of the structural concerns that will need to be addressed, such as additional restrooms for the operators and more customer/lobby space. TheRide staff is reviewing drawings of the building and current options. More information will be forthcoming as plans for the YTC develop.

6.3 *R&D Projects: Michael Benham, Chris White*

Chris White reported that the Connector meeting has been rescheduled for November. The North-South Rail feasibility study will begin shortly. The East-West Alternatives Analysis is underway and a tour is to be scheduled of the three proposed sites. The South State Street study had its kickoff last week.

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

Sarah Gryniewicz reported that the regional fare integration study is underway. She also noted that the providers committee created a draft regional transit map.

7.0 *Public Time*

Jim Mogensen stated that Title VI is a part of the civil rights act of 1964. Washtenaw County has some structural and cultural inequities and he sees the policy as an opportunity to make a positive change. The headway standards, however, are still an issue for him. He would like to see 30 minutes for all local routes. Mr. Mogensen sent maps out to the AAATA staff which give a clearer picture as to why Route #2 is a minority route.

Clark Charnetski is happy to hear about progress with the BTC 4th Ave to 5th Ave pedestrian walkway. He noted that this will keep a more open feeling with the Blake as the old "Y" lot is developed, and thanked the committee for their efforts.

No one further appearing, Ms. Gott declared public time closed.

8.0 *Future Meetings*

Tuesday, October 7, 2014 at 3:00 p.m.

9.0 *Adjourn*

There being no further business, Ms. Gott adjourned the meeting at 5:04 p.m.

Respectfully Submitted,

Elizabeth Tibai

Ann Arbor Area Transportation Authority Board of Directors
Performance Monitoring and External Relations Committee
Proposed Meeting Summary
September 16, 2014 3:35 p.m.

Present: Committee – Jack Bernard (telephone), Roger Kerson (Chair)

Staff – Michael Benham, Felix Carreon III, Ron Copeland, Bill De Groot, Dawn Gabay, Sarah Pressprich Gryniewicz, Don Kline, Julia Roberts, Ed Robertson, Mary Stasiak, Elizabeth Tibai, Phil Webb, Karen Wheeler, Chris White, Michelle Whitlow

Absent with Notice: Susan Baskett, Anya Dale

Committee Chair Roger Kerson called the meeting to order at 3:42 p.m.

1.0 Action Items

1.1 *Revised Community Donation Program*

Mary Stasiak reported on the proposed changes to the current Community Donations Program. The program is intended to serve at risk or vulnerable populations within the community. Before 2007, TheRide only provided fare media donations to qualifying non-profit organizations. However, in 2007, TheRide received a request for a fare media donation from an organization that was not a non-profit organization which led to the adoption of a formal Community Donations Policy. Each year, the program is allotted \$10,000 total which funds the *Match* (\$5,000) and *Non-Match* (\$5,000) components of the Program.

Ms. Stasiak noted that, within the last three years, there has been a significant increase in applicants and *Non-Match* funds have been exhausted earlier each year. Most notably, in FY2014, Non-Match funds were exhausted one month into the fiscal year. However, less than 15% of the Match funds have been expended during the same fiscal year. Due to these findings, Ms. Stasiak asked the committee for time to re-evaluate long term solutions for Community Donation Programs for prospective implementation in FY2016. She also presented several short term Program recommendations:

1. Increase allotment amount for each organization applying for Match funds from \$100 to \$150.

2. Request to transfer \$3,000 from Match to Non-Match funds for new totals of \$2,000 Match and \$8,000 Non-Match for FY2015.

Ms. Stasiak requested a change in allotment from \$100 to \$150 to coincide with the fare increase from \$1.00 to \$1.50. The change in allotment would allow the applying organizations to maximize the use of funds, so it is equally divisible by the fare media requested. Ms. Stasiak also requested a transfer of funds from the Match to Non-Match Programs, so that more applying organizations can benefit from the Non-Match Donation Program.

All Committee Members recommended support of the motion as written. It will be forwarded to the full Board for further consideration.

1.2 *Title VI Program Submission*

Chris White reviewed a resolution to authorize submission of the AAATA's Title VI program, as required by the FTA. He also reviewed the service standards and policies section of the report in great detail. The report also includes demographic and income data, and information of the race, nation origin, and language spoken at home for riders of the AAATA fixed-route system. AAATA conducts a rider survey ever 2-3 years and the October 2013 the survey included these questions.

Mr. White reviewed the proposed fixed-route service standards and policies. There are four proposed service standards: Headway, On-Time Performance, Service Availability, and Vehicle Load Factor. The proposed headway standard is every 30 minutes during weekday peak hours and every 60 minutes all other times. Mr. White noted that this changes reflects AAATA's current practices. The On-Time Performance standard did not change and a bus is considered On-Time up to 5 minutes after its scheduled arrival. The report also states that 90% of trips will meet this standard. The Service Availability standard states that, "A minimum of 90% of the population of the fixed route service area in the member jurisdictions will have service within a .5 mile radius." Mr. White clarified that the portion of Ypsilanti Township south of Textile Road is not included in the 5YTIP fixed route service area due to low population density. It was suggested to add that Ypsilanti Township south of Textile Road will be, "Served by alternative service that is appropriate for the density of the area." Jack Bernard also suggested the need to elevate communication efforts within the community. Vehicle Load Factor, the fourth standard, is an analysis of the frequency of standing loads on the local fixed-route service, commuter service and on AirRide. The drivers assess the VLF and then provide information to staff.

Mr. White reviewed the proposed fixed-route service policies. The Vehicle Assignment Policy is analyzing how the buses are assigned. Mr. White noted that the chief differences of the fleet, such as the mix of hybrid and conventional buses and the mix of 35 and 40-foot long buses. The Transit Amenities Policy states that a shelter will be available at all bus stops with 50 or more boardings per day.

Mr. White reported that while monitoring the service standards and policies, there were routes that did not make the headway standard. The routes are all located in Ypsilanti and are minority routes. Thus, disparate impact was found to occur. Providing higher frequency service in the Ypsilanti area was a major purpose of the 5YTIP and with the passage of the Program, the Authority is working to eliminate the disparate impact in the area. An explanation of these findings will be included in the final report to the Federal Transit Administration.

Mr. White reported that local routes 2, 4, 6, and 36 are above the standing load thresholds. They also serve minority populations. These findings prompt additional analysis of the routes and a list of remedies will be presented to the FTA with the Title VI submission. Mr. White anticipates that once the FTA reviews the Authority's submission, comments will be given. The FTA may also seek submission clarification.

Jack Bernard would like the resolution to state that we will continue to meet the standards we put forward as well as those of the Federal Government. Julia Roberts suggested preparation of a separate internal analysis using metrics that are more detailed and looking at service quality that is beyond what is required in Title VI. It was determined that the resolution will list the places that need work or additional follow up. This statement will show the community that the Authority is taking the Title VI Program requirements seriously.

The report will be made available to the public.

2.0 Reports

2.1 *Financial Report*

1.1.1 *Financial report on operations*

Phil Webb reported that revenues are 1.2% under budget and expenses are 3.2% under budget for the eleven months ended August 31, 2014. Mr. Webb noted that the July report of operations reflected the FY2014 amended operating budget. It also included the .7 mill property tax levy which was levied on July 1, 2014.

1.1.2 *Report to treasurer*

Phil Webb reported that the majority of the new tax levy monies have been received as of August, 2014. The funds will need to be used over the next year.

2.2 *Performance Report*

2.2.1 *Average weekday ridership*

There were no new updates or significant changes to report.

2.2.2 *Performance reports by mode*

Chris White noted that the month of September is historically volatile for ridership. However, current figures show that overall ridership is very similar to last year's data, despite the new service. Mr. White reported a decrease in MRide riders over the last several months. TheRide is investigating this finding.

2.2.3 *Report on new service*

Chris White reported an average of 156 riders per weekday on the newly implemented #46 Huron-Textile route. There is an average of 12 passengers per service hour on the new route.

2.3 *MDOT Contracts Executed by CEO*

There were two MDOT contracts executed by the CEO. Contract 2012-0033-P15 is for a rail feasibility study between Holland and Detroit. Chris White noted that the intention is for the RTA to become the recipient, once they have grant capabilities. Contract 2012-0033-P20 is for Phase II of the North-South (WALLY) rail feasibility study. Roger Kerson asked the Authority to look at ways to combine similar local studies to become more cost-effective.

2.3 *Committee Meeting Dates for FY15*

The committee reviewed the proposed meeting schedule for FY15. Susan Baskett has asked for an alternate meeting time. Roger Kerson voiced no preference for the meeting time, and Jack Bernard was fine with either an early morning or end of day meeting time. The committee members also considered meeting time changes due to the upcoming committee rotation.

2.2 *Performance Star*

Michael Benham reviewed the performance star with the committee. The performance star houses annual performance data for community consumption. The star was created from the updated mission statement and all indicators are focused on a benefit for the community and for riders. Each section of the performance start contains infographics and includes screen text/descriptions. Mr. Benham noted that in the future, TheRide hopes to provide more granular data, such as quarterly reports. The star contains an option for visitors to provide feedback.

3.0 Updates

3.3. *Effects of Road Construction and Events*

Ron Copeland reported that the detour on Stone School Road is causing bus delays. The main problems are in the afternoon peak time where AAATA operations are trying to maintain the proper headways. Mr. Copeland noted that detours will conclude between the end of October or beginning of December.

Sarah Pressprich Gryniewicz is working on a report of the construction delays and funds used for detours and events. The report is intended to inform customers of the many challenges encountered and to strategize for next year's detour and event season. Jack Bernard would like staff to track not only the percentage of on time trips, but also the percentage of customers that are on time for the bus.

3.4 *RTA Developments*

Sarah Pressprich Gryniewicz reported that the Providers Committee completed the baseline transit map of the RTA counties. Both the Providers and Planning Committee's approved the providers CTF (state operating assistance) distribution at 31.423%. This amount is above last year's amount and is higher than other urban systems. Consultants are working on the fare integration study.

3.1 *Website Status*

Mary Stasiak reported that staff members are meeting weekly to discuss the website. The website was supposed to be built with upgrade functionality and it was requested that AAATA would eventually update and upgrade the website internally. However, Ms. Stasiak has found that keeping the existing website

requires us to move to an updated platform and is quite costly. Ms. Stasiak identified several problems with the current site such as the fact that it was not designed with accessibility capabilities and the mobile site is not very user friendly. Another challenge is that the site was originally designed with the desktop user in mind. However, mobile visits have become more frequent than desktop visits in recent months. She also noted that the rider tools have been built into the code of the website, which has proven to be problematic and requires the Authority to rely on the developer indefinitely.

The website team has found instances where the code has not been delivered or delivered in a way that cannot be used. Jack Bernard would like the website to be as mobile friendly as possible. Roger Kerson expressed concern that the Authority spent a 6 digit amount on a project that has several problems and may need to be replaced. There are specific instances where the source code is missing. Mary Stasiak reported that staff members are working with the developer and with the company attorney to explore all options. Roger Kerson requested feedback from staff as to the remedies and next steps for the company website, to be featured on the October PMER agenda.

3.5 *ARide RFP*

Staff at AAATA are currently evaluating proposals received for the ARide RFP. A recommendation will be presented to the committee at the October meeting.

3.6 *R&D Projects*

The next Connector meeting will be held in November. The East-West study hosted a tour last Monday of the three prospective station locations. It was noted that the Authority is partnering with the City of Ann Arbor in a *South State Master Plan*. Internally, staff members are researching remote garage options, deadhead miles and cost savings associated with a remote location. Michael Benham emphasized that a formal update process is needed for any requested changes to the Five-Year Transit Improvement Plan. A draft plan will be presented to the committee at the October meeting.

3.2 *Hybrid/Conventional Bus Order*

Felix Carreon III provided a brief update to the committee which included statistics on the lifecycle costs, emissions, noise data, and fuel savings of both the hybrid and conventional clean diesel buses. Mr. Carreon III noted that the Authority is working on a comprehensive environmental policy. The Board will need to make a decision on the type of bus technology for the upcoming bus

order, as planned for in the 5YTIP, no later than November. Jack Bernard requested information on other bus technologies in time for the next bus order.

4.0 Adjourn

There being no further business Mr. Kerson adjourned the meeting at 5:46 p.m.

Respectfully Submitted,

Elizabeth Tibai

**Ann Arbor Area Transportation Authority
Report of Operations - Unaudited
For the Eleven Months Ended August 31, 2014**

					Comparison to Prior Year		
	8/31/2014 Year to Date Budget	8/31/2014 Year to Date Actual	Favorable (Unfavorable) Variance	Percent	8/31/2014 Year to Date Actual	Favorable (Unfavorable) Variance	Percent
Revenues:							
Passenger Revenue	2,062,770	\$1,982,441	(\$80,329)	-3.9% 1	\$2,013,500	(\$31,059)	-1.5%
Subcontracted Revenue	1,440,421	1,470,924	30,503	2.1% 2	1,356,292	114,632	8.5%
Special Fares (EMU, UofM, go!Pass)	1,934,668	1,899,749	(34,919)	-1.8% 3	2,367,598	(467,849)	-19.8%
Interest, Advertising and Other	361,499	292,038	(69,461)	-19.2% 4	450,537	(158,499)	-35.2%
Local Property Tax Revenue	13,562,779	13,562,779	0	0.0% 5	8,495,663	5,067,116	59.6%
Local Property Tax for FY 2015	(3,850,000)	(3,850,000)	0	0.0% 5	0	(3,850,000)	-100.0%
Purchase of Service Agreements	1,283,154	1,137,458	(145,696)	-11.4% 6	1,467,911	(330,453)	-22.5%
State Operating Assistance	8,762,320	8,707,584	(54,736)	-0.6% 7	7,927,669	779,915	9.8%
Federal Operating Assistance	4,898,474	4,891,922	(6,552)	-0.1%	4,135,325	756,597	18.3%
Total Revenues	30,456,085	30,094,895	(361,190)	-1.2%	28,214,495	1,880,400	6.7%
Expenses:							
Wages							
Operations	7,637,544	7,493,307	144,237	1.9%	7,136,236	(357,071)	-5.0%
Maintenance	1,988,275	1,934,113	54,162	2.7%	1,784,046	(150,067)	-8.4%
Administrative	2,388,000	2,380,182	7,818	0.3%	2,235,744	(144,438)	-6.5%
Total Wages	12,013,819	11,807,602	206,217	1.7% 8	11,156,026	(651,576)	-5.8%
Fringe Benefits:							
Payroll Taxes	910,784	864,400	46,384	5.1%	823,073	(41,327)	-5.0%
Pension	832,748	825,505	7,243	0.9%	755,781	(69,724)	-9.2%
Medical Insurance	2,285,623	2,197,880	87,743	3.8%	2,000,607	(197,273)	-9.9%
Post-Retirement Benefits & HCSP	359,645	340,581	19,064	5.3%	346,526	5,945	1.7%
Other Fringe Benefits	757,485	710,535	46,950	6.2%	743,399	32,864	4.4%
Total Fringe Benefits	5,146,285	4,938,901	207,384	4.0% 9	4,669,386	(269,515)	-5.8%
Purchased Services:							
Contracted Maintenance	537,236	526,286	10,950	2.0% 10	383,199	(143,087)	-37.3%
Consulting Fees/Public Relations	629,598	600,079	29,519	4.7%	516,473	(83,606)	-16.2%
Security Services	312,451	307,669	4,782	1.5%	248,953	(58,716)	-23.6%
Other Purchased Services	692,826	632,678	60,148	8.7% 10	501,819	(130,859)	-26.1%
Total Purchased Services	2,172,111	2,066,712	105,399	4.9%	1,650,444	(416,268)	-25.2%
Materials and Supplies:							
Diesel Fuel and Gasoline	1,896,200	1,870,516	25,684	1.4% 11	1,891,825	21,309	1.1%
Fuel Futures (Gains) or Losses	0	20,857	(20,857)	100.0% 11	17,892	(2,965)	-16.6%
Bus Parts	642,455	623,658	18,797	2.9%	559,057	(64,601)	-11.6%
Printing	187,020	111,795	75,225	40.2% 12	124,091	12,296	9.9%
Other Materials and Supplies	842,052	756,390	85,662	10.2% 13	736,362	(20,028)	-2.7%
Total Materials and Supplies	3,567,727	3,383,216	184,511	5.2%	3,329,227	(53,989)	
Utilities	510,734	477,721	33,013	6.5% 14	370,357	(107,364)	-29.0%
Casualty & Liability Insurance	605,826	591,018	14,808	2.4%	564,644	(26,374)	-4.7%
Purchased Transportation:							
Aride and Good as Gold	2,836,148	2,849,237	(13,089)	-0.5%	2,800,499	(48,738)	-1.7%
Night Ride	563,939	542,152	21,787	3.9%	550,526	8,374	1.5%
Air Ride	1,112,872	1,110,676	2,196	0.2%	1,028,748	(81,928)	-8.0%
WVAVE, Northfield and Mobility Mgmt	1,304,185	1,183,239	120,946	9.3% 15	1,167,829	(15,410)	-1.3%
Total Purchased Transportation	5,817,144	5,685,304	131,840	2.3%	5,547,602	(137,702)	-2.5%
Other Expenses	673,305	579,157	94,148	14.0% 16	383,836	(195,321)	-50.9%
Local Depreciation	195,400	195,400	0	0.0%	140,250	(55,150)	-39.3%
Total Expenses	30,702,351	29,725,031	977,320	3.2%	27,811,772	(1,913,259)	-6.9%
Gain (Loss) from Operations	(\$246,266)	\$369,864	\$616,130		\$402,723	(32,859)	

Detail of Budget Variances - Positive (Negative):

Year-to-Date Variances:

A: Other Purchased Services Variances:

	August
Management & Agency Fees	(\$24,099)
Physical Exam Fees	(1,425)
Legal Fees	21,659
IT Services	3,279
Custodial Services	19,503
Internet Services	38,571
Towing	1,620
Admin Fee - Benefit Source	1,040
	<u>60,148</u>

B: Other Materials and Supplies Variances:

Lubricants, Oils, DEF	16,349
Tires, Tubes and Wheels	36,234
Tools and Equipment	(561)
Equipment Repair	1,411
Other Materials and Supplies	16,130
Computer Software	16,099
	<u>85,662</u>

C: Utilities Variances:

Natural Gas	4,237
Electricity	17,475
Water	8,888
Telephone	2,413
	<u>33,013</u>

D: Other Expenses Variances:

Uniform Expense	(16,157)
Postage	(735)
Dues and Subscriptions	(633)
Conference and Travel	7,635
Media costs	62,791
Employee Development	44,060
Millage Election Fees	0
Equipment Rental	(2,813)
	<u>94,148</u>

Memorandum



To: Board of Directors, Ann Arbor Area Transportation Authority
From: Philip Webb, Controller/Manager of Finance
Date: **September 12, 2014**
Re: **Notes for the Report of Operations Financial Statement – Eleven Months Ended August 31, 2014**

The following are the explanations and notes for budget to actual variances for the AATA's year-to-date unaudited financial report of operations, generally +/- 5.0% and \$10,000.

OVERALL – The July Report of Operations reflects the changes from FY 2014 Amended Operating Budget, including the additional 0.7 mill property tax levy, which was levied on July 1, 2014.

REVENUES: Total Revenues are 1.2% under budget (unfavorable).

1. Passenger Fares are under budget by 3.9% due to lower cash fares and monthly value pass sales from agencies. We budgeted a 3.3% increase in the FY 2014 budget over FY 2013 actual for cash fares.
2. Subcontracted Passenger Fares are over budget due to the AirRide fares are 12.7% over the amended budget, \$838,600 actual compared to \$744,300 budgeted. August fares were \$87,100.
3. Special Fares are under budget due to the application of the Federal formula for the MRide agreement. Ridership is consistent with the amount expected, but more of the funds are coming from Federal & State grants. Therefore, less revenue will be billed to UofM and more revenue will come from future Federal & State grants.
4. Interest, Advertising and Other is under budget due to and advertising revenue being \$59,300 (22.6%) under budget.
5. Property taxes reflect the additional 0.7 property tax millage levied on July 1, 2014, along with the budgeted reduction of \$3.85 million for FY 2015 capital needs.
6. Purchase of Service Agreements are under budget since there is \$25,000 less in private contractor match for AirRide due to the passenger fares being greater than budget. The nonurban People's Express service is operating at a lower level than budgeted, so the match amount recorded under the POSA is \$45,800 less.
7. State Operating Assistance is under budget by \$54,700. We received the FY 2010 final audit payment of \$94,920 for urban operating assistance, which was not set up as a receivable, so the total amount is recognized as revenue in FY 2014. The FY2014 actual is under budget by \$173,500, because it is based on eligible expenses x 31.015%, which is less than budgeted.

EXPENSES: Total Expenses are 3.2% under budget (favorable).

8. Wages are under budget as we had few vacant positions during the middle of FY 2014 in the service crew, facilities maintenance and community relations for part of the year.
9. Fringe Benefits are under budget due to the vacant positions, noted above. Also, we received a retro refund of \$142,500 from our workers' compensation carrier for the calendar year 2012, since our claims were \$22,000 for the year, so Accident fund returned 40% of our \$356,200 premium. However, we expected this amount and budgeted for it.
10. Contracted maintenance is now under budget, because we added \$100,000 in the amended budget due snow removal expenses for the near record snow fall the winter. Other Purchased Services are under budget primarily due to legal fees, internet, IT services and custodial services.
11. Fuel and fuel futures expenses are over budget by \$4,800, after consideration of the loss on fuel futures. We paid on average \$3.17 per gallon all year, which is at the budget estimate of \$3.25 per gallon. However, starting December 1, the winter grade of #1 ultra-low sulfur (ULS) is more expensive than our summer grade #2 ULS and we averaged \$3.45 for December through mid-March. We are back to summer blend since mid-March and deliveries since then have averaged \$3.07 per gallon, with the delivery on September 10, 2014 at \$2.90 per gallon.
12. Printing is under budget, due the timing differences and less spent on production with outside vendors.
13. Other Materials & Supplies are under budget due to lesser use of DEF (diesel exhaust fluid) recorded in lubricants and lesser expense on tires.
14. Utilities are now under budget as we added \$60,000 in the amended budget to cover natural gas usage from the cold winter. For the month of March, Michigan was the coldest place in the world, compared to historical normal average.
15. Purchased Transportation – Guaranteed Ride Home is under budget, since we are budgeting about \$3,000 per month, (YTD \$26,600) and have only spent \$8,700. MyRide is under budget as well by \$82,800 (24.1%).
16. Other expenses are under budget mainly due to differences for media expenses and employment development. These are a combination of permanent differences and timing differences.

Ann Arbor Area Transportation Authority
 Report to the Treasurer: Summary Operating Statement by Mode
 For the Eleven Months Ended August 31, 2014

Year-To-Date Summary Operating Statement by Mode							
	Fixed	Demand	Express		N/S Rail, GDT,		Total
Revenues (except Property Tax):	Route	Response	NonUrban	Ride	AirRide	UrbanCore, Van	Actual
Passenger Revenue	\$1,834,275	\$148,166	\$0	\$0	\$0	\$0	\$1,982,441
Subcontracted Passenger Revenue	\$0	\$540,654	\$76,450	\$0	\$838,638	\$15,182	\$1,470,924
Special Fares (EMU, UofM, go!Pass)	\$1,738,646	\$10,683	\$0	\$150,420	\$0	\$0	\$1,899,749
Interest, Advertising and Other	\$259,255	\$0	\$0	\$0	\$0	\$32,783	\$292,038
Purchase of Service Agreements	\$387,112	322,897	\$349,405	\$13,750	\$2,590	\$61,704	\$1,137,458
State Operating Assistance	\$6,400,345	\$1,396,883	\$375,318	\$80,142	\$378,208	\$76,688	\$8,707,584
Federal Operating Assistance	\$2,894,504	\$319,229	\$153,835	\$14,085	\$0	\$1,510,269	\$4,891,922
Total Revenues	\$13,514,137	\$2,738,511	\$955,008	\$258,397	\$1,219,436	\$1,696,626	\$20,382,116
Expenses:							
Wages	10,743,362	342,720	17,846	128,066	52,900	522,708	11,807,602
Fringe Benefits	4,485,186	146,880	7,648	52,498	22,671	224,018	4,938,901
Purchased Services	1,383,404	419	6,200	22,896	8,296	645,497	2,066,712
Diesel Fuel, Net of Futures	1,871,664	0	0	19,709	0	0	1,891,373
Materials and Supplies	1,380,559	31,840	2,984	15,866	427	60,167	1,491,843
Utilities	451,723	21,020	0	4,978	0	0	477,721
Insurance	533,145	47,281	4,433	6,159	0	0	591,018
Purchased Transportation	0	3,652,367	913,580	0	1,110,676	8,681	5,685,304
Other Expenses	358,372	2,027	2,317	6,189	24,466	185,786	579,157
Local Depreciation	143,595	0	0	2,036	0	49,769	195,400
Total Expenses	21,351,010	4,244,554	955,008	258,397	1,219,436	1,696,626	29,725,031
Net Local Property Tax Applied	\$7,836,873	\$1,506,042	\$0	\$0	\$0	\$0	\$9,342,915
Percent of Total	83.9%	16.1%	0.0%	0.0%	0.0%	0.0%	100.0%
Local Property Taxes (AA + Ypsi)							\$9,712,779
Authority Wide Surplus (Loss)							\$369,864
Service Hours	182,524	74,185		1,902	8,174		266,785
Cost per Service Hour	\$ 116.98	\$ 57.22		\$ 135.86	\$ 149.18		
Passengers	5,739,756	154,714		36,822	67,448		5,998,740
Cost per Passenger	\$ 3.72	\$ 27.43		\$ 7.02	\$ 18.08		\$ 4.96
Percent of Expenses Paid by Riders	16.7%	16.5%	8.0%	58.2%	68.8%		18.0%
Percent of Expenses Paid by Local Tax	36.7%	35.5%	0.0%	0.0%	0.0%		31.4%

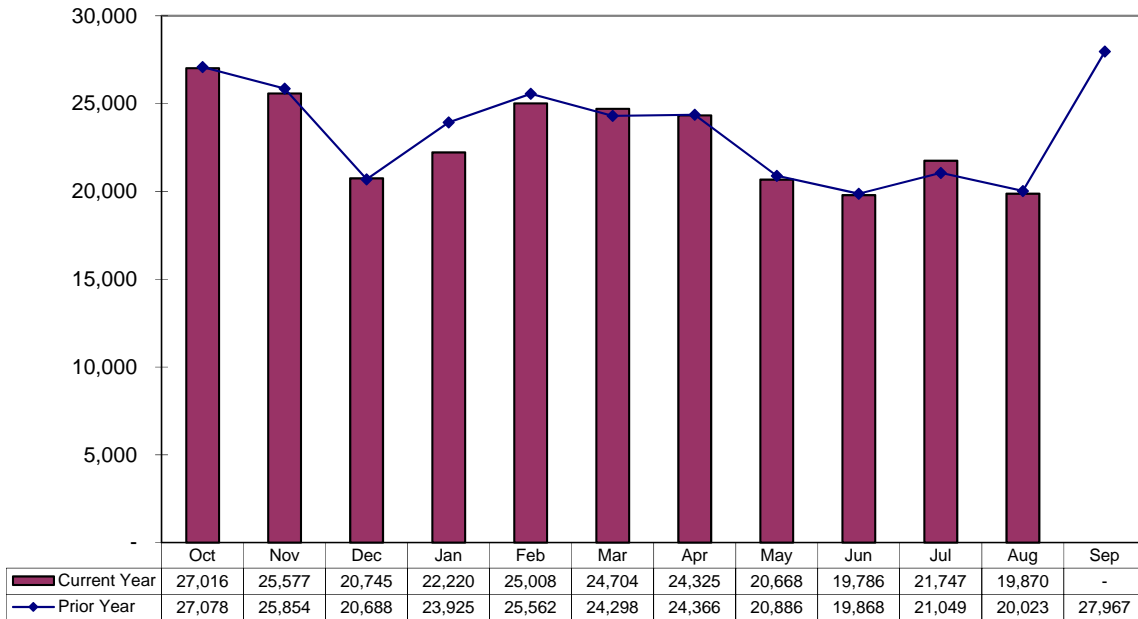
Balance Sheet	
Assets:	8/31/2014
Cash & Investments	\$15,476,815
Accounts Receivables	613,594
Grants Receivables	3,425,211
Other Receivables	830,595
Inventory	714,650
Prepaid Expenses	964,843
Total Current Assets	22,025,708
Land & Buildings	32,774,683
Equipment	57,824,301
Accum Depreciation	(39,283,492)
Net Fixed Assets	51,315,492
Total Assets	\$73,341,200
Liabilities:	
Accounts payable	921,211
Accrued Payroll	256,710
Accrued Vacation	1,305,338
Other Accruals	470,628
Unearned Revenue	266,685
Post-Retire Benefits	246,209
	3,466,781
Equity:	
Unrestricted (GASB 31)	10,787,021
Unrestricted (Available)	7,771,906
Total Unrestricted	18,558,927
Invested in Fixed Assets	51,315,492
Total Equity	69,874,419
Total Liab & Equity	\$73,341,200
Total FY 2014 Expenses*	\$32,521,741
Months in Unrestricted	
Net Position (Min 3.0)	2.87
Amount below Minimum	(\$358,530)

*Expenses do not include one-time projects; Connector Study & Wally

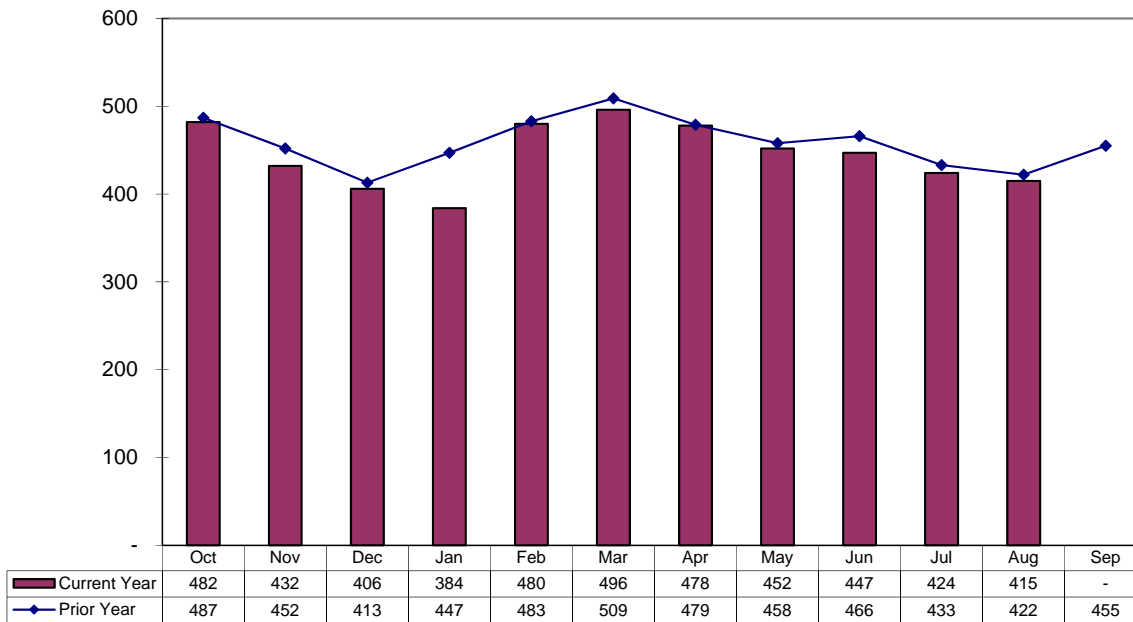
Average Weekday Passengers

August 2014

Fixed Route Average Weekday Passengers

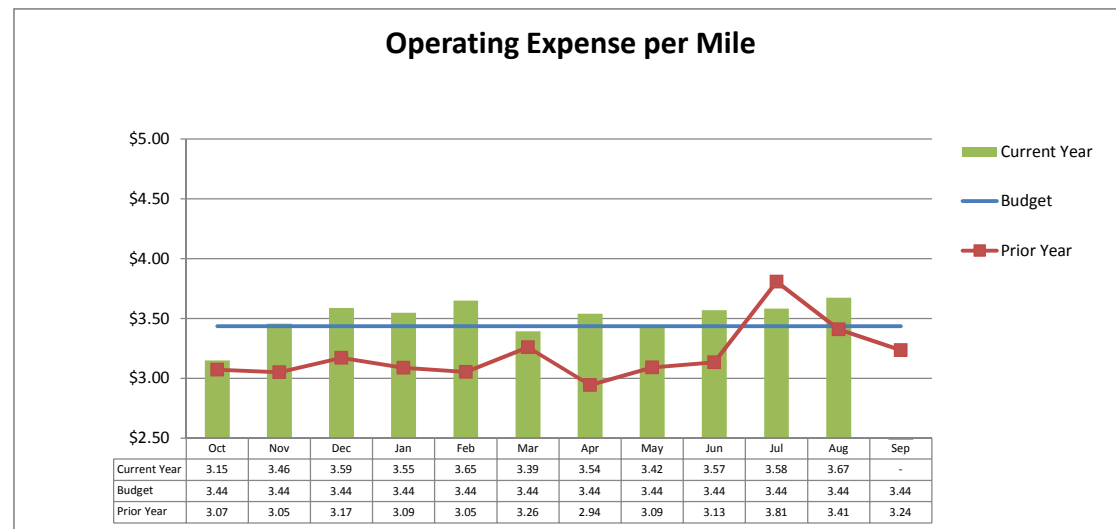
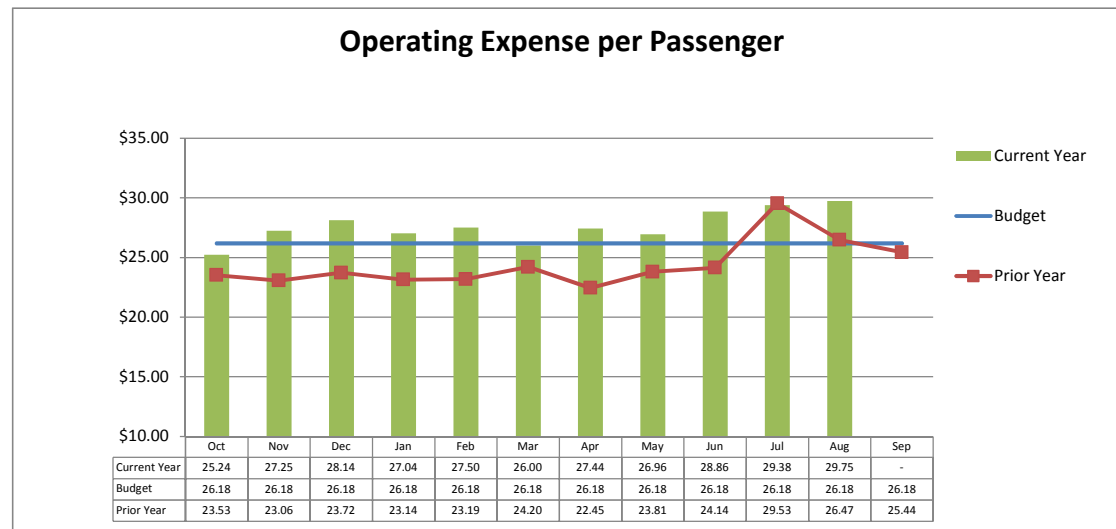


A-Ride Average Weekday Passengers



Urban Demand Response Subcontracted Service

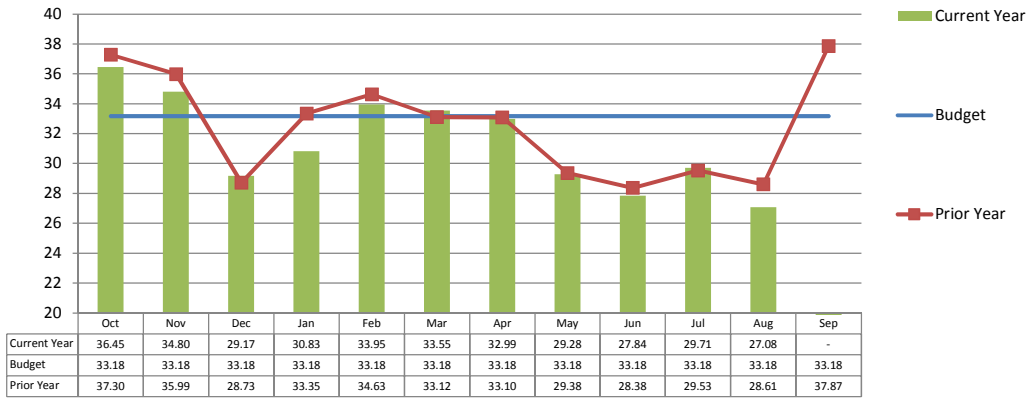
October - 2013 -- August - 2014



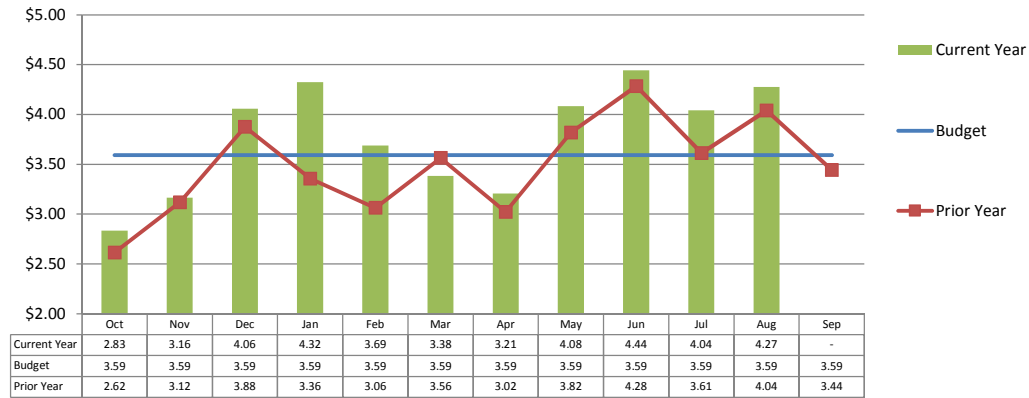
Urban Fixed Route Service

October - 2013 -- August - 2014

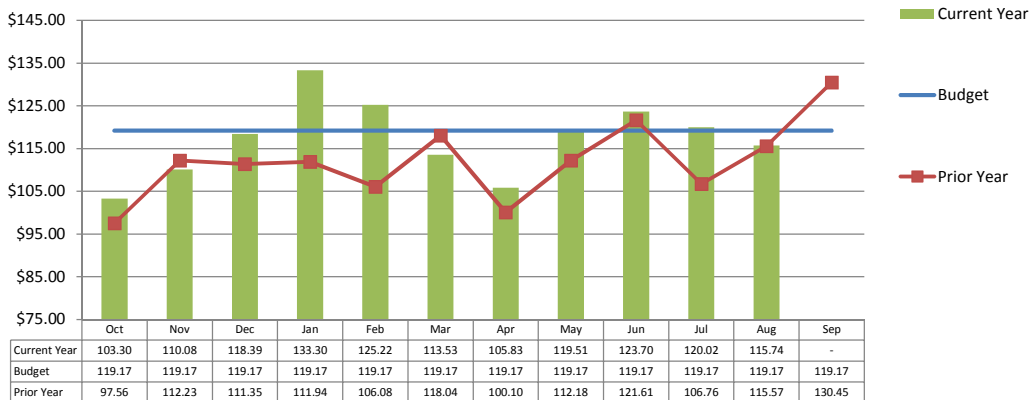
Passengers per Service Hour



Operating Expense per Passenger



Operating Expense per Service Hour



Ann Arbor Area Transportation Authority

Performance Report - Year to Date

Urban Fixed-Route Service

August 2014

Performance Indicators	Actual		Budgeted		Previous Year	
	Year to Date		Year to Date	% Variance	to Same Date	% Variance
Average # of Weekday Passengers	22,573				22,800	-1%
Passengers per Service Hour	31.4		33.2	-5%	32.1	-2%
Operating Expense per Passenger	\$ 3.72		\$ 3.59	4%	\$ 3.44	8%
Operating Expense per Service Hour	\$ 116.98		\$ 119.17	-2%	\$ 110.12	6%
Operating Expense per Service Mile	\$ 8.18		\$ 8.60	-5%	\$ 7.85	4%
Percent of Cost paid by Passenger	16.7%		18.2%	-8%	20.5%	-18%

Base Data	Actual		Previous Year	
	Year to Date		to Same Date	% Variance
Service Inputs				
AAATA Operating Expenses	\$ 21,351,010		20,002,239	6.7%
Service Outputs				
AAATA Service Hours	182,524		181,638	0.5%
AAATA Service Miles	2,611,293		2,547,533	2.5%
Service Consumption				
AAATA Passengers	5,739,866		5,822,600	-1.4%
AAATA Passenger Revenue	\$ 3,572,921		4,102,122	-12.9%
Total # of Weekday Passengers	5,282,176		5,358,006	-1.4%

Number of Weekdays
 Fy 2013: 235
 Fy 2014: 234

Ann Arbor Area Transportation Authority

Performance Report - Year to Date

ExpressRide - Fixed-Route Service

August 2014

Performance Indicators	Actual		Budgeted		Previous Year	
	Year to Date		Year to Date	% Variance	to Same Date	% Variance
Average # of Weekday Passengers	157				144	9%
Passengers per Service Hour	19.4		16.9	15%	17.0	14%
Operating Expense per Passenger	\$ 7.02		\$ 7.52	-7%	8.24	-15%
Operating Expense per Service Hour	\$ 135.83		\$ 127.01	7%	140.14	-3%
Operating Expense per Service Mile	\$ 5.17		\$ 4.83	7%	5.22	-1%
Percent of Cost paid by Passenger	58.2%		47.5%	22%	45.2%	29%

Base Data	Actual		Previous Year	
	Year to Date		to Same Date	% Variance
Service Inputs				
Operating Expenses	\$ 258,397		\$ 278,564	-7%
Service Outputs				
Service Hours	1,902		1,988	-4%
Service Miles	49,985		53,357	-6%
Service Consumption				
Passengers	36,822		33,804	9%
Passenger Revenue	\$ 150,420		\$ 125,850	20%
Total # of Weekday Passengers	36,822		33,804	9%

Number of Weekdays
 Fy 2013: 235
 Fy 2014: 234

MEMORANDUM

To: Performance Management and External
Relations Committee

From: Chris White
Manager of Service Development



Re: New Service

Date: September 12, 2014

There is a good deal of interest in how the new service is doing with the high level of enthusiasm about the new #46 Huron-Textile, as well as discussion about the late night service. It is too early to draw any conclusions, but interesting to review.

Attached is a graph with daily riders on the #46 route. Also attached is a chart with average ridership by hour after 7 p.m. which includes the average in September, 2013, August, 2014, and so far in September, 2014.

MEMORANDUM

To: Performance Management and External
Relations Committee

From: Chris White
Manager of Service Development



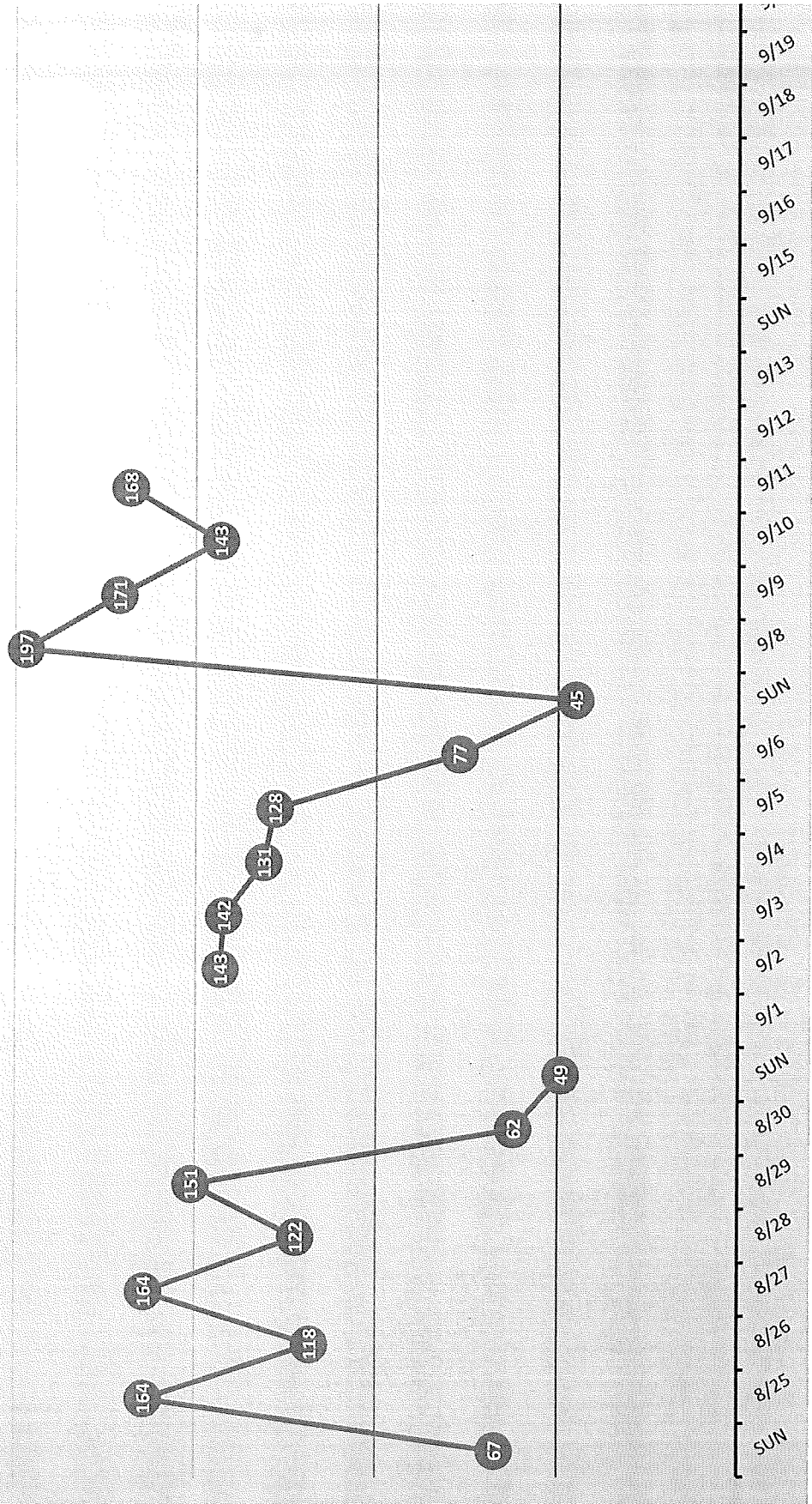
Re: New Service

Date: September 12, 2014

There is a good deal of interest in how the new service is doing with the high level of enthusiasm about the new #46 Huron-Textile, as well as discussion about the late night service. It is too early to draw any conclusions, but interesting to review.

Attached is a graph with daily riders by day on the #46 route . Also attached is a chart with average ridership by hour after 7 p.m. for the first two weeks of September. The chart includes the average in September, 2013, August, 2014, for comparison. The number of boardings increased significantly the second week.

Route 46 Ridership



Average Weekday Boardings
Weekday Evening Service

	8-9 PM	8-9 PM	9-10 PM	10-11 PM	11-12 PM	12 PM - 1AM	Total
Month of September 2014	907	755	614	291	18		2,585
Month of July 2014	615	483	401	208	13		1,720
Week Ending 8/30	777	624	488	293	68	5	2,255
Week Ending 9/6	884	684	575	330	78	4	2,555

SEPTEMBER 09, 2014 LAC MEETING MINUTES

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

1.0 INTRODUCTION OF ATTENDEES

LAC Executive Members Present:

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

AAATA Board Liaison:

AAATA LAC Liaison: Brian Clouse

LAC Members & Guests Kristin Persu (SR), Mary Stasiak, Don Kline, Preston Stewart (AAATA) Suzann Flowers (WATS)

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

SEPTEMBER 09, 2014 LAC MEETING MINUTES

2.0 COMMUNICATIONS AND ANNOUNCEMENTS

- 2.1 Mr. Charnetski stated that he will attend the next advisory meeting at SMART as the AAA1B representative.
- 2.2 Ms. Slowins said there will be a free speaker event at the PPA next month regarding advocacy and self-determination. Mr. Clouse will post a flyer with more details on the event within the LAC minutes.
- 2.3 Ms. Flowers introduced herself as the WATS LAC representative in place of Mr. Sapkiewicz. She announced several stakeholder meetings, passed out meeting flyers and encouraged LAC members to attend. She also explained WATS funding sources and expressed her interest in accessible public transportation.
- 2.4 Mr. Clouse read an email from Board Member Mr. Bernard regarding the challenges with the proposed new AirRide parking location.

3.0 REVIEW AND APPROVAL OF MINUTES

The LAC approved the minutes without corrections.

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

- 4.1 Ms. Slowins mentioned that her advance orders are still being dispatched late and arriving late. Ms. Persu from Select Ride asked Ms. Slowins to report these events as they occur so they can address them. Mr. Clouse offered to relay her concerns to Select Ride as well.
- 4.2 Ms. Burke said her advance trips are arriving more timely but on occasion may arrive late as well.
- 4.3 Ms. Slowins inquired on the progress with the A-Ride contract evaluations. Mr. Clouse said he could not comment on the subject due to the ongoing evaluation process.
- 4.4 Ms. Aldridge asked how many subcommittees TheRide's Board had. Mr. Clouse said he would provide the LAC with a diagram of TheRide's

5.0 AAATA BOARD MEETING REPORT

Ms. Burke had no report this month.

Governance Committee LAC Items:

(1) LAC AirRide letter of support (2) LAC Term Letter

6.0 BUSINESS ITEMS

6.1 TheRide Website

Ms. Stasiak and Mr. Kline explained the current accessibility challenges with TheRide's website. Mr. Kline distributed handouts with accessibility issues. Mr. Kline explained that they are in the

SEPTEMBER 09, 2014 LAC MEETING MINUTES

process of making a decision on whether to revamp the entire website or make ongoing adjustments. Mr. Stewart explained the real time bus tracking issues and the work being done to address this. Ms. Stasiak and Mr. Kline assisted several LAC members connect to TheRide's website using their mobile device and tablet. Mr. Kline explained the CIL's involvement with identifying accessibility issues. Ms. Stasiak asked the LAC to submit feedback on the issues listed in the handout and to identify 3-5 issues that need resolution. The LAC agreed to present their results at the October LAC meeting.

6.2 LAC Terms

Mr. Clouse stated the current terms and LAC Board members. Ms. Burke presented Mr. McNutt with a letter of appreciation for his participation as an LAC Executive Member from 2010 to 2014. It was decided that Ms. Burke will remain LAC Chair and Ms. Web will remain LAC Co-Chair. There were no new applicants.

6.3 AirRide Letter of Support

The LAC discussed the challenges with the proposed location. It was agreed that a letter of support would be sent to Metro Airport. It was decided that Mr. Clouse would prepare a draft with the final letter being submitted to TheRide's Board for approval.

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

Ms. Burke closed public speaking due to no commenters.

8.0 FUTURE AGENDA ITEMS

1. TheRide Website Update
2. A-Ride RFP Update
3. Service Expansion Update (TBA)
4. Mr. Ford Appreciation

9.0 ADJOURN

Meeting unanimously adjourned at 12:00 noon.

Respectfully Submitted,



Brian Clouse, TheRide Paratransit Coordinator

Next Meeting, Tuesday, September 9, 2014, 10:00 a.m. to 12 noon



2700 S. Industrial Highway
Ann Arbor, MI 48104

734.973.6500 **Phone**
734.973.6338 **Fax**
TheRide.org **Online**

To: Board of Directors
From: Michael Ford, CEO
Re: LAC Executive Council Appointments
Date: September 10, 2014

The Local Advisory Council (LAC) Executive Council recommends the eligible members in items **1.0** be considered by AAATA's Board of Directors for reappointment to the LAC Executive Committee.

LAC Executive Council elections occur each September, with terms effective in October. With the reappointment of these members the LAC Executive Committee will consist of five (5) council members.

1.0 The following committee members are eligible for reappointment effective October 1, 2014:

Eligible for Reappointment:

- Rebecca Burke
- Cheryl Weber
- Jody Slowins
- Elizabeth Aldridge
- Clark Charnetski (AAA1B Perpetual Representative)

Recommended Candidates for Reappointment:

The LAC Executive Council recommends that AAATA's Board of Directors reappoint the following eligible members to AAATA's LAC Executive Committee: **Rebecca Burke, Cheryl Weber, Jody Slowins, Elizabeth Aldridge, Clark Charnetski (AAA1B Perpetual Representative).**

Resolution 37/2014

Submission of Title VI Program to Federal Transit Administration

WHEREAS, the AAATA provides programs and services without regard to race, color, or national origin in accordance with Title VI of the Civil Rights Act, and

WHEREAS, the AAATA is required to prepare a Title VI Program every three years for submission to the Federal Transit Administration (FTA), and

WHEREAS, staff has prepared the required submission in accordance with FTA Circular 4702.1B, and

WHEREAS, the AAATA Board has received the Title VI Program for review prior to submission, including the results of the service standard monitoring program which the Board has considered, reviewed the results, and approved the analysis,

NOW, THEREFORE, BE IT RESOLVED, that the Ann Arbor Area Transportation Authority Board of Directors hereby approves submission of the Title VI Program to the Federal Transit Administration.

Charles Griffith, Chair

September 25, 2014

Anya Dale, Secretary

September 25, 2014



To: Board of Directors
From: Michael Ford, Chief Executive Officer
Date: September 18, 2014
Re: Proposed Board and Committee Meeting Schedule for FY2015

Thursday, October 16, 2014

Thursday, November 20, 2014

Thursday, December 18, 2014

Thursday, January 15, 2015

Thursday, February 19, 2015

Thursday, March 19, 2015

Thursday, April 16, 2015

Thursday, May 21, 2015

Thursday, June 18, 2015

July 2014 – No Scheduled Meeting

Thursday, August 20, 2015

Thursday, September 17, 2015

All FY2015 Board meetings will be scheduled to begin at 6:30 p.m.

We are proposing that the Planning and Development Committee continues to meet the week prior to Board meetings, and the Performance Monitoring and External Relations Committee during the week of Board meetings. We will work with the committee chairs to arrange a schedule.

**ANN ARBOR AREA TRANSPORTATION AUTHORITY
PROPOSED OPERATING BUDGET
FISCAL YEAR OCTOBER 1, 2014 - SEPTEMBER 30, 2015**

REVENUES:

Local Tax Revenues, net of funds for capital.....	\$ 13,603,583
Purchase of Service Agreements - Urban.....	392,250
Purchase of Service Agreements - Nonurban	432,032
Purchase of Service Agreements - Interurban	196,145
Passenger Revenue.....	6,226,063
State Operating Assistance.....	10,961,020
Federal Operating Assistance.....	6,118,777
Interest and Other	<u>725,901</u>
TOTAL REVENUES.....	<u>\$ 38,655,771</u>

EXPENSES:

Operations Wages	\$ 9,531,055
Maintenance Wages.....	2,518,271
Management Wages	3,073,275
Fringe Benefits.....	<u>6,155,920</u>
SUBTOTAL	<u>21,278,521</u>
Purchased Services	2,917,635
Diesel Fuel and Gasoline	2,219,200
Materials & Supplies.....	2,004,521
Utilities.....	532,817
Casualty & Liability Costs.....	700,000
Purchased Transportation	6,495,010
Other Expenses.....	746,190
Local Depreciation	<u>297,000</u>
TOTAL EXPENSES.....	<u>\$ 37,190,894</u>
OPERATING SURPLUS	<u>\$ 1,464,877</u>

Resolution 38/2014

ADOPTION OF FY 2015 OPERATING BUDGET

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

WHEREAS, on September 9, 2014, the Planning and Development Committee (PDC) and TheRide Staff completed a balanced operating budget for FY 2015 for presentation to the Board that maintains and improves TheRide's core services, properly funds the FY 2015 Work Plan (adopted by the Board on August 21, 2014), and

WHEREAS, the FY 2015 operating budget continues the implementation the first year of the Five Year Transit Improvement Program (5YTIP), which began on August 24, 2014 and implements the second year of the 5YTIP, scheduled to begin on August 30, 2015, now therefore

IT IS RESOLVED, that the FY2015 Operating Budget of \$37,190,894 is hereby approved to become effective October 1, 2014, and that the budget is assigned to the Performance Monitoring and External Relations Committee (PMER) for appropriate monitoring.

Charles Griffith, Chair

September 25, 2014

Anya Dale

September 25, 2014

Resolution 39/2014

Revision of Community Donations Policy

WHEREAS, the Ann Arbor Area Transportation Authority (AAATA) desires to revise the Community Donations Policy for providing fare media donations to organizations that offer programs and services consistent with the priorities identified by the Washtenaw Community Collaborative and/or the Washtenaw United Way, and

WHEREAS, AAATA staff have developed a Community Donations Issues Analysis consistent with AAATA financial resources and encouraging organizations to leverage existing transportation funds,

NOW, THEREFORE, BE IT RESOLVED, that the AAATA Board of Directors does hereby agree that the Community Donations Policy be revised in accordance with the following staff recommendations made in the Community Donations Issues Analysis:

- Increase the Community Donations allotment amount per organization applying for Match Funds from \$100 to \$150, while keeping the overall policy budget at the same \$10,000 total level.
- Transfer \$3,000 in Community Donations from the Match to the Non-Match program, for FY2015 adjusted totals of \$2,000 Match and \$8,000 Non-match media donation equivalencies.
- Request AAATA staff to re-evaluate long-term solutions for the Community Donations program with board review and prospective implementation in FY2016.

Be It Further Resolved that the AAATA Board of Directors reserves the right to provide assistance beyond the policy for special circumstances, with any additional implementation, pending legal approval.

Charles Griffith, Chair

September 25, 2014

Anya Dale, Secretary

September 25, 2014

Issue: Question that frames the issue

How can AAATA improve the Community Donations program to streamline the application process and best utilize allocated funds?

Background: Provide a brief overview of the relevant history, decisions, and choices to be made.

TheRide's Community Donations program was established in 2007. Please see Appendix A for attached resolution. It is the policy of AAATA not to provide cash donations to an individual or organization. However, TheRide has the ability, through the Community Donations Program, to provide donations in the form of fare media. The program benefits area non-profit organizations by supporting accessible transportation options for the organization's clientele.

Community Donations is allotted \$10,000 in media fare each fiscal year to be split 50/50 between Match funds (up to \$100 per organization) and Non-match funds (up to \$600 per organization). Appendix B details the difference between the two parts of this program (Match and Non-match), with applications also available on our website at www.TheRide.org/Services/Programs/CommunityDonationsProgram.

An update in the Match funding eligible amount per organization is requested to increase by an additional \$50 allowable for each organization. With the change of regular fare from \$1 to \$1.50 in 2010, it becomes necessary to change the Match funds allotted to each applying organization from \$100 to \$150, in order for organizations to be able to maximize the match amount in equally divisible quantities.

The Community Donations program has been running smoothly, until a trend developed of Non-match funds being exhausted earlier each year, over the past three fiscal years. In FY2012, Non-match funds were exhausted after 11 months, with less than 20% of Match funds expended that year. In FY 2013, for the first time, Non-match funds were used up six months into the fiscal year. During that same year, less than 13% of Match funds were expended. In FY 2014, Non-Match funds were exhausted one month into the fiscal year. However, less than 15% of the Match funds have been expended in the current fiscal year.

Below is a list of when funds Non-match funds were exhausted for each of the past three fiscal years:

- FY2012 - 8/2012 non-match funds exhausted (lasted 10 months)
- FY2013 - 3/2013 non-match funds exhausted (lasted 6 months)
- FY2014 – 10/2013 non-match funds exhausted (lasted 1 month)

This change is due to a steady increase in Non-match applications over the years, along with Match donations not being a requisite to Non-match money, as well as equal but separate funding for both parts of the program. As more applications come in, and funds are expended more quickly, there is a growing need to enhance our application and review process to make the program more competitive.

There are a couple consecutive ways of accomplishing this:

- An initial recommendation would be to combine the Match and Non-Match programming funds for October, 2015 in order to increase the opportunity for organizations to benefit from this wonderful community asset to the fullest extent possible, short term.
- Going forward, in preparation for FY2016, staff recommends conducting a thorough analysis of program criteria, and creating more structured standards due to the growing number of applicants over the last three years. It would help to regulate the number of groups applying and redistributes funds available, so that the full amount is accessible throughout the year.

There are likely several alternative means of arriving at this end-goal, but the aim is to do so in the simplest and most effective manner. That is the decision at hand – choosing the easiest and most successful way of increasing Community Donation fund flexibility, and maintaining staff resources required to handle more applications.

Data: Provide relevant data (est. ridership, population to be served)

On average, about 100 applications and 40 unique organizations are submitted each year. Approximately one quarter are Match fund applications, the rest are Non-match. So, typically more than half of the total funds are still available for match funds at the same time that all non-match funds are completely expended. The following is a distribution table of funds utilized between the match and non-match programs.

Community Donation Funding Summary

Fiscal Year:	Amount Allocated	Match Donation	Non-match Donation	Total Donation	Remaining Balance
FY2012	\$10,000.00	\$911.00	\$6,194.00	\$7,105.00	\$2,895.00
FY2013	\$10,000.00	\$636.50	\$5,550.00	\$6,186.50	\$3,813.50
FY2014	\$10,000.00	\$721.50	\$5,590.00	\$6,311.50	\$3,688.50

Effect on Staffing, Operations, and Budget: Staffing requirements of choice(s). Analysis of essential staff time (does the project take manpower away from the core mission or can it be completed as part of the current workload?). Operational requirements of choice(s). Can the project be completed without jeopardizing or degrading the current core products of AAATA, and does it take anything away from core products of AAATA?) Capital and Operation fund requirements of choice(s).

The effect on staffing would be a relatively small investment of time to re-evaluate Community Donations next year, in order to improve the efficacy of the program. No effect on the capital or operational fund requirements, due to no change in funding amount allocated to the program. The sole difference initially would be the application of funds within the Community Donations program, with more funding going towards Non-match given the pre-condition added that Match funds be applied for simultaneously. The result is natural growth in both programs at no new cost to the AAATA checkbook.

Other support needed (internal, external, etc): Board review of staff evaluation in FY2015.

Risks (of making choice(s))	Benefits (of making choice(s))
<ul style="list-style-type: none">• Some organizations may not apply for Match funding due to more Non-match funds being available for the year.• Uses up more of the allocated funding.• It is a temporary fix that organizations may come to expect in the future.	<ul style="list-style-type: none">• Temporarily maximizes funding potential, and makes the program more desirable.• No additional financial cost and no trade-off with existing services.• Generally improves Community Donations internally and externally, which is publicly pro-active.• Allows for re-evaluation of program strategy alternatives for next year.

Staff Recommendation/Next Steps:

- 1) Request permission from the Board to increase allotment amount for each organization applying for Match funds from \$100 to \$150.
- 2) Request to transfer \$3000 from Match to Non-match funds for new totals of \$2,000 Match and \$8,000 Non-match for FY2015.
- 3) Staff to re-evaluate long-term solutions for the Community Donations program for board review and prospective implementation in FY2016.

Appendix A

Resolution 7/2007

Adoption of Community Donations Policy


Whereas, the Ann Arbor Transportation Authority (AATA) desires to establish a policy for providing fare media donations to organizations that offer programs and services consistent with the priorities identified by the Washtenaw Community Collaborative and/or the Washtenaw United Way, and

Whereas, the Policy and Operations Committee and Staff have developed a Community Donation Policy consistent with AATA financial resources and to encourage organizations to leverage additional transportation funds,

Now, Therefore, Be It Resolved, that the AATA Board of Directors does hereby adopt the Community Donations Policy recommended by the Policy and Operations Committee, and

Be it further resolved that the AATA Board of Directors reserves the right to provide assistance beyond the policy for special circumstances.

However, implementation shall await legal approval.



David Nacht, Chair

March 21, 2007



Eli Cooper, Secretary

March 21, 2007

Community Donation Program

Appendix B

Community Match Donation Program

Program Purpose: The purpose of the Community Match Program is to assist non-profit organizations in providing transportation for their clients and continues to encourage these organizations to secure transportation funding independently from AATA.

Program Description: The Community Match Donation Program is a 50/50 share of the cost of fare media between a requesting organization and AATA. This means that the organization must purchase an equal amount of fare media relative to the fare media donated by AATA.

Example: ABC Agency requests six bags of full fare tokens representing a total value of \$60. ABC Agency pays \$30 and AATA donates \$30 in fare media to the organization.

Program Limitations:

AATA Annual Donation Limit: The Community Match Donation Program is limited to AATA donating a total of \$5000.00 in fare media per fiscal year.

Organization Requesting Donation Limit: The Community Match Donation Program limits each organization to a total of \$100 of fare media donated by AATA per fiscal year.

Donation Request Priority: The Community Match Donation Program is a First Come, First Served program.

Qualifications:

A requesting organization must be a 501c3 non-profit to participate in the Community Match Donation Program.

Requirements:

A request for a Community Match Donation must be submitted in writing (email is acceptable). The requirements are as follows:

- The organization's tax exempt status (501c3) and the organization's tax identification number.
- The type of fare media and the value of the fare media that is being requested.
- The request must be authorized by the executive director or equivalent of the non-profit organization.
- The request must provide a description of the program(s) that will benefit from the donated fare media.
- If the requesting organization has received AATA fare media donations in the past, please provide details of how the donation benefited your clients and the program.
- The request must include a copy of the organization's current annual budget.

Community Donation Program

Non-Match Donation Program

Program Purpose: The purpose of the Non-Match Donation Program is to assist organizations that do not qualify for the Community Match Program or for non-profit organizations in providing transportation to its clients. Through this program, it is the intention of the AATA to donate fare media to a wide range of organizations to leverage additional funds and/or to serve clients directly.

Program Description: A Non-Match Donation is a full donation of fare media to organizations that offer programs and services consistent with the priorities identified by the Washtenaw Community Collaborative. More information about the current priorities and initiatives can be found through Washtenaw United Way at www.uwwashtenaw.org or 734.971.8200.

Example: ABC Agency requests five bags of full fare tokens representing a total value of \$50. AATA will donate the entire amount of \$50 in fare media to the organization.

Program Limitations:

AATA Annual Donation Limit: The Non-Match Donation Program is limited to AATA donating a total of \$5000.00 in fare media per fiscal year.

Organization Requesting Donation Limit: The Non-Match Donation Program limits each organization to a total of \$600 of fare media donated by AATA per fiscal year.

Qualifications:

An organization's request for fare media donation must be used for individuals who participate in programs or receive services that meet the priorities identified by Washtenaw Community Collaborative and/or Washtenaw United Way.

Requirements:

A request for a Non-Match Donation must be submitted in writing (email is acceptable). The requirements are as follows:

- The type of fare media and the value of the fare media that is being requested.
- The request must be authorized by the executive director or equivalent of the organization.
- The request must provide a description of the program(s) that will benefit from the donated fare media.
- The request must include a copy of the organization's current annual budget.
- The request must identify other resources that have been solicited to fill this need.
- Any unused donation should be returned to AATA so that it can be used for other unmet needs in the community.
- If the requesting organization has received AATA fare media donations in the past, please provide details of how the donation benefited requesting organization and its program(s) e.g. how many clients served, what was unmet need, etc.