

Agenda
January 20, 2010
Ann Arbor Transportation Authority
Board of Directors Meeting
AATA Headquarters, 2700 South Industrial Highway, 6:30 p.m.

- 1.0 Public Hearing – ARRA Program of Projects
- 2.0 Communications and Announcements
- 3.0 Public Time – Comment on Agenda Items
- 4.0 Presentation on Results of Telephone Survey of Washtenaw County Voters
- 5.0 Review and Approval of Minutes
 - 5.1 Review and Approval of Minutes of December 16, 2009 (p. 1-17)
- 6.0 Board and Staff Reports
 - 6.1 Performance Monitoring and External Relations Committee (p. 18-43)
 - 6.2 Planning and Development Committee (p. 44-50)
 - 6.3 Chief Executive Officer (p. 51-53)
 - 6.4 Local Advisory Council (p. 54-57)
- 7.0 Question Time
- 8.0 Old Business
- 9.0 New Business
 - 9.1 Consideration of Resolution Adopting 2010-2013 Capital and Categorical Grant Program (p. 58-63)
 - 9.2 Consideration of Resolution Authorizing Execution of a Contract for Door and Window Replacement (p. 64-65)
 - 9.3 Consideration of Resolution Authorizing Submission of FY2011 Application to Michigan Department of Transportation (p. 66-67)

9.4 Consideration of Resolution Adopting a 21-Month Purchase of Service Agreement with the City of Ypsilanti (p. 68-71)

9.5 Consideration of Resolution Advancing a Plan for Shaping the Future of Public Transit in Washtenaw County (p. 72-74)

10.0 Public Time

11.0 Adjourn

Proposed Minutes
December 16, 2009
Ann Arbor Transportation Authority
Board of Directors Meeting
AATA Headquarters, 2700 South Industrial Highway, 6:30 p.m.

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

Board Members Absent: Rich Robben

Staff Present: Michael Ford, Dawn Gabay, Jan Hallberg, Chris White, Mary Stasiak, Phil Webb, Ed Robertson, Terry Black, Ron Copeland

LAC Representative: Clark Charnetski

Recording Secretary: Karen Wheeler

Chairman Paul Ajegba declared that a quorum was present and called the meeting to order at 6:35 p.m.

1.0 Public Hearing – None Scheduled

There was no Public Hearing.

2.0 Communications and Announcements

There were no communications or announcements.

3.0 Public Time – Comment on Agenda Items

Thomas Partridge appeared before the Board. Mr. Partridge commented on the special Board meeting held earlier in the month. Mr. Partridge called on the Board to institute a countywide transportation system that serves all segments of the county and links to the existing bus systems in southeastern Michigan as well as Amtrak Service. Mr. Partridge commented on the Blake Transit Center and encouraged Board members to ride buses in and out of the BTC during the rush hour and evening hours to experience what bus a driver experiences.

Carolyn Grawi appeared before the Board. Ms. Grawi reiterated a piece of what was discussed related to the December 8 public meeting and the need to get together as a whole community to look at furthering countywide public transit as things are occurring in our community in which people could participate. Ms. Grawi commented on an opening for a person with a disability to serve on the Washtenaw Area Transportation

Study Policy Committee noting that there is no public transportation to the site of the meeting on Zeeb Road. Ms. Grawi commented on the proposed demolition and reconstruction of the Blake Transit Center indicating that the Ann Arbor Center for Independent Living would like to be involved in project conversations including the review of project plans with the Board and staff as those discussions move forward.

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

4.0 Review and Approval of Minutes

4.1 Review and Approval of Minutes of November 18, 2009

David Nacht moved approval of the minutes as written with support from Jesse Bernstein. The motion carried with five affirmative votes; Charles Griffith abstained.

4.2 Review and Approval of Minutes of December 8, 2009

Mr. Nacht moved approval of the minutes as written with support from Sue McCormick. The motion passed unanimously.

5.0 Board and Staff Reports

5.1 Performance Monitoring and External Relations Committee

Mr. Bernstein reported on highlights of the committee's December 9 meeting. The committee discussed a schedule for reviewing performance benchmarks over the course of the year to assist staff in getting information to the Board in a timely fashion, and not overwhelming staff and the committee with reviewing large volumes of data all of the time. The committee discussed the need to improve efforts of educating the public about what public transit is, where AATA is going, and how AATA compares to other transit systems. Once this process has begun, the conversation can begin about the kind of system wanted for countywide. Mr. Bernstein indicated that the December 8 special Board meeting with an open forum was a good mechanism for interaction with the community. Mr. Bernstein indicated that the PMER committee would be very involved with educating the public and getting input over the coming year. Mr. Bernstein thanked staff for their work supporting and providing information to the committee.

5.1.1 Treasurer's Report

Ted Annis referred to the statement of operations and comparison including staff notes that indicated demand response service ridership is down, as is ridership on fixed-route service. Mr. Annis announced that staff prepared a report to the Treasurer; a one page summary of the year to

date operating statement and the balance sheet illustrating the condition of the organization at a point in time.

Mr. Annis referred to the Treasurer's Report included in the Board packet which included two recommendations: improving transparency by posting ten items to the AATA website, and making facility changes for more professional Board meetings. Mr. Annis deferred to the Chair regarding his recommendations.

Mr. Ajegba announced that the Treasurer's recommendations should be referred to the various Board committees. Mr. Ajegba referred to the recommendation to publish employee salaries on the website suggesting that doing so may not be good for morale. Mr. Ajegba noted that as a public organization, any information on AATA can be obtained through a Freedom of Information Act (FOIA) request. Mr. Ajegba stated his preference for posting AATA's FOIA policy on the website as opposed to publishing salaries.

Mr. Annis indicated that the recommendation to place additional data on the website would bring about full transparency and clarity to the community which is needed given the Board's decision to pursue a countywide plan.

Mr. Bernstein suggested that the Treasurer's recommendations were an external relations issue and requested the opportunity for the PMER Committee to consider the issue of what information goes on website and how it is presented. Mr. Bernstein indicated that PMER would work with staff and have a discussion at the January PMER meeting.

Board members discussed the Treasurer's recommendations. With regard to the recommendation to televise Board meetings to make for more professional Board meetings, it was noted that the Board previously considered this option and decided against it. A suggestion was made for PMER to reconsider televising meetings. Mr. Bernstein agreed that PMER would consider televising or capturing meetings and making recordings available in digital format on the website. With regard to the recommendation to hold meetings in a larger room, it was noted that the conceptual plan for the Blake Transit Center includes a meeting room.

5.1.2 Report to the Treasurer: Summary Operating Statement by Mode

There was no further discussion on the report.

5.2 Planning and Development Committee

Sue McCormick reported that the most significant item of discussion at the December 8 meeting was review of a conceptual plan for a new Blake Transit Center. The committee unanimously recommended that the full Board approve moving forward with rebuilding the facility. The committee briefly discussed a Board strategic planning session, countywide service planning and the service plan that can be integrated into long term planning. Staff will make a recommendation on a strategic planning session at the January committee meeting.

Chris White provided the committee with an overview of the results of a telephone survey of Washtenaw County voters. Ms. McCormick indicated that the consultant's final report will be complete in January and a presentation made at the January Board meeting. The committee discussed Football Ride and Art Fair Shuttle service and agreed that the services should continue in 2010.

The committee reviewed the Capital and Categorical Grant Program and discussed the increasing pricing of hybrid buses and whether it might make sense to purchase conventional diesel buses. Staff will seek approval from the Board on the Program in January, after which time there will be a period of a few months when adjustments to the Program can be made. Staff is conducting an analysis of the type of buses to recommend for purchase, and will report to the PDC and subsequently to the full Board.

5.3 Chief Executive Officer

Michael Ford noted that the Board meeting took place in an alternate room to accommodate a larger audience. Mr. Ford reviewed the CEO report contained in the Board packet.

Mr. Ford reported that staff was directed to conduct an analysis of the November Treasurer's report. Mr. Ford distributed two documents detailing staff's assessment of the report. Copies of the documents are attached.

Mr. Ford reported on the status of a Request for Proposals (RFP) to hire a consultant to develop a Transit Master Plan which will include a countywide service plan. The RFP will be out in January.

Mr. Ford reported on the details of a joint project between AATA and the Union to raise funds to benefit those in need at the holidays. Employees donated vacation time which was converted to over \$4,500. Gifts were purchased for two families, and cash donations made to four area agencies.

In response to a question from Mr. Ajegba on the consequences and projections of revenues that would be lost through the processes outlined in the Treasurer's report, Mr. Ford requested the opportunity to discuss the considerations and

concerns at the Board committee meetings in January.

5.4 Local Advisory Council

Clark Charnetski reported that there was to have been a letter from the Local Advisory Council (LAC) to the Board in the Board's packet. Mr. Charnetski reported on topics discussed at the meeting which included adoption of a guide to public participation at LAC meetings, in conjunction with a change in the Bylaws to bring terminology up to date, and incorporates changes in the quorum and a provision for removal of LAC members for cause. The committee requested that the Board make changes to the LAC Charge to make it go along with the changes to the committee's Bylaws. Mr. Charnetski indicated that the policy for no shows on ARide service was in the process of being updated, and that the LAC would like to provide input early on in the process of any changes made to the Blake Transit Center.

Board members discussed LAC member involvement with a prospective Blake Transit Center project. Terry Black indicated that if the Board gave approval to move the project forward, focus groups would part of the process and will include representatives from the LAC.

Mr. Annis restated his request for a newly designed BTC to eliminate the need for security services.

6.0 Question Time

Ms. McCormick indicated that the Board should make sure to have representation from the LAC included in the Blake Transit Center project, with a member of the committee or a representative from the Center for Independent Living serve on the project team, to inform the process and make sure that the outreach is appropriate. In response to a question from Mr. Annis on the City's input on the project, Ms. McCormick indicated that the project team should also include a representative from the City.

David Nacht raised a question about AATA's working relationship with the City on areas of mutual concern such as accessibility. Mr. Nacht suggested that there are perennial issues and questions of responsibility; sidewalks being one example. Mr. Nacht requested that the PMER Committee take up the issue and that staff be required to come up with a plan so that there is no black hole between bureaucracies. Mr. Bernstein noted that AATA serves many jurisdictions. Board members discussed coordinating with the City and other entities to identify deficiencies, respond to special requests, and identify funding mechanisms and devise a plan for how to incorporate all of the components into the overall process of providing service. Mr. Bernstein agreed that PMER would take up the discussion.

7.0 Old Business

There was no Old Business.

8.0 New Business

Mr. Ford distributed copies of a design concept schematic developed by DLZ, the architectural firm hired to conduct an analysis of the Blake Transit Center and present options for redevelopment of the facility. Terry Black provided an overview of the options identified by DLZ.

Option 1 – Renovate the existing facility to make it bring it into compliance with building codes, the Americans with Disabilities Act, and make it structurally sound.

Option 2 – Renovate the existing facility per Option 1 an addition of 370 square feet to expand the office and Drivers' Room spaces.

Option 3 – Demolish the existing facility and construct a new building to accomplish Options 1 and 2, add a meeting room, all on the existing footprint doubling the square footage.

Option 4 – A new Transit Center on an expanded site to include the existing footprint and the surface parking lot owned by the City of Ann Arbor to the immediate south of the site. This option was added following discussions between Michael Ford and City officials.

It was determined that Option 4 was not going to be viable in the timeframe in which funding is available for the redevelopment project. The Planning and Development Committee directed staff to pursue a modified Option 3 for redevelopment on the existing footprint with the ability for future expansion, should the adjacent property become available later. David Nacht noted that the PDC unanimously supported moving forward with the modified Option 3 which would allow for an expanded footprint and a partnership, should the situation present itself in the future.

Mr. Black reported that the schematic presented was conceptual, and not intended to serve as a design for the space. Mr. Black indicated that the next step was to gain approval from the Board to move forward, at which time work would begin to issue a request for proposals for design and construction of the facility. The process would include input from stakeholders to aid in the design.

Board members discussed the PDC's recommendation. Specific issues raised included the whether the relocation of a downtown transit center was imminent, the percentage of passengers transferring at the BTC, the possibility of a change in the service delivery model given the multimodal transportation projects being planned, the need to have a presence in the downtown, whether it was necessary to have a meeting room in the facility given the number of places already available downtown to hold meetings, and the timeline for using the funding that is in place for a new facility.

Terry Black responded to questions on the details of the schematic. Mr. Black restated that the schematic is only one concept for redevelopment. Chris White provided an overview of the funding available for the project and the timing for use of the funds. Board members engaged in a lengthy discussion regarding funding for the project. A suggestion was made to provide direction to the design team to fund the project within the available grant funds.

A question was raised as to whether a portion of the funding designated for redevelopment of a downtown transit center could be used on an alternate project such as the Fuller Road Station. Michael Ford responded that he was engaged in discussions with representatives from the City to investigate the existence of alternate funding for the Fuller Road Station.

Mike Vernage, project manager from DLZ, reviewed the details of the proposed concept for redevelopment, detailing the problems with the existing site including significant elevation changes and structural deterioration. Mr. Vernage reported that the conceptual design process included input from a number of stakeholders.

Sue McCormick recommended that the Board require staff to seek approval from the Board for a specific project, including cost authorization, following the design and construction services process and prior to demolition. Ms. McCormick also recommended that the request for proposals include value engineering.

David Nacht moved the following resolution with support from Ted Annis.

8.1 Consideration of Resolution Authorizing Demolition and Rebuilding of the Blake Transit Center Renovation

WHEREAS, the Blake Transit Center (BTC) was originally built to serve as a public transit facility for Downtown Ann Arbor, and includes waiting, boarding, transferring, information, customer service, security, and employee break areas, and

WHEREAS, the daily use of the facility by an increased number of customers, passengers, and employees, together with the continuous ravages of time and weather, has resulted in the need to repair or replace the existing facilities, and

WHEREAS, a professional engineering and architectural consulting firm was engaged to explore options for the facility including rehabilitation to extend its life for 5 more years, improving and slightly expanding the existing facility, or demolishing the existing structures and rebuilding a newly designed facility to serve the public, and

WHEREAS, because it is the intention of AATA to maintain a dynamic presence

in Downtown Ann Arbor and to be an important asset for the thousands of daily passengers and customers who utilize the BTC; to continue providing attractive, comfortable, safe, and well designed structures for doing so; and because funds are currently available for such a project, therefore

IT IS RESOLVED, that professional engineering, architectural, and contract management services shall be engaged to design new transit facilities, demolish the existing BTC and rebuild modern structures to replace the current facility as quickly as possible, and

IT IS RESOLVED, that the new facilities shall be designed and built to take maximum advantage of the current site; shall incorporate, whenever possible, environmentally friendly concepts; shall include all the functional areas now provided by the old facilities, plus additional space for new uses; and shall be flexible so as to take advantage of possible future expansion opportunities, and

IT IS FURTHER RESOLVED, that AATA shall make every effort during the course of this project to relocate the services now available at the BTC so as to be least disruptive to users, safe in operation, and convenient for both the public and AATA employees.

Board members, with input from staff discussed the wording and intent of the resolution.

Mr. Nacht moved to amend the second "IT IS RESOLVED" paragraph of the resolution by adding the following language:

"and shall take into account transit functions, aesthetic impacts, environmental impacts, accessibility to all users and public safety"

Mr. Annis accepted the friendly amendment.

The amended motion passed unanimously.

8.2 Next Steps in Determining Extended Service Plan for AATA

Michael Ford reported that the Board, at its special meeting on October 29, reached consensus on considering a decision regarding the legal status of AATA at the December Board meeting. Mr. Ford suggested that it might be appropriate to hold off on a decision pending the hiring of a consultant to develop a Transit Master Plan. Mr. Ford indicated that the service plan may point to a direction to consider.

Board members discussed next steps. Suggestions included engaging communities in the design of a service plan, publishing information on the website to help residents of the County understand transit, and presentations to

other entities on preliminary concepts to help determine which jurisdictions might want to move forward.

Michael Ford indicated that the process of developing a Transit Master Plan would include extensive public input, and would provide clarity on how a countywide service plan and all of the multimodal transit projects will work together.

Mr. Ajegba suggested that the PMER Committee consider how to begin to engage the public. Mr. Bernstein agreed that the committee would take up the process of how to communicate with the public in a more sophisticated way, if not in January, then in February.

- 8.3 Jesse Bernstein moved that the Board express appreciation to staff for giving back to the community not only during this holiday season, but during a very difficult economic time and that the Board wish all the staff and their family a very happy holiday. Sue McCormick supported the motion. The motion passed unanimously.
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9.0 Public Time

Nancy Kaplan appeared before the Board and questioned whether there was a consultant for redevelopment of the Blake Transit Center, and if there would be furniture involved.

Paul Ajegba responded that a firm was not hired.

Jim Mogensen appeared before the Board. Mr. Mogensen commented on the Board's discussion of a potential expanded service plan for AATA suggesting that the timeline may not be entirely in AATA's control as Ann Arbor City Council mentioned the AATA millage as a potential source of money for the City. Mr. Mogensen shared his opinion of a scenario of how to fund countywide service. Mr. Mogensen suggested that only a very small number of people in the County are receiving communications regarding AATA's plans.

Carolyn Grawi appeared before the Board. Ms. Grawi announced the distribution of the latest version of *Access Magazine*, which includes an AATA advertisement. Ms. Grawi commented on new bus service that will serve the Ann Arbor Center for Independent Living beginning in January. Ms. Grawi thanked Chris White, Vanessa Hansel from Ride Connect, and an anonymous donor for arranging a trip on Thanksgiving Day. Ms. Grawi suggested that there is limited access for citizens to get to public meetings, and that a process needs to be identified to get information out to a broader audience. Ms. Grawi commented on the accessibility of bus stops and shelters. Ms. Grawi thanked staff for making changes in the Arborland area making service safer for the entire community. Ms. Grawi

commented on the creation of a conceptual multimodal transit system that she and Mary Stasiak contributed to that won an award. Ms. Grawi encouraged bringing stakeholders to the table to discuss the design of the Blake Transit Center, and noted that it will be important to discuss the accessibility of service and sidewalks, and safety for passengers during reconstruction.

Clark Charnetski appeared before the Board and conveyed the details of a recent incident near Arborland when two people ran across Washtenaw Avenue in front of and behind his vehicle. Mr. Charnetski indicated that that it is inconvenient and time consuming for people to use the crosswalks and lights that are in place and suggested that perhaps some kind of pedestrian signal could be added that would eliminate the need to have to cross three streets to cross one.

Michael Ford responded that staff was working with representatives from the Michigan Department of Transportation and the City of Ann Arbor to resolve the problem.

10.0 Adjourn

Jesse Bernstein moved to adjourn the meeting with support from Ted Annis. The meeting adjourned at 8:33 p.m.

Respectfully submitted,

Charles Griffith, Secretary

RESPONSE TO TREASURER'S REPORT ON A COUNTY WIDE TRANSPORTATION SYSTEM

- I. AATA currently receives \$9,700,000 per year from the City of Ann Arbor based upon 2.06 mills (\$4,700,000 per mill). The Treasurer's report advocates reducing the City's transportation tax to 1.0 mill. This would mean:
- AATA's revenues available for providing services to the residents of Ann Arbor would immediately **decrease by \$7,600,000** because:
 - The City's millage revenues for public transit would decrease by 1.06 mills or \$5,000,000.
 - AATA's State operating assistance would decrease by \$1,500,000 (State operating assistance is a function of expenses and with fewer revenues to cover expenses, expenses would have to decrease and state funding would decrease as a result.)
 - AATA's passenger revenues would decrease by \$1,100,000 (due to required cutbacks in service as the result of revenue decreases)
 - AATA's budget for providing services to the City of Ann Arbor would be reduced from its current \$25.46 million to approximately \$16.46 million. Drastic service cuts of up to 35% would be required to close this \$9.00 million gap.
- II. The Treasurer anticipated fare revenues would increase from \$4.33 million to \$7.00 million as the result of county-wide service. More realistic estimates anticipate that County revenues will not exceed 50% of City revenues. In addition, City generated fare revenues will be decreased by service cutbacks due to lost revenues (see above). As a result:
- AATA can expect to receive **\$2.17 million less** in fare revenues from County sources than the Treasurer anticipated.
- III. The Treasurer's report anticipated AATA could operate at \$84 per revenue service hour.
- Even if \$84 per hour could be reached, there would still be a **\$5.24 million shortfall** between revenues and expenses, resulting from the loss of tax collections, State operating assistance, and passenger revenues. Substantial service reductions would be required to address this funding gap. In addition:

- AATA has been successful in reducing its costs over the past several years, even in the face of inflationary pressures (like rising fuel and health care costs). Its costs now stand at \$102 per service hour (three years ago its cost were \$108 per hour).
- Operating at \$84 per hour would require reducing the agency's cost by an additional 18%. Both the quantity and the quality of AATA's services would have to be drastically reduced just to get to \$84 additional cuts would have to be made to address the shortfall.
- The Treasurer advocates \$84 per hour, citing Bay City, Michigan, which operates a transit system for \$85 per hour. At \$84 per hour, AATA's system would look similar to Bay City which:
 - Operates 45—50 minute headways between buses on most routes on weekdays, while a few selected routes have as much as three hour headways. ***(AATA provides 15 minute service during rush hours on major routes and 30 minute service on all routes the remainder of the day.)***
 - Operates only from 6:40 am until 5:35 pm on weekdays. ***(AATA operates from 6:00 am until 10:30 pm or 11:00 pm on weekdays. In addition, AATA subsidizes taxicab service in Ann Arbor between midnight and 6:00 am to provide 24 hour public transit service.)***
 - Operates 11 weekday routes. ***(AATA operates 25 mainline routes plus 2 commuter routes on weekdays.)***
 - Operates a community-wide demand-response service for seniors and the disabled with 24 hours reservation. Others may ride if they are going at the same time and there is room. ***(AATA currently does not provide service outside the urbanized area, however, within the urbanized area, AATA provides demand-response service to seniors and the disabled with as little as 2 hours notice.)***
 - Operates "flex-route" service to and from educational institutions, sheltered workshops, and child care centers. ***(AATA services all educational institutions, sheltered workshops, and most child care centers within the urbanized area with regularly scheduled service.)***
 - Operates 60 minute headways on 9 Saturday routes from 9:00 am until 6:00 pm. ***(AATA operates 60 minute headways from 8:00 am until noon on 14 routes on Saturdays; services are every 30 minutes from noon till 7:00 pm. After hours, AATA subsidizes taxicab service to provide 24 hour public transit service.)***
 - Operates no Sunday service. ***(AATA operates 60 minutes service on 10 routes on Sundays from 8:00 am until 6:30 pm. After hours, AATA subsidizes taxicab service to provide 24 hour public transit service.)***
 - Has no holiday service. ***(AATA subsidizes taxi service on holidays within Ann Arbor to provide 24 hour public transit service.)***

- Has no bus shelters, but does have a downtown transit center. *(AATA has countless bus shelters throughout its service area with more coming all the time. AATA operates transit centers in downtown Ann Arbor and downtown Ypsilanti with several other transfer centers located throughout its service area.)*
- Does not provide bus service within ¼ mile of 90% of its population. *(One of AATA's service parameters is to provide regularly scheduled bus service within ¼ mile of 90% of the residents of Ann Arbor.)*
- Does not provide special event service. *(AATA provides rides to tens of thousands every year to the Art Fair and to U of M Football Games.)*
- Has no park and ride service. *(AATA serves numerous park and ride lots throughout the City and is getting even more.)*
- Has no carpool-vanpool matching service. *(AATA teams with SEMCOG to offer online carpool-vanpool matching.)*
- Provides service to 600,000 passengers per year at a cost of \$8.51 per passenger. *(AATA provides service to 6,000,000 passengers per year at a cost of \$3.53 per passenger.)*
- Carries an average of 9.6 passengers per hour on each bus. *(AATA carries an average of 30 passengers per hour on each bus.)*
- Provides connections with Greyhound and Saginaw Transit. *(AATA provides connections with Greyhound, The WAVE, the Ann Arbor-to-Chicago MegaBus, and the Detroit Airport Michigan Flyer. Being considered are connections with the future East/West Commuter Train.)*
- Provides schedule information only in print, via computer, and by telephone. *(AATA provides printed, computerized, and telephone schedule information, and also provides real-time "Bus Tracking" information via computers and web-enabled mobile phones and PDA's.)*

- IV. The Treasurer's report ignores the Ann Arbor Transportation Plan Update (AATPU) formally adopted by the City and AATA in 2009. The AATPU calls for:
- Substantial future increases in public transit services in the City of Ann Arbor.
 - The study and implementation of "flagship" services on heavily used corridors.
 - The construction of additional park and ride lots.
 - The support and expansion of Ann Arbor to Detroit Commuter Rail.

DETAILED CALCULATIONS FOR TREASURER'S REPORT ON COUNTY WIDE TRANSPORTATION SYSTEM

If the City millage produces \$9.70 million based upon 2.06 mills, then that means it produces approximately \$4.70 million per mill.¹ The Treasurer's scenario reduces the City's millage to 1 mill, which would mean that Ann Arbor would be contributing \$4.70 million into the countywide pot available for public transit.

The remainder of the County would be contributing approximately \$10.30 million to be used to provide service outside the City limits.² Since it now requires all of the \$9.70 million collected in the City millage to deliver the current level of service in the City, it would follow that if the millage were cut in half, then Ann Arbor's service would also have to be cut substantially.

There are some other adjustments that would have to be made if Ann Arbor contributed only \$4.70 million toward transit. Ann Arbor's new contribution would be \$5.00 million less than it now contributes.³ This \$5.00 million reduction in revenues (we can assume the reduction in revenues would also mean a reduction in expenses) would result in Ann Arbor losing approximately \$1.50 million in state operating assistance.⁴

The loss of these two income generators would result in the City's services being cut by approximately \$6.50 million or approximately 25.5% from today's levels.⁵ As the City's level of transit service decreases, fare revenues would decrease accordingly, which would result in a further reduction of approximately \$1.10 million in fare box revenues⁶ for a total loss of \$7.60 million.⁷

Thus, the net effect of the loss of one mill, the corresponding loss of state operating assistance, and the corresponding loss of fare box revenues resulting from service cutbacks would leave the City's contribution approximately \$7.60 million below today's levels.

¹ \$9.70 million/2.06 mills = \$4.70 million per mill

² \$15.00 million - \$4.70 million = \$10.30 million

³ \$9.70 million - \$4.70 million = \$5.00 million

⁴ \$5.00 million reduction x 30% state funding = \$1.50 million

⁵ \$5.00 million + \$1.50 million = \$6.50 million

⁶ 25.5% x \$4.334 million in fares = \$1.10 million

⁷ \$5.00 million + \$1.50 million + \$1.10 million = \$7.60million

The Treasurer's report was built around fares increasing from \$4.334 million to \$7.00 million. How that would be accomplished is highly questionable. Following the 25.5% reduction in fare revenue from the City of Ann Arbor (as the result of losing approximately 25.5% of its service), then the remainder of the County would have to generate even more passengers than the City.

The City would generate about \$3.23 million in fares,⁸ while the County would have to generate the balance of \$3.77 million in order to reach the Treasurer's \$7.00 million total fares.⁹ That would mean the County would have to produce 117% more passengers than would the City – a prospect that is unlikely.

The level of service being provided in the out-county would be far less than that provided inside the City, as there would be substantially less total revenue available per mile for the rural services than for the urbanized. A substantially lower level of service in the County would produce substantially fewer fares. Even if County services could produce 50% as many passengers as in the City, this would result in adding only \$1.60 million in fares,¹⁰ for a grand total of \$4.83 million.¹¹ This is **\$2.17 million less** in fares than the Treasurer anticipates.¹²

The tax shift would **not** produce \$8.0 million more in revenue. Instead, it would actually produce **\$1.77 million less** than what is produced today.¹³

More importantly, it would result in Ann Arbor losing \$7.60 million worth of service. Under the Treasurer's analysis, AATA would be not only be providing City of Ann Arbor services, but urbanized area services plus County-wide services for less than what it costs to provide City and urbanized area services today.

⁸ \$4.334 million - \$1.10 million = \$3.23 million

⁹ \$7.00 million - \$3.23 million = \$3.77 million

¹⁰ \$3.23 million x .50 = \$1.60 million

¹¹ \$3.23 million city + \$1.60 million county = \$4.83 million

¹² \$7.00 million - \$4.83 million = \$2.17 million

¹³ \$7.60 million less in revenues + \$2.17 million less in fares = \$9.77 million. \$8.00 million from Treasurer's report - \$9.77 million = -\$1.77 million

If the Treasurer's wish of AATA operating at \$84.00 per service hour were to come true, the system (even with additional millage revenue coming from the out-county areas) would still come up **\$5.59 million short**.¹⁴

The Treasurer's scenario of funds coming from the County presumes that 100% of the county would participate in a transportation authority and its accompanying millage. That is a presumption that is highly speculative at best.

In summary, the Treasurer's plan is highly flawed and would negatively affect the amount and levels of service available to the citizens of Ann Arbor. The loss of 1.06 mills from the City would be devastating to AATA's services and would result in services being **cut back by approximately \$7.60 million**. Furthermore, reducing AATA's operating budget to \$84 per service hour would not only greatly degrade the level of service available to City residents; it would still result in the necessity of **cutting an additional \$5.24 million** in Ann Arbor's transit services.

¹⁴ \$84.00 = 17.8% less than the \$102.24 AATA is expected to operate in 2010. The total approved budget for 2010 is \$25.46 million. The approved budget multiplied by the 17.8% reduction in cost yields approximately \$4.53 million in savings. The \$4.53 million in savings deducted from the expected total of \$9.77 million in losses due to the reduced millage, loss in state funds, and loss in fare box revenues would still leave \$5.24 million unaccounted for.

**COMPARISON BETWEEN
AVAILABLE CITY REVENUES AND
COUNTY REVENUES UNDER TREASURER'S PLAN**

	<u>CURRENT CITY SERVICES Tax of 2.06 Mills</u>	<u>TREASURER'S CITY SERVICES Tax of 1.0 Mill</u>	<u>TREASURER'S COUNTY SERVICES Tax of 1.0 Mill</u>	<u>TREASURER'S COMBINED CITY AND COUNTY</u>
Local Tax Revenues	\$9,700,000	\$4,700,000 ¹	\$10,300,000	\$15,000,000
POSA's	1,141,000	-0 ²	-0-	-0-
Fares	4,334,000	3,234,000 ³	1,617,000	4,851,000
State Assistance	6,754,000	5,015,000 ⁴	4,751,000	9,766,000
Federal assistance	3,170,000	3,170,000	830,000	4,000,000
Other	<u>361,000</u>	<u>361,000</u>	<u>-0-</u>	<u>361,000</u>
Total Revenues	\$25,460,000	\$16,480,000	\$17,498,000	\$33,978,000

¹ A millage rate of 1 mill would generate \$4.7 million in Ann Arbor

² POSA's would no longer be paid by cities and towns. Revenue generated in these jurisdictions would pay direct and indirect costs of service.

³ Fares are decrease by 25% due to cutbacks in services resulting from decreases in revenues.

⁴ State assistance would be reduced due to a decrease in expenses (State assistance is based upon each system's expenses)

DRAFT

ANN ARBOR TRANSPORTATION AUTHORITY
PERFORMANCE MONITORING & EXTERNAL RELATIONS COMMITTEE

Meeting Summary – 3:35 p.m., Wednesday, January 13, 2010

Present: Committee Members – Jesse Bernstein, Charles Griffith, Ted Annis
Staff – Michael Ford, Chris White, Phil Webb, Mary Stasiak, Jan Hallberg, Terry Black, Ron Copeland

The meeting began at 3:40 p.m.

Planning

Mr. Ford discussed his recommendations for future Board Retreats. A document was distributed that outlined concepts for two different Board Retreats for this year. One of the Retreats would be to accommodate the development of next year's budget and the second retreat would be used to for long term planning. Mr. Ford asked committee members to review the documents and invited members to provide comments and suggestions.

Quarterly Report on Operations

Mr. Webb reviewed the first quarter financial report indicating that fare revenue from A-Ride service is below projections due to a drop in A-Ride ridership. Mr. Webb also reviewed the Report to the Treasurer indicating that our service rate per hour is higher than anticipated due to a loss on fuel futures. He indicated that the loss will even out over the course of the year, but that it does affect the service rate per hour due to it occurring in the first quarter.

Mr. Annis commented on the Report to the Treasurer indicating that he would like staff to review the numbers reported for percent revenue paid by riders. Mr. Webb explained that the revenue for go!Passes was received in the first quarter and therefore reflects a higher rate paid by the rider. He explained that this will even out over the course of the year. NOTE: The report included in the Board packet includes a revision to spread go! pass revenue through the year.

Performance Report

Mr. White reviewed the Service Performance report, which showed that the average weekday ridership was down 7% for the first quarter. Mr. White indicated that half of the reduction is due to the elimination of the LINK. Mr. White also reported that Subcontracted ridership was down 11%.

Quarterly Service Standards Report:

Mr. White reported that on-time performance was up relative to last year and that the first quarter on-time performance was at 94.7% at the endpoint of the routes. Each service standard was reviewed and a request to provide the definition of what is considered an accident would be helpful since the definitions differ between AATA Service Standards and that which is reported

for National Transit Database (NTD) purposes. The Committee discussed the differences between NTD and AATA standards, and that an explanation of what an accident is should be added into the reporting on accidents.

It was reported that there have been significant changes in how complaints are reported. Complaints received by Select Ride for subcontracted service has been added to the list of various types of complaints. It was recommended that the complaints for subcontracted service be reported separately and that the type of complaint be categorized.

Mr. White referred to the service standards report to discuss the various productivity measures. A report that is provided only for the school semesters was reviewed. This report included ridership by semester and corresponding changes from last Fall. This report included a section with UM ridership.

A discussion took place about the significant changes in ridership on Route 8-Pauline and Route 14-Geddes/Stadium. Mr. White stated that the source of the ridership declines in these two routes is unknown at this time.

Communication Plan Discussion and Approval

Mr. Bernstein stated that he committed last month to bring a policy statement about how to proceed with countywide communications and planning. He discussed a document entitled "AATA's Plan for Shaping the Future of Public Transportation in Washtenaw County" and a corresponding Board Resolution. The Committee decided to revise the resolution to make it more detailed and explicit concerning a long term plan and its deliverables and subsequent shorter term strategic plans to guide the implementation efforts. The committee agreed to review a revision to the resolution prior to the January Board meeting in preparation for action by the full Board at its January meeting.

Door and Window Replacement

Mr. Black provided a document to replace doors and windows on the building at 2700 S. Industrial to maintain the useful life of the building. On a motion by Mr. Annis and a second by Mr. Griffith, the Committee passed a recommendation for approval by the full Board.

Request from City of Ypsilanti for Purchase of Service Agreement through June, 2011

Mr. White presented a proposed 21-month Purchase of Service Agreement to accommodate the City of Ypsilanti's request for a formal contract. The agreement includes the use of ARRA funds to maintain the same level of service. On a motion by Mr. Annis and second by Mr. Griffith, the Committee passed a recommendation for approval by the full board.

Mr. Annis departed the meeting.

Review of Progress on Work Plan

The Committee discussed each goal and corresponding status of the annual Work Plan. A recommendation was made to provide Michelle Sanders contact information to all Board members to provide to any vendor interested in the Blake Transit Design and Rebuild project. Another recommendation was to move the "Long Term Plan for a Downtown Transit Center" to

the Master Transit Plan work. A request was made to have staff provide a presentation and progress report on the Central Campus Transit Center at the next Committee and full Board meeting.

Discussion about how to track changes in timing and objectives on the Work Plan document in light of the development of a Transit Master Plan was held. It was recommended that all changes remain in the document for historical purposes, but not be displayed on the spreadsheet when presented. Reasons for changes in the document should be recorded as a reference. A request was made to reorganize the document or identify which goals and objectives are staff driven. Another request was made to add activities derived from opportunities that are being acted upon which were not known at the time the Work Plan was developed, i.e. Shepherd Intelligent System demonstration of real time bus information.

Fuel Delivery vs. Consumption

The Committee discussed the report which verifies that we were using what has been expensed.

Executive Summary Report of On-Board Survey of Riders

A draft executive summary report was distributed to the Committee. A presentation and discussion are planned for the February Committee meeting.

Telephone Survey

A presentation is planned for the January board meeting.

Status of Plymouth Road Park & Ride Lot

Mr. White reported on the status of construction. The lot will be ready for use on January 25, as scheduled. The entrance sign will not be in place until early February. There will be items to complete in the Spring, including landscaping and permanent striping. The Committee reviewed the new Park & Ride brochure and corresponding service change communications materials for Route 2.

Announcement

It was announced that AATA has been invited to be part of the review process of the library lot proposals for redevelopment. It is planned for Mr. Ford and Mr. Bernstein to attend the sessions.

The meeting ended at 5:15 p.m.

Respectfully submitted,
Mary K. Stasiak
Manager of Community Relations

Performance Monitoring – External Relations Committee

Meeting Agenda

Wednesday January 13, 2010 3:35 p.m.

Summary – A draft topic calendar is included in the materials for this meeting. The intention is to use this calendar to organize the work of the committee. While the calendar will certainly be subject to revision throughout the year, we need to review the elements to make sure they represent our best thinking at this time.

Action Items

Communication Plan Discussion and Approval

Door/window replacement

Request from City of Ypsilanti for Purchase of Service Agreement through June, 2011

Reports and Updates

Financial/Operating Data and Analysis

- Year-to-date Report on Operations
- Year-to-date Operating Statement by Mode (Report to Treasurer)
- Year-to-date Performance Report
- Quarterly Service Standard Report
- Fall Semester MRide Ridership

Review of Progress on Work Plan (formerly goals & objectives)

Fuel Delivery vs. Consumption

Executive Summary Report of On-Board Survey of Riders (Discussion in February)

Status of Plymouth Rd. Park & Ride Lot

PERFORMANCE MONITORING/EXTERNAL RELATIONS COMMITTEE

The Performance Monitoring/External Relations Committee is responsible for overseeing AATA's operational and financial performance and maintenance of positive relationships with the general public and key stakeholders. In this capacity, it is accountable for:

- Reaching agreement with the Executive Director on the key elements of the operational and financial reporting process, including the content, format, and frequency of performance reports to the Board, and overseeing implementation of the process.
- Reviewing performance reports in committee meetings and reporting operational and financial performance to the full Board.
- Reviewing operational policies meriting Board attention (such as policies to govern AATA's accounting system and practices), identifying the need for their revision, and recommending those policy revisions to the full Board.
- Overseeing the administration of customer satisfaction surveys, reviewing such surveys, and reporting survey results to the full Board as appropriate.
- Serving as the AATA Audit Committee, including overseeing the process of selecting the external audit firm, reviewing external audit reports and overseeing corrective actions.
- Overseeing the development and implementation of strategies to foster a positive public image for AATA, and for maintaining close, positive relationships between AATA and its customers and its key external stakeholders.
- Overseeing the development and implementation of governmental relations policies and strategies.
- Recommending positions on legislative issues to the full Board.
- Coordinating opportunities for Board members to speak on behalf of AATA in appropriate forums.
- Fashioning strategies and plans to enhance external communication.
- Fashioning strategies and plans to promote community involvement in AATA's planning, service development, and operations.

Adopted July 23, 2008

MEMORANDUM

To: Performance Management/ External Relations Committee

From: Terry D Black
Manager of Maintenance



Re: Doors/ Window Replacement at 2700 S.
Industrial

Date: January 4, 2010

Phase III of a grant designated for the rehabilitation/renovation of the 2700 S. Industrial facility included funds to replace the doors/windows in the administration section of the building. The existing windows and doors are the original doors/windows installed at the time of construction approximately 26 years ago. The current windows have air draft/ water leakage problems around the window framing and glass seals to the extent that it has created drywall, window sill and wallpaper damage in several areas throughout the building.

A RFP for door/window replacement was issued in September of 2009. The RFP specifications requested energy efficient thermal multiplane framing with insulated low E energy efficient glass, the reuse of existing door openers/hardware where possible and to perform minor construction repairs as needed.

AATA received proposals from (5) qualified firms with JC Beal Construction Company providing the overall lowest bid at \$169,950.00 and met all of the RFP requirements. Federal and state grant funds are programmed to pay the entire amount.

At this time AATA staff recommends issuing a contract to JC Beal Construction Company to begin work on the project the spring of 2010.

DRAFT
Resolution

Authorization to Execute Contract with for Replacement of Windows at AATA
Headquarters

WHEREAS, the replacement of doors/windows in the administration section of the building is included in the renovation of the AATA facility and federal and state grant funds are available for this purpose, and

WHEREAS, replacement of a request for proposals was issued and advertised, and

WHEREAS, proposals were received from (5) companies, and

WHEREAS, the proposal of JC Beal Construction Company was responsive and responsible and had the lowest cost,

NOW, THEREFORE, BE IT RESOLVED that the AATA hereby authorizes the CEO to execute a contract with JC Beal Construction Company for \$169,950.

Chair

Secretary

MEMORANDUM

To: Performance Monitoring &
External Relations Committee

From: Chris White
Manager of Service Development

Re: City of Ypsilanti Request for a 21-Month
Purchase of Service Agreement

Date: January 6, 2010



At our December meeting we discussed a request from the City of Ypsilanti for a 21-month purchase of service agreement (POSA) from October 1, 2009 to June 30, 2011. This period is consistent with the funding resolution adopted by the Ypsilanti City Council on September 8, 2011.

After the discussion in December, staff evaluated this possibility. We normally base the purchase of service agreement on the adopted budget, and obviously we do not have an adopted budget for FY 2011 yet. However, we can do a 21-month POSA if we are willing to formally accept the payment Ypsilanti proposed.

Attached is a draft POSA calculation is attached for fixed-route service and A-Ride service for the 21-month period. The calculation is separated into two periods. The first period coincides with our fiscal year (10/1/09-9/30/10) and the figures are consistent with our adopted budget. The figures for the second period were developed so that the total amount to be paid by Ypsilanti is consistent with the amount pledged by the City for this 21-month period, and the total amount of ARRA funds is consistent with the amount committed by the AATA Board by resolution.

Total amount pledged by Ypsilanti in the resolution of 9/8/09 =	\$311,239
Amount included in attached POSA =	
21-month fixed route POSA:	\$257,299
21-month demand-response POSA:	<u>\$ 53,940</u>
Total	\$311,239

In the fixed-route calculation, the cost per service hour for 10/1/2010 – 6/30/2011 is calculated. That is, after the revenues are determined, the cost per service hour is the calculated so that the revenues and expenses are equal. The resulting cost/service hour is \$99.17, which moves us farther toward charging the fully-allocated cost than we were planning for FY 2011. As you will recall, the Board determined that we would move incrementally to charging the fully-allocated cost by FY 2012.

With a 21-month agreement, there is somewhat more danger of a reduction in state or federal revenue occurring during the term of the agreement. However, the standard POSA agreement already contains a clause permitting us to reopen the agreement if there is a significant change in revenue, which provides some protection.

The conclusion is that a 21-month POSA can be done in this instance. A draft resolution is included for your consideration.

Exhibit #2

page 1

**CITY OF YPSILANTI
Fixed-Route Service
COST CALCULATION**

**21- Month
Agreement**

	10/1/2009 - 9/30/2010	10/1/2010- 6/30/2011	TOTAL 21 Months 10/1/2009 - 6/30/2011
<u>EXPENSES</u>			
Service Hours	14,262	10,699	24,961
Cost per Service Hour	\$89.00	\$99.17	
Total Cost	\$1,269,318	\$1,060,967	\$2,330,285
<u>REVENUES</u>			
Federal Operating Assistance	\$175,700	\$131,806	\$307,506
State Operating Assistance	\$375,845	\$314,152	\$689,997
Passenger Fares	<u>\$472,058</u>	<u>\$403,610</u>	<u>\$875,668</u>
Revenue Subtotal	\$1,023,603	\$849,568	\$1,873,171
ARRA Funds Applied	\$133,209	\$66,606	\$199,815
Local Share (see below)	\$112,506	\$144,793	\$257,299
Total Revenue	\$1,269,318	\$1,060,967	\$2,330,285

Ypsilanti Payment \$112,506 \$144,793 \$257,299

The FY 2010 payment is based on applying \$94,330 of the Ypsilanti budget for FY 2010 ending 6/30/10 plus 1/4 of the \$218,000 pledged for FY 2011 minus the amount required for A-Ride Service.

**CITY OF YPSILANTI
A-Ride Service
COST CALCULATION**

21- Month Agreement

	10/1/2009 - 9/30/2010	10/1/2010- 6/30/2011	TOTAL 21 Months 10/1/2009 - 6/30/2011
<u>EXPENSES</u>			
Passenger Trips	6,700	4,774	11,474
Cost per Trip	<u>\$19.66</u>	<u>\$20.25</u>	
Total Cost	\$131,708	\$96,657	\$228,366
<u>REVENUES</u>			
Federal Operating Assistance	\$34,141	\$24,325	\$58,466
State Operating Assistance	\$44,493	\$39,304	\$83,797
Passenger Fares	<u>\$16,750</u>	<u>\$14,321</u>	<u>\$31,071</u>
Revenue Subtotal	\$95,384	\$77,951	\$173,335
Local Share	<u>\$36,324</u>	<u>\$18,707</u>	<u>\$55,031</u>
Total Revenue	\$131,708	\$96,657	\$228,366
Ypsilanti Payment	\$35,233	\$18,707	\$53,940

DRAFT
Resolution

Purchase of Service Agreement with the City of Ypsilanti

WHEREAS, the City of Ypsilanti adopted a resolution committing funds for the local share of the cost of transit service to June 30, 2011, and

WHEREAS, the AATA committed federal stimulus (ARRA) funds to pay a portion of the local share of cost for transit service in Ypsilanti and Ypsilanti Township in order to continue the current level of service, and

WHEREAS, the City of Ypsilanti requested that the AATA provide a purchase of service agreement (POSA) through June 30, 2011, and

NOW, THEREFORE, BE IT RESOLVED that the AATA hereby authorizes the CEO to execute a POSA with the City of Ypsilanti for the period 10/1/2009 – 6/30/2011 for the continuation of service at a total cost to the City of Ypsilanti of \$312,330.

Chair

Secretary

AATA'S PLAN FOR SHAPING THE FUTURE OF PUBLIC TRANSPORTATION IN WASHTENAW COUNTY

The Ann Arbor Transportation Authority Board of Directors adopted a Vision to provide public transportation services throughout Washtenaw County.

"The Ann Arbor Transportation Authority shall be the public transportation provider for Washtenaw County. Our customers shall see AATA's expanded services as the preferred option for traveling to destinations within the county, as well as to and from the county. AATA will offer appropriate modes of transportation with the most efficient use of resources. These services shall enhance the quality of life for Washtenaw County stakeholders while promoting the economy, safeguarding the environment, and strengthening communities."

To complement this Vision, a Board Resolution was also passed providing direction for staff to develop a countywide service plan that includes other transportation initiatives, and positions AATA to identify funding and operating opportunities to coordinate and integrate values-based transportation systems within all of Washtenaw County, including connecting as appropriate with transportation services of adjoining counties. Staff has been directed to seek advice, guidance, and approval from the Board prior to implementing major segments of a countywide transportation system. *THE DEVELOPMENT OF THIS SERVICE PLAN SOLIDIFIES AATA'S INTENTION TO PLAY A SIGNIFICANT LEADERSHIP ROLE IN SHAPING THE FUTURE OF PUBLIC TRANSPORTATION THROUGHOUT WASHTENAW COUNTY.*

This Master Transit Service Plan will include:

- Recommendations that consider not only mobility issues but also related topics such as economic development, land use, air and water quality, housing, job creation, open space and natural resources, sustainability, and energy consumption.
- A financial component that describes the costs, both capital and operating, of undertaking plan recommendations.
- A needs assessment that will describe the consequences of current and future unmet transit needs in terms of mobility, urban form, economic impacts, safety, social impacts and environmental impacts .
- A basis for developing and delivering transit projects and programs over the next 25 years.
- At a minimum, options (or alternatives, or scenarios) that vary according to the funding levels needed to pay for them (e.g. high, medium, and low).
- At minimum, options (or alternatives, or scenarios) for at least three time-frames (e.g. 5-year, 10-year and 20-year).
- Strategies for funding recommended improvements.

Reaching a Shared Vision

A successful future of public transportation in Washtenaw County necessitates open communication with all stakeholders on the current status of services available and performance measures, a comprehensive study and analysis of transit options involving all stakeholders, and a process to evaluate performance of the new system and update goals and objectives as we go along. AATA is committed to engaging, leading, communicating and creating a meaningful dialog with all stakeholders to achieve a shared vision for Countywide Public Transportation Services.

PHASE 1 - Now through the summer of 2010

- A) Assure that the entire community has access to clear and understandable information about AATA's service delivery system and how to measure our performance using multiple communications methods, including traditional and existing as well as emerging technologies, such as improving the content and accessibility of our web site and providing video coverage of meetings, to promote transparency and accountability.
- B) Create opportunities to meet with stakeholder organizations including, but not limited to governmental units, major employers and business organizations, school districts, higher education institutions, senior citizen groups, social service providers, organizations that represent people with special needs, as well as open meetings for all citizens.
- C) Gather information on transit options for the future, the capital and operating costs of each option, and the projected impacts on the county and share this with all stakeholders.

PHASE 2 - Summer of 2010 through the Beginning of 2011

- A) Create DRAFTS of Service Plan options to generate discussion among all stakeholders.
- B) Gather feedback and continue to modify the Service Plan options to generate a final version.
- C) Make changes to governance structure influenced by the outcome of the Master Transit Plan, so short and long term goals have the best chance of success.

Phase 3 - Winter of 2011 through the summer of 2011

- A) The governance structure will develop and implement 3-5 year strategic plans in conjunction with Stakeholders to initiate implementation to achieve the expected outcomes of 2035.
- B) Continue communication with stakeholders to ensure the plan meets their needs and is supported.
- C) Continue to improve accountability and transparency for the community.

AATA Board and Staff are committed to this process. Resources will be provided, as needed, to achieve success in implementing the Master Transit Plan for Washtenaw County. The AATA Board is prepared to transition into the best governance structure to achieve the best public transit plan for our community.

RESOLUTION TO ADOPT A PLAN FOR SHAPING THE FUTURE OF PUBLIC TRANSPORTATION IN WASHTENAW COUNTY

Whereas, the Ann Arbor Transit Authority (AATA) was chartered by the City of Ann Arbor in 1969 and has provided public transit services to city residents supported by a millage and to surrounding communities, supported by Purchase of Service Agreements (POSAs), and

Whereas, public transit is a critical part of the regional infrastructure and an essential catalyst for sound development patterns and future economic growth, and

Whereas, Washtenaw County continues to grow in population and continues to evolve as a major economic engine within the State of Michigan and is a destination for employment, entertainment, education and recreation, and

Whereas, a number of plans and proposals have been set forth by various agencies within the county to provide transit infrastructure, and

Whereas, a comprehensive public transit system requires long-term plans which include the perspective of the needs of the area's citizens and institutions, and

Whereas, long-term plans require benchmarks and strategies for implementation, therefore,

Be it resolved that:

The AATA Board adopts the Plan for Shaping the Future of Public Transportation in Washtenaw County, and

Work on this Plan commences immediately to educate the public on current AATA operations and services as well as various transit options for future consideration, and

By summer of 2010, AATA will produce a Draft Transit Service Plan for discussion with all stakeholders. The Plan will include, but is not limited to a vision of public transit services to be provided over the course of the next 25-30 years and potential funding options to capitalize and maintain this Plan, and AATA will identify and implement governance structure changes necessary for the provision of these services.

Through the end of 2010, AATA or its successor organization will finalize the Plan, after providing all stakeholders with the opportunity to comment and provide input, and

By the beginning of 2011, the new governance structure will present a 3-5 year strategic plan to commence implementation of the Plan.

**Ann Arbor Transportation Authority
Report of Operations - Unaudited
For the Three Months Ended December 31, 2009**

					Comparison to Prior Year		
	12/31/2009 Year to Date Budget	12/31/2009 Year to Date Actual	Favorable (Unfavorable) Variance	Percent	12/31/2008 Year to Date Actual	Favorable (Unfavorable) Variance	Percent
Revenues:							
Passenger Revenue	\$453,993	\$442,587	(\$11,406)	-2.5%	\$437,878	\$4,709	1.1%
Subcontracted Revenue	175,125	146,010	(29,115)	-16.6%	136,548	9,462	6.9%
Special Fares (EMU & UofM)	673,564	669,206	(4,358)	-0.6%	554,861	114,345	20.6%
Interest and Other	48,096	56,713	8,617	17.9%	47,807	8,906	18.6%
Local Tax Revenue	2,457,902	2,458,006	104	0.0%	2,480,294	(22,288)	-0.9%
Purchase of Service Agreements	290,309	298,866	8,557	2.9%	297,964	902	0.3%
State Operating Assistance	1,725,489	1,723,014	(2,475)	-0.1%	1,751,110	(28,096)	-1.6%
Federal Operating Assistance	688,940	488,740	(200,200)	-29.1%	350,000	138,740	39.6%
Total Revenues	6,513,418	6,283,142	(230,276)	-3.5%	6,056,462	226,680	3.7%
Expenses:							
Wages							
Operator Wages	1,403,689	1,391,511	12,178	0.9%	1,411,008	19,497	1.4%
Other Wages	1,016,338	1,066,289	(49,951)	-4.9%	945,889	(120,400)	-12.7%
Total Wages	2,420,027	2,457,800	(37,773)	-1.6%	2,356,897	(100,903)	-4.3%
Fringe Benefits:							
Payroll Taxes	191,988	195,241	(3,253)	-1.7%	188,192	(7,049)	-3.7%
Pension	211,138	208,432	2,706	1.3%	205,516	(2,916)	-1.4%
Medical Insurance	370,335	385,398	(15,063)	-4.1%	324,357	(61,041)	-18.8%
Post-Retirement Benefits	99,771	97,507	2,264	2.3%	63,375	(34,132)	-53.9%
Other Fringe Benefits	187,422	184,762	2,660	1.4%	185,900	1,138	0.6%
Total Fringe Benefits	1,060,654	1,071,340	(10,686)	-1.0%	967,340	(104,000)	-10.8%
Purchased Services:							
Contracted Maintenance	87,853	74,242	13,611	15.5%	109,143	34,901	32.0%
Consulting Fees	97,496	62,439	35,057	36.0%	11,627	(50,812)	-437.0%
Security Services	47,298	43,246	4,052	8.6%	22,632	(20,614)	-91.1%
Mobility Management	20,001	23,126	(3,125)	-15.6%	12,459	(10,667)	-85.6%
Other Purchased Services	A 111,063	93,418	17,645	15.9%	121,922	98,796	81.0%
Total Purchased Services	363,711	296,471	67,240	18.5%	265,324	171,906	64.8%
Materials and Supplies:							
Diesel Fuel and Gasoline	327,600	347,347	(19,747)	-6.0%	433,626	86,279	19.9%
Fuel Futures (Gain) Loss	210,000	214,809	(4,809)	-100.0%	94,697	(120,112)	-126.8%
Bus Parts	120,000	93,534	26,466	22.1%	115,535	22,001	19.0%
Printing	40,161	6,422	33,739	84.0%	9,502	3,080	32.4%
Other Materials and Supplies	B 218,631	188,541	30,090	13.8%	180,634	(7,907)	-4.4%
Total Materials and Supplies	916,392	850,653	65,739	7.2%	833,994	(16,659)	-2.0%
Utilities	C 110,317	100,794	9,523	8.6%	118,784	17,990	15.1%
Casualty & Liability Insurance	121,248	100,208	21,040	17.4%	92,392	(7,816)	-8.5%
Purchased Transportation:							
Commuter Express	104,960	103,320	1,640	1.6%	52,305	(51,015)	-97.5%
Aride and Good as Gold	848,436	770,391	78,045	9.2%	862,372	91,981	10.7%
Night Ride	76,250	68,888	7,362	9.7%	77,390	8,502	11.0%
WAVE, People's Express, Guar Ride	231,625	238,724	(7,099)	-3.1%	257,212	18,488	7.2%
Total Purchased Transportation	1,261,271	1,181,323	79,948	6.3%	1,249,279	67,956	5.4%
Other Expenditures	D 101,886	68,150	33,736	33.1%	61,727	(6,423)	-10.4%
Local Depreciation	64,998	65,001	(3)	0.0%	65,000	(1)	0.0%
Total Expenses	6,420,504	6,191,740	228,764	3.6%	6,010,737	345,765	5.8%
Gain (Loss) from Operations	\$92,914	\$91,402	(\$1,512)		\$45,725	45,677	

Variances:**Detail of Budget Variances - Positive (Negative):**

	December Year to Date	December Year to Date
A: Other Purchased Services Variances:		
Management & Agency Fees	\$4,638	
Physical Exam Fees	981	
Legal Fees	8,300	
Auditing Fees	(2,134)	
Collection Fees	0	
Temporary Help	0	
Custodial Services	(10,224)	
Internet Services	15,656	
Towing	1,395	
Admin Fee - Benefit Source	(967)	
	<u>17,645</u>	
B: Other Materials and Supplies Variances:		
Lubricants	6,988	
Tires, Tubes and Wheels	3,983	
Tools and Equipment	851	
Equipment Repair	1,206	
Other Materials and Supplies	16,827	
Computer Software	235	
	<u>30,090</u>	
C: Utilities Variances:		
Natural Gas		12,735
Electricity		(7,715)
Water		998
Telephone		<u>3,505</u>
		<u>9,523</u>
D: Other Expenses Variances:		
Uniform Expense		(1,592)
Postage		1,605
Dues and Subscriptions		(277)
Conference and Travel		5,927
Media costs		14,049
Employee Development		12,404
Recruitment and Hiring		(1,881)
Equipment Rental		<u>3,501</u>
		<u>33,736</u>

Ann Arbor Transportation Authority
 Report to the Treasurer: Summary Operating Statement by Mode
 For the Three Months Ended December 31, 2009

Revenues:	Year-To-Date Summary Operating Statement by Mode				Total Actual
	Fixed Route	Demand Response	NonUrban*	Commuter Express*	
Passenger Revenue	\$405,712	\$36,875	\$0	\$0	\$442,587
Subcontracted Revenue	\$0	\$109,825	\$15,000	\$21,185	\$146,010
Special Fares (EMU & UoffM)	\$669,206	\$0	\$0	\$0	\$669,206
Interest and Other	\$56,713	\$0	\$0	\$0	\$56,713
Local Tax Revenue	\$1,967,915	\$490,091	\$0	\$0	\$2,458,006
Purchase of Service Agreements	\$95,482	54,634	\$98,750	\$0	\$298,866
State Operating Assistance	\$1,335,299	\$266,436	\$121,279	\$0	\$1,723,014
Federal Operating Assistance	\$422,740	\$0	\$0	\$66,000 *	\$488,740
Total Revenues	\$4,953,068	\$957,860	\$235,029	\$87,185	\$6,283,142

Expenses:	Fixed Route	Demand Response	NonUrban*	Commuter Express*	WALLY	Total Actual
Wages	2,363,567	65,917	0	8,316	20,000	2,457,800
Fringe Benefits	1,001,335	52,256	0	6,593	11,156	1,071,340
Purchased Services	294,686	0	0	1,160	625	296,471
Diesel Fuel, Net of Futures	562,156	0	0	0	0	562,156
Materials and Supplies	287,577	0	0	0	920	288,497
Utilities	100,794	0	0	0	0	100,794
Insurance	100,208	0	0	0	0	100,208
Purchased Transportation	0	839,279	238,724	103,320	0	1,181,323
Other Expenses	67,750	0	0	400	0	68,150
Local Depreciation	65,001	0	0	0	0	65,001
Total Expenses	4,843,074	957,452	238,724	119,789	32,701	6,191,740

Net Surplus (Loss) **\$109,994** **\$408** **(\$3,695)** **(\$32,604)** **\$17,299** **\$91,402**

Service Hours	45,531	19,435		491		65,457
Cost per Service Hour	\$ 106.37	\$ 49.26		\$ 243.97		
Passengers	1,509,674	41,715		6,534		1,557,923
Cost per Passenger	\$ 3.21	\$ 20.12		\$ 18.33		
Percentage of Costs Paid by Riders	29.0%	12.0%		17.7%		

* Federal Operating Assistance is billed quarterly for Nonurban and Commuter Express

Balance Sheet

Assets:	12/31/2009
Cash & Investments	\$10,506,839
Accounts Receivables	661,469
Grants Receivables	1,747,989
Other Receivables	489,732
Inventory	743,484
Prepaid Expenses	678,633
Total Current Assets	14,828,146
Land & Buildings	20,949,877
Equipment	39,799,034
Accum Depreciation	(30,128,815)
Net Fixed Assets	30,620,096
Total Assets	\$45,448,242

Liabilities:	
Accounts payable	\$459,381
Accrued Payroll	330,185
Accrued Vacation	906,280
Other Accruals	140,652
Unearned Revenue	4,848,281
Post-Retire Benefits	198,143
	6,882,922

Equity:	
Invested in Fixed Assets	30,620,096
Unrestricted	7,945,224
Total Equity	38,565,320

Total Liab & Equity **\$45,448,242**

Total FY 2010 Expenses	25,422,868
Months in Unrestricted	
Net Assets (Min 2.0)	3.75

Ann Arbor Transportation Authority

Performance Report - Year to Date

Performance Indicators	December 2009			
	Actual Year to Date	Budgeted Year to Date	Budgeted to Same Date	Previous Year to Same Date
Average # of Weekday Passengers	21,585	33.7	23,261	-7%
Passengers per Service Hour	33.2	3.37	34.0	-2%
Operating Expense per Passenger	\$ 3.21	\$ 3.37	\$ 2.96	8%
Operating Expense per Service Hour	\$ 106.37	\$ 113.54	\$ 100.77	6%
Operating Expense per Service Mile	\$ 7.70	\$ 8.24	\$ 7.31	5%
Percent of Cost paid by Passenger	29.0%	28.0%	26.8%	8%

Base Data	December 2009			
	Actual Year to Date	Budgeted Year to Date	Budgeted to Same Date	Previous Year to Same Date
Service Inputs				
AATA Operating Expenses	\$ 4,843,074	\$ 5,216,977	\$ 4,777,331	1%
Service Outputs				
AATA Service Hours	45,531	45,948	47,406	-4%
AATA Service Miles	628,682	633,500	653,292	-4%
Service Consumption				
AATA Passengers	1,509,674	1,548,429	1,611,787	-6%
AATA Passenger Revenue	\$ 1,403,482	\$ 1,460,681	\$ 1,281,487	10%
Total # of Weekday Passengers	1,381,442		1,488,730	-7%

Number of Weekdays
 FY 2009: 64
 FY 2010: 64

* Includes funds from Miride
 Program not paid by Passenger

Performance Report - Year to Date

Urban Demand-Response Service

December 2009

Performance Indicators	Actual Year to Date	Budgeted Year to Date	Previous Year to Same Date	Previous Year % Variance
Average # of Weekday Passengers	550	0.116	619	-11%
Passengers per Service Mile	0.141	23.12	0.139	1%
Operating Expense per Passenger	\$ 22.95	\$ 2.67	\$ 19.39	18%
Operating Expense per Service Mile	\$ 3.24	13%	\$ 2.70	20%
Percent of Cost paid by Passenger	12%	-9%	12%	1%

Base Data	Actual Year to Date	Budgeted Year to Date	Previous Year to Same Date	Previous Year % Variance
Service Inputs				
SubContracted Operating Expenses	\$ 957,452	\$924,686	\$ 912,266	5%
Service Outputs				
SubContracted Service Miles	295,871	345,751	337,329	-12%
Service Consumption				
SubContracted Passengers	41,715	40,000	47,045	-11%
SubContracted Passenger Revenue	\$ 114,321	\$120,750	\$ 107,683	6%
Total # of Weekday Passengers	36,269		40,879	-11%

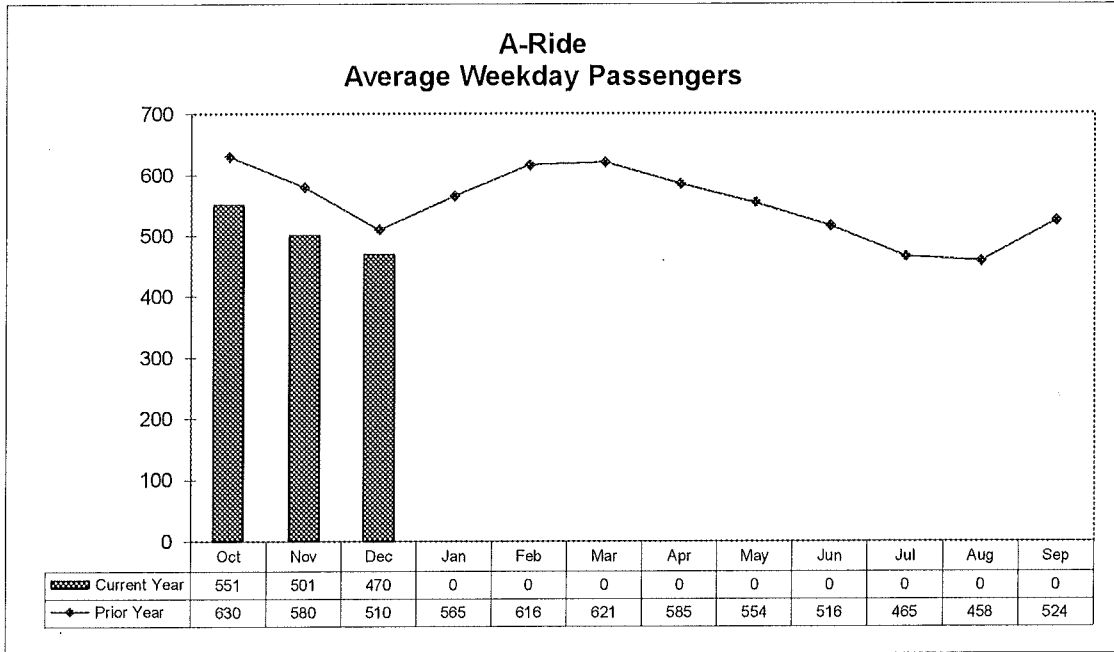
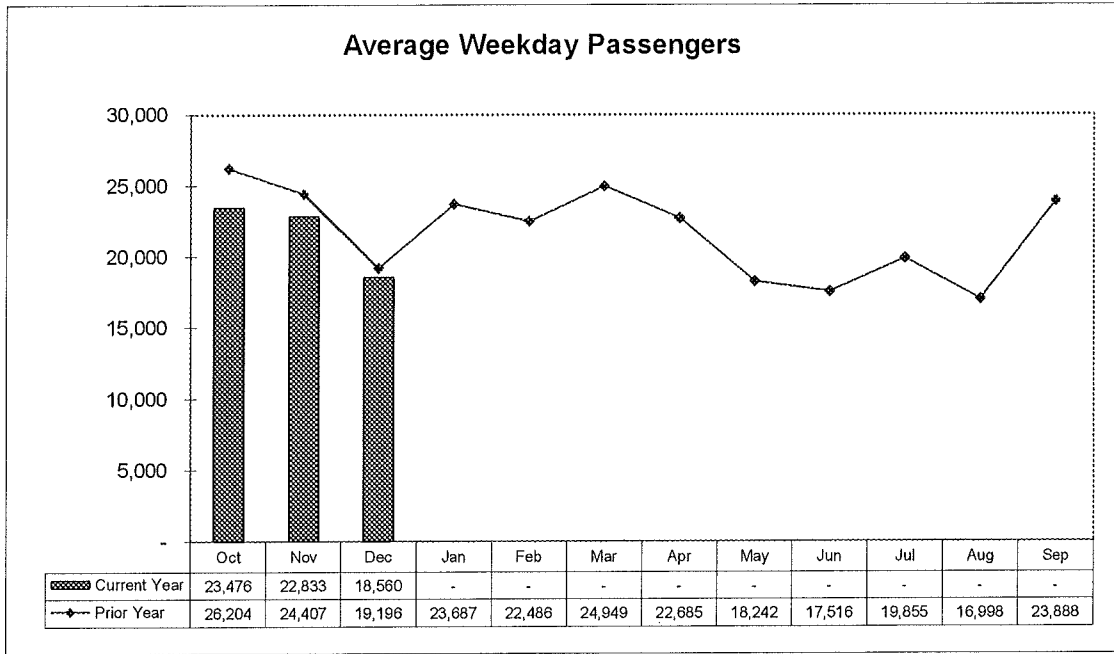
Number of Weekdays

Fy 2009: 66

Fy 2010: 66

Monthly Performance Report

November 2009



Ann Arbor Transportation Authority Operating Statistics

October 1, 2009 - December 31, 2009

	All Service Total	AATA Service		Subcontracted Urban Service		
		Fixed Route	Total	Night Ride	A-Ride	Total
Ridership	1,551,389	1,509,674	1,509,674	4,364	37,351	41,715
Service Hours	64,966	45,531	45,531	2,519	16,916	19,435
Passengers Per Service Hour	23.9	33.2	33.2	1.7	2.2	2.1
Average # of Weekday Passengers	22,135	21,585	21,585	43	507	550
Average Operating Expense per Passenger	\$ 3.74	\$ 3.21	\$ 3.21	\$ 15.79	\$ 23.79	\$ 22.95
Subsidy per Passenger	\$ 2.76	\$ 2.28	\$ 2.28	\$ 11.15	\$ 21.27	\$ 20.21
Percent Cost Paid by Passenger	26.2%	29.0%	29.0%	29.4%	10.6%	11.9%

SERVICE STANDARD REPORT

October 1 – December 31, 2009

SERVICE LEVELS

1. **Coverage Goal:** *90% or more Ann Arbor households within 1/4 mile of a bus route.*
91% of Ann Arbor residents are within 1/4 of a route based on 2000 census data.

SERVICE QUALITY

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

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Percent of trips on-time:	87.9%	82.8%	85.6%	86.8%	85.2%

The figure is up 2.7% from the same period a year ago. 94.7% of trips were completed on-time. That is, the bus arrived at the end of the route on-time on 94.7% of the trips

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

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Average score	90	92	92	91	92
Percent of buses exceeding 80 points	97%	100%	100%	97%	100%

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

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Total Accidents	14	10	10	13	19
Accidents per 100,000 miles	2.2	1.6	1.6	2.0	2.9
Preventable Accidents	3	5	5	5	9
Preventable Accidents per 100,000 mi.	0.5	0.8	0.8	0.8	1.4

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

The primary effort during this year is to add lead walks at bus stops with 20 or more boardings per day. Lead walks were installed at 33 bus stops this year. In this effort AATA worked with the City of Ann Arbor and Washtenaw County Road Commission. Benches have been installed at 10 of the lead walk locations, and more will be installed as space permits. Five passenger shelters were installed.

6. **Driver Courtesy and System Performance Goal:** *All complaints will be investigated.*
The following provides a tabulation of complaints for the quarter.

Category	October		November		December		Total		
	Valid	Invalid	Valid	Invalid	Valid	Invalid	Valid	Invalid	Total
Passenger Missed	4	2		3	1	1	5	6	11
Careless/Unsafe Driving	1	3	1	2	1		3	5	8
Rudeness/Lack of Courtesy	1	1		10	1	1	2	12	14
Other Operator Actions	1	1	4	6	1	4	6	11	17
Bus Off Schedule	5	2		4		5	5	11	16
Incorrect Information							0	0	0
Equipment/Facilities		1		2		1	0	4	4
System (policies/rates/etc.)						1	0	1	1
Other AATA	7	3	3	3			10	6	16
Subcontracted Service	5	1	4	5	10	12	19	18	37
TOTAL	24	14	12	35	14	25	50	74	124

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Total Complaints	124	74	67	75	66
Valid Complaints	50	34	25	29	27
Compliments	12	15	8	21	20

The large increase in the number of complaints is primarily due to a change in the recording of complaints for subcontracted service. In the past, only complaints received directly by AATA were recorded. The average number of complaints in this category last year was 8 per quarter. Beginning this quarter, complaints to the contractors are also included.

SERVICE PRODUCTIVITY7. **Fixed-Route Service in the Urbanized Area Productivity Goal:***25 passengers per service hour or higher.*

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Passengers per Svc. Hour	33.0	31.9	30.1	34.2	34.0

9. **Overall AATA System Productivity Goal:** *20 passengers per service hour or higher.*

	<u>This Quarter</u>	<u>Last Four Quarters</u>			
Passengers per Svc. Hour	33.2	33.0	30.1	34.2	34.0

The table on the following page shows the riders, service hours and productivity for each route and event service as well as the productivity for each of the last four quarters.

PRODUCTIVITY BY ROUTE

1st Quarter FY 2010

Route No. and Name	Oct. - Dec. 2009			Previous 4 Quarters Riders per Service Hour			
	Riders	Service Hours	Riders per Service Hour	July - Sept. 2009	Apr. - June 2009	Jan. - Mar. 2009	Oct. - Dec. 2008
1 Pontiac	55,929	2,015	27.8	23.3	25.8	29.8	29.1
1U Pontiac University	8,197	271	30.2	26.3	19.3	28.3	28.5
2 Plymouth	164,322	4,645	35.4	36.0	31.1	35.9	35.1
2X Plymouth Shuttle	7,558	286	26.4	22.4	30.0	27.5	33.5
3 Huron River	81,000	2,412	33.6	31.6	28.5	31.1	29.1
4 Washtenaw	213,026	5,049	42.2	42.2	40.0	42.3	43.5
5 Packard	153,967	4,546	33.9	34.3	31.9	34.8	35.8
6 Ellsworth	167,900	4,166	40.3	39.5	35.2	39.9	42.6
7 S. Main - East	86,017	3,841	22.4	22.1	21.5	22.7	22.3
8 Pauline	48,486	1,306	37.1	37.0	37.6	47.0	48.5
9 Jackson	52,990	1,082	49.0	47.2	42.6	43.8	44.3
609 Jackson University	11,469	417	27.5	24.3	21.3	27.3	24.5
10 Ypsilanti Northeast	31,005	843	36.8	37.7	35.7	39.2	41.0
11 Ypsilanti South	21,733	616	35.3	33.0	33.5	41.3	40.1
12A/B Miller Liberty	59,786	2,021	29.6	30.7	29.6	31.6	32.6
13 Newport	12,773	575	22.2	17.9	19.6	21.8	18.9
14 Geddes - E. Stadium	9,442	462	20.5	19.6	19.8	27.5	29.8
15 Scio Church - W. Stadium	16,295	798	20.4	21.7	21.9	26.2	23.6
16 Ann Arbor - Saline Rd.	28,685	1,599	17.9	19.3	18.4	18.1	16.9
17 Amtrak - Depot	6,203	526	11.8	11.3	8.4	7.1	3.0
18 Miller-University	24,442	1,081	22.6	22.9	20.1	20.3	19.4
20 Ypsilanti Grove - Ecorse	31,606	698	45.3	54.6	52.5	47.1	50.2
22 North - South Connector	52,535	2,736	19.2	18.7	18.7	22.0	21.4
33 EMU Shuttle	39,954	707	56.5	60.2	47.1	58.9	51.5
36 Wolverine Tower Shuttle	108,817	2,511	43.3	35.9	34.1	45.5	44.4
60 LINK					36.2	39.8	32.5
Fixed-Route Total	1,494,134	45,209	33.0	31.9	30.1	34.2	34.0
Senior Ride	729	32	22.6	12.4	13.1	24.2	9.6
Football Ride	14,811	289	51.2	47.0			37.6
Art Fair Shuttle				83.7			
System Total	1,509,674	45,531	33.2	33.0	30.0	34.2	34.0

ANN ARBOR TRANSPORTATION AUTHORITY

Change in Riders by Route

September - December, 2009

Route No. and Name	Fall 2009 Riders	Change from Fall 2008	Fall 2009 UM Riders	UM Riders Change from Fall 2008
1 Pontiac - Dhu Varren	72,485	-6,722	38,427	-2,811
1U Pontiac University	11,192	756	10,631	1,086
2 Plymouth	228,221	4,655	180,885	6,340
2X Plymouth Shuttle	9,622	-915	5,300	-3,033
3 Huron River	111,751	13,147	23,653	235
4 Washtenaw	290,635	-8,958	131,404	-7,873
5 Packard	204,011	-19,128	64,986	-11,301
6 Ellsworth	227,617	-15,841	81,497	-8,650
7 South Main East	117,678	-1,926	23,776	1,448
8 Pauline	64,440	-22,509	20,096	-12,237
9 Jackson	71,145	6,528	19,448	2,099
609 Dexter University	15,239	1,764	12,078	286
10 Ypsilanti Northeast	42,055	-5,081	1,686	-1,047
11 Ypsilanti South	29,718	-3,207	976	-767
12 Miller - Liberty	79,634	-8,006	17,964	-4,005
13 Newport	16,174	1,895	5,754	1,185
14 Geddes - E Stadium	13,028	-5,439	9,721	-2,986
15 S. Maple - W Stadium	22,031	-3,255	7,964	-357
16 Ann Arbor - Saline Rd	39,978	-5,084	14,823	-592
17* Amtrak - Depot St.	7,950	7,411	2,761	2,596
18 Miller - University	32,919	6,095	20,553	-826
20 Ypsilanti Ecorse-W. Willow	42,499	-5,022	1,893	-951
22 North - South Connector	71,928	-9,438	39,585	-4,859
33 EMU Shuttle	53,305	-3,054	0	0
36 U of M Shuttle	149,107	-7,305	139,491	-5,632
Link the LINK	0	-89,218	N/A	N/A
TOTAL	2,024,342	-177,857	875,352	-52,652
			(all riders free)	(all riders free)
			43%	-6%

* New route with service beginning on 12/1/08

Memorandum



To: Performance Monitoring and External Relations Committee
From: Phil Webb and Terry Black
Date: **January 8, 2010**
Re: **Fuel Delivery vs. Consumption**

AATA used approximately 635,000 gallons of ultra-low sulfur biodiesel fuel in fiscal year 2009. AATA typically purchase 25,000 gallons every two weeks purchasing on the spot market from a list of qualified vendors, who have a proven track record of providing quality fuel.

Each morning, the Maintenance Department prints out a daily fueling report from the Fleetwatch software. Total consumption from the night before is compared to the readings from both pumps 1 & 2 from the beginning and end of the shift. Any discrepancies are investigated. Buses are only fueled in the evening.

All the tank lines from the underground storage are continuously monitored and tested for leaks by the tank monitoring system. Weekly, the Maintenance Manager receives an inventory report of all the tanks, including diesel fuel, gasoline, anti-freeze, transmission fluid, motor oil and waste oil to project purchasing requirements.

Monthly, the Finance Department reconciles the gallons used from the Fleetwatch software (reporting through the Ultramain maintenance software), purchases and monthly inventory amounts to record the expense for the month. Gallons used during the month are the basis for the monthly expense, not the amount purchased.

Ann Arbor Transportation Authority Board of Directors
Planning and Development Committee
Proposed Meeting Summary
January 12, 2010 – 3:00 p.m.

Present: Committee – Sue McCormick, Rich Robben (Chair)

Staff – Michael Benham, Terry Black, Ron Copeland, Michael Ford, Jan Hallberg, Ed Robertson, Mary Stasiak, Phil Webb, Karen Wheeler, Chris White

Absent: Committee – David Nacht

Committee Chair Rich Robben called the meeting to order at 3:08 p.m.

1.0 Communications and Announcements

There were no communications or announcements.

2.0 Public Time – Comment on Agenda Items

Thomas Partridge appeared before the Committee and indicated that due to the length of the agenda, it would be difficult to conclude his comments in the two minute timeframe as requested by the Committee Chair. Mr. Partridge advocated for the expansion of AATA to a countywide service. He commented on the December 8 special Board meeting. Mr. Partridge alleged that the committee repeatedly returns to giving preference to commuter projects defying common sense and conventional wisdom. He stated the need for countywide fixed route bus service, accompanying dial a ride service, group ride paratransit, and senior ride service for those people (especially senior citizens and the disabled) who cannot use any other services. He stated that the services should be free of charge.

No one further appearing Mr. Robben declared Public Time closed.

3.0 Action Items

3.1 Capital and Categorical Grant Program

Chris White reported on the final adjustments made to the Capital and Categorical Grant Program noting that the committee has reviewed the program over the past two meetings. Chris indicated that the Program is the 2010 element for application to the Federal Transit Administration for funds in this fiscal year, although they will not actually be spent until subsequent fiscal years. The FTA application will also be used as the basis for the application to the State of Michigan for FY 2011.

Chris reviewed the three final adjustments to the FY 2010 Program which included:

- The addition of \$60,000 for passenger shelters to comply with a federal requirement
- A reduction of \$500,000 for the estimate for ten Hybrid buses based on latest cost information; and
- An increase in the amount for planning by \$200,000 (for a total of \$675,000). Of this total, \$400,000 will be used for the development of the transit master plan and its corresponding countywide service plan.

Chris reported that staff is investigating the advisability of continuing to purchase Hybrid buses and will make a recommendation to the Committee on this issue within the next two months. The Grant Program can easily be adjusted downward at a later date; however, adjusting the Program upward presents far more difficult problems.

Michael Ford reported that the additional planning money was included for development of a Transit Master Plan. A draft of the request for proposals for consultants who might bid on the preparation of such a Master Plan document was included in the Board's January 8 weekly report.

Sue McCormick questioned the ability to "bank" funds, if a reduction to the Program is made. Chris indicated that the funds could be used for this or other purposes, but not likely be transferred between existing line items, as amendments to the planning program necessary for this to occur can take up to six months.

Sue McCormick moved to adopt the Categorical and Capital Grant Program and recommend approval by the full Board. Rich Robben supported the motion which passed unanimously.

3.2 Application to Michigan Department of Transportation for FY 2011

Chris White reported on the FY 2011 application to the State of Michigan which is required by state statute by February 1, 2010. The application must include operating revenues and expenses for urban and nonurban service. Funding received from the State is not based on the budget submitted, but rather on expenses that are actually incurred. The budget for purposes of the required application inflated the adopted FY 2010 budget by 1%. Chris reported that the Capital program has bearing on a series of required assurances and documentation required as part of the state application.

Ms. McCormick questioned the use of toll credits to match Federal funds. Chris White provided an explanation but noted that there is a finite amount of tolls the State can use, and toll credits are rapidly being exhausted. Implications are that the State may not be able to supply the 20% match for capitol items as it has done in the past. If there is a change to the State's ability to provide the full 20% match, then AATA would have to decide whether to use local funds for the match

or to discontinue or delay certain purchases. It is likely that the State will give some indication of its financial status prior to next fiscal year.

Chris noted that funds from FY 2009 are being used for the most recent bus purchases and that if all goes as promised, the State match will be available. He added that there are no big capital items slated for purchase in 2011, and that 2012 may require the consideration of local funds as a match for buses, depending on what happens with the State's Comprehensive Transportation Fund.

Chris reported that a Board resolution in the form required by the state of Michigan is necessary to submit the application to MDOT.

Ms. McCormick moved that the committee move forward with the intent to apply for Financial Assistance for FY 2011 under Act 51, and recommended that the Board approve submission of the application. Rich Robben supported the motion. The motion passed unanimously.

4.0 New Business

There was no New Business.

5.0 Continuing Business

5.1 Low Population Density Service Model

Chris White reported on his talks with Pittsfield Township officials regarding a one-year pilot using a "FlexRide" or "Zone Service" to save money in the township. Chris reviewed the current fixed-route service and paratransit service now provided in the township. The proposed new service would be aimed at providing additional trips in areas of lower population density.

The service would be provided by subcontractor small vehicles to provide transit service within a defined area or "zone". Such a "demonstration" service would be free during the pilot program to promote ridership. The small vehicle would pick up and drop off within the zone and would also connect to AATA's fixed route service at a central hub location.

Chris reviewed the map of the two proposed service zones and a chart comparing the two demographic of the two township areas. A decision about which zone to conduct the pilot service in will be determined jointly by AATA and Pittsfield Township. If the service is successful, a decision would be made on whether to continue to provide the service with a subcontractor, AATA taking over the service, and whether a fare would be instituted for the service. Michael Ford indicated that staff would report back to the committee at its February meeting as to a timeframe for the proposed demonstration service.

5.2 Annual Board Strategic Planning Meeting

Michael Ford recommended holding two Board retreats over the next nine months. The first would be a budget retreat in late April or early May to address budgeting and goals and objectives for FY 2011. The second would be a countywide retreat in the fall of 2010 to address possible expansion of AATA into a regional authority and to discuss the service plan proposed by that time by the consultant. Mr. Ford recommended the use of a facilitator for both events, noting that Doug Eadie was instrumental in the reconfiguration of the Board and might be a good person to continue working with the Board and Senior Staff.

The Committee discussed Mr. Ford's recommendation. Ms. McCormick questioned the necessity of using a facilitator to discuss short term goals and their resulting budget. Mr. Ford responded that he saw the session as an opportunity for teambuilding, but indicated that he could amend the focus to narrow in on a producing a budget. Mr. Ford indicated that he would like to pursue utilizing a facilitator for the session on countywide.

Rich Robben suggested that the subject of retreats might warrant general discussion at a Board meeting. Mr. Ford agreed to take his recommendations to the Governance Committee.

6.0 Updates

6.1 Blake Transit Center Reconstruction Project

Terry Black reported he is working to develop a Request for Proposals for the design and construction of a new BTC building. He indicated that his goal is to issue an RFP by the end of January, and noted that a design proposal will be brought back to Committee and then to the full Board for approval.

6.2 Fuller Road Station

Chris White provided an update on the intermodal transportation center known as the Fuller Road Station project. A consultant and architect have been hired for the project, and design development has begun. Michael Ford is serving on the Facilities Planning Committee which is the executive committee for this effort. Chris White is a member of the Functional Planning Design Work Group, and Shawn Brophy is a member of the Public Safety and Security Group.

Efforts are currently underway to build a combined City and University parking structure as Phase I of the project. Work is being completed on the design to make sure that it is then able to add other elements of a train station, bike center, and a more vigorous transit center station in future phases.

6.3 Ann Arbor Connector Feasibility Study

Chris White reported that monthly meetings by the Steering Committee for this project that include representatives from AATA, the City of Ann Arbor, the University of Michigan and Washtenaw Area Transportation Study.

In order to test alternatives and compare them to a “no-build” alternative and to each other, it is necessary to have a detailed and well-tested transportation model. Much of the effort of the committee so far has been in this area. Public information will begin in the next month with a newsletter, website, interviews and focus groups.

6.4 Countywide Transit Service Plan Development

Michael Ford reported on the status of a request for proposal (RFP) to hire a consultant to develop a Transit Master Plan for county-wide services. The plan includes a needs assessment along with a service plan. The RFP is scheduled to be issued by mid-January. Input on the RFP was solicited from Terri Blackmore (WATS), Eli Cooper (City of Ann Arbor), Sue Gott (University of Michigan), and Susan Pollay (Ann Arbor DDA).

6.5 Proposed WALLY and East/West Commuter Rail Projects

Michael Benham provided an update on the WALLY project reporting on the expected use of an outside consultant to conduct an environmental assessment that will include a noise and vibration analysis.

Final issues associated with railcars to be used on WALLY have been resolved. Cars for WALLY are piggybacking on a rail car order from the East/West Rail Project. Station design standards are 90% complete and the next step is to develop site plans for each station.

A preliminary program of grade crossing improvements was developed by MDOT and reviewed by AATA. Final recommendations for these improvements will be developed and construction will be funded by MDOT. Two layover yards will be created (one for midday storage of trains and one for overnight) with both located on existing MDOT property. Construction of layover facilities is feasible in the second quarter of 2010.

Mr. Benham reported on marketing and public education efforts including meetings with coalition members, sub-committees and stakeholders. He provided an update on acquiring project development funding in 2010, and the investigation of federal grants to reduce operating subsidy requirements to a minimum level.

Mr. Benham provided an update on the East/West Rail Project that has a proposed startup date of October 25, 2010. The service is now planned to have two round trips between Ann Arbor and Detroit, and two additional trips between Ann Arbor

and Dearborn (with connecting bus service to downtown Detroit). Mr. Benham reported that a layover facility plan needs to be discussed with the City of Ann Arbor, and that Amtrak is expected to be the operator of the new service. He added that passenger capacity for both rail services is expected to be about 450 per train with 150 people in each of the expected three cars.

Ms. McCormick suggested that in order to function effectively and be successful, a tight connection would be necessary between the train and any connecting bus services. Chris White responded that connecting bus service is to be included in the funding for East/West, and that plans were in place to retain additional buses in AATA's contingency fleet when new buses arrive in May 2010. Chris added that a schedule for connecting service is very important, but has not yet been received by AATA.

6.6 Washtenaw Avenue Transfer Center

Chris White reported on plans to develop a common site that would serve both eastbound and westbound buses on the south side of Washtenaw Avenue. AATA Staff met with MDOT and the City of Ann Arbor to discuss this issue. The City was fairly positive about the plan's feasibility, while MDOT was more reserved.

The next step is to meet with the adjacent property owner on Washtenaw Avenue. Even though the project is entirely in the public right-of-way, it appears that the property owner's cooperation will be needed, since access to and from adjoining property will be affected.

Meanwhile AATA is proceeding with the design of the eastbound bus pull-out. This is the one element of the larger concept that AATA, the City, and MDOT feel can be built without affecting the adjacent private property. In response to a question from Sue McCormick on notification to the public on the details of project plans, Mary Stasiak indicated that details will be shared with riders once discussions begin with the adjacent property owner.

6.7 Central Campus Transit Center

Chris White reported that the design of the Central Campus Transit Center is complete. Construction specifications are being prepared for bid in February with construction scheduled to begin in May. A Use Agreement between the City of Ann Arbor, AATA and the University of Michigan is being developed, and a draft is expected to be received shortly.

7.0 Public Time

No one appearing, Mr. Robben declared Public Time closed.

8.0 Future Meetings

Tuesday, February 9, 2010 at 3:00 p.m.

9.0 Adjourn

There being no further business, Mr. Robben adjourned the meeting at 4:14 p.m.

Respectfully Submitted,

Karen Wheeler



To: Board of Directors
From: Michael Ford, Chief Executive Officer
Date: January 15, 2010
Re: Monthly Report

Work over the past month has been centered on continuing to build the future of the organization and securing our place in the region. Meetings were held with City officials from Ann Arbor and Ypsilanti, as well as Ann Arbor City Council Members and real estate developers. My aim is to strengthen existing relationships and forge new ones. We are focusing on collaborating with our community partners with an eye toward obtaining buy-in for expansion.

Transit Master Plan

The Request for Proposals (RFP) for to hire a consultant to develop a Transit Master Plan is complete and is scheduled to be issued in the next week. A collaborative effort was made in development of the RFP. A cross-functional internal team worked on the project and the RFP was reviewed by the following community partners who shared their expertise and provided input: Terri Blackmore from the Washtenaw Area Transportation Study, Eli Cooper from the City of Ann Arbor, Sue Gott from the University of Michigan, and Susan Pollay from the Ann Arbor Downtown Development Authority.

The plan will be tailored to Ann Arbor and the whole county and will include the integration of several modes of transportation: fixed-route, paratransit, over the road, rail, and commuter, bicycling and walking. The deliverables include a master Transit Plan, needs assessment, transit plan and implementation plan.

Public Act 196

A decision on whether to modify AATA's legal basis has been placed on hold pending development of the Transit Master Plan. It is hoped that the Plan will point to the direction that we should take with regard to our legal status.

Washtenaw Avenue Transfer Center/Arborland

Arborland Mall ownership has not responded to our latest communication that was sent in December. Despite this, in order to better serve our customers, we must move forward. We are in discussions with representatives from the Michigan Department of Transportation and City of Ann Arbor regarding development of a common platform to serve eastbound and

westbound buses on the south side of Washtenaw Avenue. A commitment on the project is pending. Meanwhile plans are proceeding to with design of a pull-out for eastbound buses. This is one element of the larger platform plan, and all parties (MDOT, the City and AATA) feel that this can be built without affecting private property. I will keep you apprised of developments on the project.

Blake Transit Center

We have responded to the call from Board and community members to include a member of the disability community on the project team for the Blake Transit Center. The Local Advisory Council was notified of this at their January 12 meeting.

Staff continues work on development of a Request for Proposals (RFP) which will include a two-phase process. Once the design portion is complete, it will be brought back to the Board for approval. The RFP scope of work requires major involvement from staff, as well as input from many segments of our stakeholder community. We look forward to engaging the expertise of valued community members on design of the new facility.

Library Lot Redevelopment

I have been invited to observe the interviews of proposers to the project to redevelop the City owned Library Lot. My role will be limited as I will not be engaged in the deliberations of the committee. I have the opportunity to present questions to Jayne Miller who will seek the answers from the proposers. I appreciate the opportunity to work on this important community project.

Board Committee Meetings

The Board committee meetings were productive this month as is detailed in the two meeting summaries. The Planning and Development Committee recommended approval of the Capital and Categorical Grant Program as well as submission of the FY 2011 Application for Funding to the State of Michigan. The Performance Monitoring and External Relations Committee agreed to recommend that the full Board adopt a plan for shaping the future of public transportation in Washtenaw County. The committee recommended approval of a project to replace doors and windows at 2700 South Industrial to maintain the useful life of the facility. The final action item approved by the committee was a proposed 21-month Purchase of Service Agreement with the City of Ypsilanti.

MRide Negotiations

Negotiations on the MRide agreement resumed after the first of the year. The two teams are scheduled to meet weekly until an amicable agreement is reached. The first two sessions got the process off to a good start with both sides agreeing to promote seamless transportation to the greatest extent possible.

Mission, Vision, Values

The Mission, Vision and Values of the organization will be reemphasized to support the Board's decision to take steps toward developing a countywide service plan. There will be an internal focus to get employees connected to a bigger vision. There will be a parallel external education initiative to heighten awareness of AATA in the broader community.

Local Advisory Council

We continue to work on the logistics of the Board responding to requests from the Local Advisory Council. We look forward to a thoughtful, productive and communicative process between the two bodies.

DRAFT

LOCAL ADVISORY COUNCIL (LAC) MEETING MINUTES

Where: Ann Arbor Transportation Authority, 2700 S. Industrial Hwy.
When: Tuesday, January 12, 2010, - 10:00 a.m. to 12 Noon

1.0 Introduction of Attendees

LAC Executive Council Members:

Present: Rebecca Burke (Chair), Clark Charnetski (Co-Chair), Cheryl Weber, Karen Wanza, Joanne Weintraub, Jody Slowins, Mary Wells

Absent: Sara Keller, John Kuchinski, Amy Smyth,

General LAC Members: Steven McNutt,

Guests: Dave Reid (SR) Nick Sapkiewicz (WATS), Ray Woodcock (CIL)

AATA Board Liaison:

AATA Liaison: Brian Clouse

Definition of Acronyms:

AACIL	Ann Arbor Center for Independent Living
AATA	Ann Arbor Transportation Authority
AAA1B	Area Agency on Aging 1B
BTC	Blake Transit Center
CSR	Customer Service Representatives
FOIA	Freedom of Information Act
LAC	Local Advisory Council
MDOT	Michigan Department of Transportation
PPA	Partners in Personal Assistance
RICC	Regional Interagency Consumer Committee
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

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2.0 Communications and Announcements

- 2.1 Mr. Charnetski mentioned that he was unable to attend the SMART Advisory meeting last month due to poor weather conditions.
- 2.2 Mr. Sapkiewicz announced the names of the representatives on WATS newly created Technical Advisory Committee and that the committee meets at WCC the first Wednesday of every month.

3.0 Review and Approval of Minutes

The December draft minutes were approved as amended.

4.0 Public Comment Time (5 minute time limit per speaker)

- 4.1 Ms. Weintraub complimented Blue Cab for her recent Holiday Ride trip, stating that service has improved since her last trip.
- 4.2 Ms. Slowins complimented a Yellow Cab A-Ride driver, stating that in her opinion he is their most polite and best driver.
- 4.3 Mr. Woodcock informed the LAC that the inbound bus route #6 now serves the CIL's main office.
- 4.4 Mr. Clouse announced that Ms. Grawi from the CIL is requesting that the LAC consider amending the Sign In Sheet portion of the Guide to Public Participation to read "as a reasonable accommodation a person wishing to participate may request assistance to be signed in to make a public comment". The LAC decided that this addendum is not required because the guide currently advises attendees to ask for assistance.

5.0 AATA Board Meeting Report

- 5.1 Mr. Charnetski provided an update on the two meetings held last month at the WCC regarding the evaluation of countywide services and the hiring of a consultant to review the plan. Mr. Charnetski informed the LAC of the Boards discussion regarding the BTC project and noted that the LAC is interested in becoming more involved. He also read a passage from the December draft Board minutes regarding bus stop accessibility and the Arborland issue. Mr. Clouse suggested the LAC consider addressing this mater formally and Mr. Reid suggested the LAC initiate a petition signed by store managers

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opposed to the issue. Open discussion over the dangers of the Arborland situation ensued.

Governance Committee LAC Items: Does AATA or the Board see any current or future cutbacks in A-Ride services for those people the LAC represents (see new business item 6.2).

6.0 Business Items

Old Business

NONE

New Business

6.1 AATA No-Show Policy Revisions

Mr. Clouse explained and compared the suggested changes between the current and revised policy. LAC members provided feedback and requested clarification on several items. The LAC decided to wait for a more complete version of the policy prior to supporting it. Mr. Clouse stated that he would present a revised draft at the next LAC meeting.

6.2 A-Ride Ad-Hoc Committee (cost savings)

Mr. Clouse announced that he would be holding ad-hoc committee meetings aimed at addressing cost saving measures for the A-Ride program. He stated that this committee will address solutions that could affect A-Ride service which was a Governance Committee question to Mr. Ford last month. He mentioned that these meetings will be held at AATA's main office, one in the morning and one in the afternoon and that he will send out email invitations to everyone on the LAC mailing list as well as post the meeting dates and times in AATA's lobby.

6.3 A-Ride Survey Draft

The LAC reviewed the draft survey and provided comments and feedback. Mr. Clouse mentioned that the survey will be administered in a random manner to about 100 riders later this month or February.

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6.4 BTC Update (Blake Transit Center)

Mr. Clouse stated that Mr. Ford will be extending an invitation to the LAC and other community resources such as the CIL for their involvement. Mr. Clouse stated that Mr. Black (AATA's Manager of Maintenance) is currently preparing the BTC RFP (request for proposal) and will give a presentation to the LAC at the February or March meeting.

7.0 Public Comment Time

There were no public comments.

Future Agenda Items

Old Business

1. Board Charge Updated Language
2. BTC Presentation (TBD)
3. Final No-Show Policy Revision
4. A-Ride Survey "Trip" Definition

New Business


5. A-Ride Ad-Hoc Committee Report
6. Bus Stop Improvement Results
7. Arborland Update

8.0 Adjourn

9.0 Next LAC Meeting

Tuesday February 9, 2010, AATA Main Office, 10:00 a.m. to 12 Noon.

Respectfully Submitted,


Brian Clouse, AATA Liaison

Resolution 8/2010

APPROVAL OF FY 2010-2014 CAPITAL AND CATEGORICAL GRANT PROGRAM

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

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

WHEREAS, the AATA is required to submit the program for FY 2011 – FY 2013 to the Michigan Department of Transportation (MDOT) by February 1, 2010 as part of the annual application for FY 2011 funding, and

WHEREAS, the AATA has developed a current program for FY 2010-2014 by updating and revising the previously-adopted program, and

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

NOW, THEREFORE, BE IT RESOLVED, that the Ann Arbor Transportation Authority Board of Directors hereby adopts the FY 2010-2014 Capital and Categorical Grant Program.

Paul C. Ajegba, Chair

January 20, 2010

Charles Griffith, Secretary

January 20, 2010

MEMORANDUM

To: Planning and Development Committee

From: Chris White
Manager of Service Development

Re: 2010 -2014 Capital and Categorical Grant Program

Date: January 6, 2010



Over the past two months we have reviewed proposed changes to update the Capital and Categorical Grant Program. Adoption of the revised program is needed in January for federal and state application deadlines.

Attached is the 5-year summary as well as the program detail for FY 2010 and FY 2011. We have made three final adjustments to the FY 2010 program from last month:

- \$60,000 has been added for passenger shelters to comply with a federal requirement.
- The estimate for 10 hybrid buses has been reduced by \$500,000, down to \$7,000,000 based on the latest information.
- The amount for planning has been increased by \$200,000 to \$675,000. Of this total, \$400,000 is for the development of the transit master plan and countywide transit service plan.

Last month we discussed whether it made sense to continue to purchase the 10 hybrid buses in the FY 2010 program given the increasing price and advances in emissions by conventional diesel buses. This is an important and complex decision and some of the information is not available yet. We will be bringing this information to the Board in the next 2 months. We believe that the best course of action is to include the higher-cost hybrid buses in our program at this time. We do not need to make a final decision at this time and this program can be adjusted down at a later date. We will need to make a decision about this by April, and we will not take action to purchase these 10 buses without Board concurrence.

We would be happy to discuss any questions or concerns at our meeting in January.

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

BACKGROUND INFORMATION on Federal and State Requirements

The AATA benefits greatly from the way in which the Federal government provides capital funding. The AATA receives an annual allocation of what are called "Section 5307 funds." We can put these funds into a grant in the year they are allocated, or we can save them for use in subsequent years. This permits us to plan to meet most of our capital needs. In addition, we are also eligible to receive federal discretionary transit funds. Historically, we have been quite successful in obtaining discretionary funding. The primary sources of federal discretionary funds are Congestion Management/Air Quality (CMAQ) which are allocated through a regional funding process, and Section 5309 funds which are designated for specific projects through Congressional action

Michigan's financial problems have complicated our planning process. By State law, the first priority for State transit funds is to provide 20% of the cost to match the Federal 80% share. The Michigan Department of Transportation (MDOT) is continuing to provide the 20% match for Federal grants for the purchase of replacement buses and facility construction. However, for all other items, MDOT has been providing the match for federal grants using "toll credits." This provides the match, but we do not receive the funds. The effect of this on AATA is that for \$100 in AATA's program, we get \$80 in Federal funds, and do not have to pay any local share. The state's balance of toll credits is nearly exhausted, and continued state share for capital purchases is in jeopardy.

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

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

**ANN ARBOR TRANSPORTATION AUTHORITY
FIVE-YEAR CAPITAL & CATEGORICAL GRANT PROGRAM
THROUGH FISCAL YEAR 2014**

DESCRIPTION	2009 actual	2010	2011	2012	2013	Prepared by: Chris White	
						As of 1/6/09	2014
Large Buses - Replacement	Quantity Cost \$0	10 \$7,000,000	0 \$0	7 \$5,250,000	0 \$0	0 \$0	0 \$0
Medium/Small Buses - Replacement	Quantity Cost \$0	0 \$0	9 \$1,080,000	0 \$0	0 \$0	0 \$0	0 \$0
Large Buses - Expansion	Quantity Cost \$2,500,000	4 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Medium/Small Buses - Expansion	Quantity Cost \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
On-Board Systems and Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance Equip. and Bus Components	\$150,000	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Computer Hardware and Software	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
Park and Ride Lots & Transfer Facilities	\$1,530,000	\$900,000	\$1,000,000	\$0	\$0	\$1,500,000	\$1,500,000
Preventive Maintenance	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000	\$1,680,000
Non-revenue Vehicles	Quantity Cost \$0	0 \$0	3 \$90,000	0 \$0	3 \$105,000	0 \$0	0 \$0
Passenger Area Facilities and Equip.	\$240,000	\$360,000	\$80,000	\$50,000	\$80,000	\$50,000	\$50,000
Capital Cost of Contracting	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Fixed Facilities	\$0	\$1,010,056	\$0	\$0	\$500,000	\$0	\$0
Planning	\$1,015,000	\$675,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000
Outreach and Rideshare	\$175,000	\$415,000	\$455,000	\$455,000	\$455,000	\$455,000	\$455,000
TOTAL	\$7,610,000	\$12,660,056	\$5,355,000	\$8,405,000	\$3,790,000	\$4,655,000	\$4,655,000
Federal Share							

ANN ARBOR TRANSPORTATION AUTHORITY
FY 2010 CAPITAL & CATEGORICAL GRANT PROGRAM

DESCRIPTION	LOCAL		FEDERAL		STATE	TOTAL
	Section 5307	OTHER	Section 5307	OTHER		
10 Large Buses - Replacement	\$4,000,000	\$2,000,000	\$1,000,000		\$7,000,000	
0 Medium/Small Buses - Replacement	\$0	\$0	\$0		\$0	
0 Large Buses - Expansion	\$0	\$0	\$0		\$0	
0 Medium/Small Buses - Expansion	\$0	\$0	\$0		\$0	
On-Board Systems and Equipment	\$300,000				\$300,000	
Maintenance Equip. and Bus Components	\$120,000				\$120,000	
Computer Hardware and Software	\$160,000				\$160,000	
Park and Ride Lots & Transfer Facilities	\$1,680,000		\$700,000		\$900,000	
Preventive Maintenance	\$0				\$1,680,000	
0 Non-revenue Vehicles	\$0				\$0	
Passenger Area Facilities and Equip.	\$60,000		\$300,000		\$360,000	
Capital Cost of Contracting	\$200,000				\$200,000	
Fixed Facilities	\$0		\$1,010,056		\$1,010,056	
Planning	\$675,000				\$675,000	
Outreach and Rideshare			\$415,000		\$415,000	
TOTAL	\$7,195,000	\$0	\$4,425,056	\$1,040,000	\$12,660,056	

Prepared by:
Chris White

As of 1/6/09

NOTES

Hybrid buses. Price escalation exceeds available funds. No source of "other" federal funds have been secured

Associated Capital maintenance

Ongoing upgrade of computer capabilities

\$700,000 ARRA for CCTC. Remainder for Washtenaw Ave. transfer center or Glencoe Crossings

Operating expense.

\$300,000 ARRA for Washtenaw Ave. transfer center. Remainder for shelters for Wash. Ave. to comply with transit enhancements

Operating expense - portion of subcontracted service attributable to capital costs

Garage expansion - ARRA funds

Operating expense

Operating expense. 100% Congestion Mitigation/Air Quality (CMAQ) funds are anticipated.

**ANN ARBOR TRANSPORTATION AUTHORITY
Capital and Categorical Grant Program**

Prepared by: Chris White
1/11/10

**FY 2010
Change from Adopted Program Including Changes Due to
ARRA**

DESCRIPTION	Adopted Program	Change	Revised Program	Notes
10 Large Buses	\$5,500,000	\$1,500,000	\$7,000,000	Increased price estimate for hybrid buses
4 Large Buses	\$2,320,000	-\$2,320,000	\$0	Included in FY09 ARRA grant
Maintenance Equip. & Bus Components	\$300,000	\$0	\$300,000	Associated capital maintenance
Computer Hardware and Software	\$120,000	\$0	\$120,000	
Park and Ride Lots & Transfer Facilities	\$200,000	\$700,000	\$900,000	Addition for Central Campus Transit Center - ARRA funds. Remainder for Washtenaw Transfer Center or Glencoe Crossing
Fixed Facilities	\$0	\$1,010,056	\$1,010,056	Garage Expansion ARRA funds
Preventive Maintenance	\$1,680,000	\$0	\$1,680,000	
Capital Cost of Contracting	\$200,000	\$0	\$200,000	Passenger Facilities
Passenger Area Facilities and Equipment	\$0	\$360,000	\$360,000	\$300,000 in ARRA funds. Additional \$60,000 in Section 5307 funds to comply with federal grant requirement
Planning	\$375,000	\$300,000	\$675,000	Additional consultant cost for development of countywide service plan
Rideshare and Outreach	\$180,000	\$235,000	\$415,000	CMAQ funds for FY 2011 operations. Expansion of AATA employer program to countywide. Ongoing increase in getDowntown for 2nd staffperson
TOTAL	\$10,875,000	\$1,785,056	\$12,660,056	

Resolution 9/2010

Authorization to Execute Contract with for Replacement of Windows at AATA
Headquarters

WHEREAS, the replacement of doors/windows in the administration section of the building is included in the renovation of the AATA facility and federal and state grant funds are available for this purpose, and

WHEREAS, replacement of a request for proposals was issued and advertised, and

WHEREAS, proposals were received from (5) companies, and

WHEREAS, the proposal of JC Beal Construction Company was responsive and responsible and had the lowest cost,

NOW, THEREFORE, BE IT RESOLVED that the AATA hereby authorizes the CEO to execute a contract with JC Beal Construction Company for \$169,950.

Paul C. Ajegba, Chair

January 20, 2010

Charles Griffith, Secretary

January 20, 2010

MEMORANDUM

To: Performance Management/ External Relations Committee

From: Terry D Black
Manager of Maintenance



Re: Doors/ Window Replacement at 2700 S.
Industrial

Date: January 4, 2010

Phase III of a grant designated for the rehabilitation/renovation of the 2700 S. Industrial facility included funds to replace the doors/windows in the administration section of the building. The existing windows and doors are the original doors/windows installed at the time of construction approximately 26 years ago. The current windows have air draft/ water leakage problems around the window framing and glass seals to the extent that it has created drywall, window sill and wallpaper damage in several areas throughout the building.

A RFP for door/window replacement was issued in September of 2009. The RFP specifications requested energy efficient thermal multiplane framing with insulated low E energy efficient glass, the reuse of existing door openers/hardware where possible and to perform minor construction repairs as needed.

AATA received proposals from (5) qualified firms with JC Beal Construction Company providing the overall lowest bid at \$169,950.00 and met all of the RFP requirements. Federal and state grant funds are programmed to pay the entire amount.

At this time AATA staff recommends issuing a contract to JC Beal Construction Company to begin work on the project the spring of 2010.

Resolution 10/2010

RESOLUTION OF INTENT TO APPLY TO APPLY FOR FINANCIAL ASSISTANCE FOR FISCAL YEAR 2011 UNDER ACT 51 OF THE PUBLIC ACTS OF 1951, AS AMENDED

WHEREAS, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the Ann Arbor Transportation Authority (AATA) established under Act 55 of 1955 to provide a local transportation program for the state fiscal year of 2011 and, therefore, apply for state financial assistance under provisions of Act 51; and

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

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

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

WHEREAS, the AATA, has reviewed and approved the proposed balanced budget, and funding sources of estimated federal funds \$2,869,400, estimated state funds \$6,611,800, estimated local funds \$10,250,700, estimated fare box \$4,705,000, estimated other funds \$181,000, with total estimated expenses of \$24,617,900.

NOW THEREFORE, be it resolved that the AATA hereby makes its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51; and

HEREBY, appoints Michael G. Ford as the Transportation Coordinator, for all public transportation matters, who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2011.

Paul C. Ajegba, Chair

Charles Griffith, Secretary

January 20, 2010

January 20, 2010

MEMORANDUM

To: Planning and Development Committee

From: Chris White
Manager of Service Development

Re: FY 2011 State Funding Application

Date: January 6, 2010



We are required to submit our application for FY 2011 state funding by February 1, 2010. The application date, and many of the other requirements are set by statute. There are two financial elements in the required application.

One element of the application is for capital funding. This portion of the application will consist of the FY 2011 element of AATA's Capital and Categorical Grant Program. In the past several years, MDOT has provided funds for bus replacement and facility construction and toll credits for all other items. This is normally an orderly process, but the availability of state funding for capital match in FY 2011 is uncertain at this time.

The second element is an operating budget for FY 2011. The budget is required by statute, but it is of little actual consequence. The state operating assistance we will receive will be based on our actual expenses next year, not the expenses in the application. In addition, MDOT will request – and we will provide - a copy of our final budget for FY 2011 once it is adopted in September. MDOT does use the operating budget submitted in the applications for planning purposes. For this application, I have used a 1% overall increase from the adopted FY 2010 budget.

A Board resolution is required to authorize submission of the application and MDOT has a required format for the resolution. A draft resolution is attached in the required format.

Resolution 11/2010

Purchase of Service Agreement with the City of Ypsilanti

WHEREAS, the City of Ypsilanti adopted a resolution committing funds for the local share of the cost of transit service to June 30, 2011, and

WHEREAS, the AATA committed federal stimulus (ARRA) funds to pay a portion of the local share of cost for transit service in Ypsilanti and Ypsilanti Township in order to continue the current level of service, and

WHEREAS, the City of Ypsilanti requested that the AATA provide a purchase of service agreement (POSA) through June 30, 2011, and

NOW, THEREFORE, BE IT RESOLVED that the AATA hereby authorizes the CEO to execute a POSA with the City of Ypsilanti for the period 10/1/2009 – 6/30/2011 for the continuation of service at a total cost to the City of Ypsilanti of \$312,330.

Paul C. Ajegba, Chair

January 20, 2010

Charles Griffith, Secretary

January 20, 2010

MEMORANDUM

To: Performance Monitoring &
External Relations Committee

From: Chris White
Manager of Service Development

Re: City of Ypsilanti Request for a 21-Month
Purchase of Service Agreement

Date: January 6, 2010



At our December meeting we discussed a request from the City of Ypsilanti for a 21-month purchase of service agreement (POSA) from October 1, 2009 to June 30, 2011. This period is consistent with the funding resolution adopted by the Ypsilanti City Council on September 8, 2011.

After the discussion in December, staff evaluated this possibility. We normally base the purchase of service agreement on the adopted budget, and obviously we do not have an adopted budget for FY 2011 yet. However, we can do a 21-month POSA if we are willing to formally accept the payment Ypsilanti proposed.

Attached is a draft POSA calculation is attached for fixed-route service and A-Ride service for the 21-month period. The calculation is separated into two periods. The first period coincides with our fiscal year (10/1/09-9/30/10) and the figures are consistent with our adopted budget. The figures for the second period were developed so that the total amount to be paid by Ypsilanti is consistent with the amount pledged by the City for this 21-month period, and the total amount of ARRA funds is consistent with the amount committed by the AATA Board by resolution.

Total amount pledged by Ypsilanti in the resolution of 9/8/09 = \$311,239

Amount included in attached POSA =	
21-month fixed route POSA:	\$257,299
21-month demand-response POSA:	\$ 53,940
Total	\$311,239

In the fixed-route calculation, the cost per service hour for 10/1/2010 – 6/30/2011 is calculated. That is, after the revenues are determined, the cost per service hour is the calculated so that the revenues and expenses are equal. The resulting cost/service hour is \$99.17, which moves us farther toward charging the fully-allocated cost than we were planning for FY 2011. As you will recall, the Board determined that we would move incrementally to charging the fully-allocated cost by FY 2012.

With a 21-month agreement, there is somewhat more danger of a reduction in state or federal revenue occurring during the term of the agreement. However, the standard POSA agreement already contains a clause permitting us to reopen the agreement if there is a significant change in revenue, which provides some protection.

The conclusion is that a 21-month POSA can be done in this instance. A draft resolution is included for your consideration.

Exhibit #2

page 1

**CITY OF YPSILANTI
Fixed-Route Service
COST CALCULATION**

**21- Month
Agreement**

TOTAL 21 Months

	10/1/2009 - 9/30/2010	10/1/2010- 6/30/2011	10/1/2009 - 6/30/2011
<u>EXPENSES</u>			
Service Hours	14,262	10,699	24,961
Cost per Service Hour	\$89.00	\$99.17	
Total Cost	\$1,269,318	\$1,060,967	\$2,330,285
<u>REVENUES</u>			
Federal Operating Assistance	\$175,700	\$131,806	\$307,506
State Operating Assistance	\$375,845	\$314,152	\$689,997
Passenger Fares	<u>\$472,058</u>	<u>\$403,610</u>	<u>\$875,668</u>
Revenue Subtotal	\$1,023,603	\$849,568	\$1,873,171
ARRA Funds Applied	\$133,209	\$66,606	\$199,815
Local Share (see below)	\$112,506	\$144,793	\$257,299
Total Revenue	\$1,269,318	\$1,060,967	\$2,330,285

Ypsilanti Payment \$112,506 \$144,793 \$257,299

The FY 2010 payment is based on applying \$94,330 of the Ypsilanti budget for FY 2010 ending 6/30/10 plus 1/4 of the \$218,000 pledged for FY 2011 minus the amount required for A-Ride Service.

**CITY OF YPSILANTI
A-Ride Service
COST CALCULATION**

**21- Month
Agreement**

	10/1/2009 - 9/30/2010	10/1/2010- 6/30/2011	TOTAL 21 Months 10/1/2009 - 6/30/2011
<u>EXPENSES</u>			
Passenger Trips	6,700	4,774	11,474
Cost per Trip	<u>\$19.66</u>	<u>\$20.25</u>	
Total Cost	\$131,708	\$96,657	\$228,366
<u>REVENUES</u>			
Federal Operating Assistance	\$34,141	\$24,325	\$58,466
State Operating Assistance	\$44,493	\$39,304	\$83,797
Passenger Fares	<u>\$16,750</u>	<u>\$14,321</u>	<u>\$31,071</u>
Revenue Subtotal	\$95,384	\$77,951	\$173,335
Local Share	<u>\$36,324</u>	<u>\$18,707</u>	<u>\$55,031</u>
Total Revenue	\$131,708	\$96,657	\$228,366
Ypsilanti Payment	\$35,233	\$18,707	\$53,940

AATA'S PLAN FOR SHAPING THE FUTURE OF PUBLIC TRANSPORTATION IN WASHTENAW COUNTY

The Ann Arbor Transportation Authority Board of Directors adopted a Vision to provide public transportation services throughout Washtenaw County.

"The Ann Arbor Transportation Authority shall be the public transportation provider for Washtenaw County. Our customers shall see AATA's expanded services as the preferred option for traveling to destinations within the county, as well as to and from the county. AATA will offer appropriate modes of transportation with the most efficient use of resources. These services shall enhance the quality of life for Washtenaw County stakeholders while promoting the economy, safeguarding the environment, and strengthening communities."

To complement this Vision, a Board Resolution was also passed providing direction for staff to develop a countywide service plan that includes other transportation initiatives, and positions AATA to identify funding and operating opportunities to coordinate and integrate values-based transportation systems within all of Washtenaw County, including connecting as appropriate with transportation services of adjoining counties. Staff has been directed to seek advice, guidance, and approval from the Board prior to implementing major segments of a countywide transportation system. *THE DEVELOPMENT OF THIS SERVICE PLAN SOLIDIFIES AATA'S INTENTION TO PLAY A SIGNIFICANT LEADERSHIP ROLE IN SHAPING THE FUTURE OF PUBLIC TRANSPORTATION THROUGHOUT WASHTENAW COUNTY.*

This Master Transit Service Plan will include:

- Recommendations that consider not only mobility issues but also related topics such as economic development, land use, air and water quality, housing, job creation, open space and natural resources, sustainability, and energy consumption.
- A financial component that describes the costs, both capital and operating, of undertaking plan recommendations.
- A needs assessment that will describe the consequences of current and future unmet transit needs in terms of mobility, urban form, economic impacts, safety, social impacts and environmental impacts .
- A basis for developing and delivering transit projects and programs over the next 25 years.
- At a minimum, options (or alternatives, or scenarios) that vary according to the funding levels needed to pay for them (e.g. high, medium, and low).
- At minimum, options (or alternatives, or scenarios) for at least three time-frames (e.g. 5-year, 10-year and 20-year).
- Strategies for funding recommended improvements.

Reaching a Shared Vision

A successful future of public transportation in Washtenaw County necessitates open communication with all stakeholders on the current status of services available and performance measures, a comprehensive study and analysis of transit options involving all stakeholders, and a process to evaluate performance of the new system and update goals and objectives as we go along. AATA is committed to engaging, leading, communicating and creating a meaningful dialog with all stakeholders to achieve a shared vision for Countywide Public Transportation Services.

PHASE 1 - Now through the summer of 2010

- A) Assure that the entire community has access to clear and understandable information about AATA's service delivery system and how to measure our performance using multiple communications methods, including traditional and existing as well as emerging technologies, such as improving the content and accessibility of our web site and providing video coverage of meetings, to promote transparency and accountability.
- B) Create opportunities to meet with stakeholder organizations including, but not limited to governmental units, major employers and business organizations, school districts, higher education institutions, senior citizen groups, social service providers, organizations that represent people with special needs, as well as open meetings for all citizens.
- C) Gather information on transit options for the future, the capital and operating costs of each option, and the projected impacts on the county and share this with all stakeholders.

PHASE 2 - Summer of 2010 through the Beginning of 2011

- A) Create DRAFTS of Service Plan options to generate discussion among all stakeholders.
- B) Gather feedback and continue to modify the Service Plan options to generate a final version.
- C) Make changes to governance structure influenced by the outcome of the Master Transit Plan, so short and long term goals have the best chance of success.

Phase 3 - Winter of 2011 through the summer of 2011

- A) The governance structure will develop and implement 3-5 year strategic plans in conjunction with Stakeholders to initiate implementation to achieve the expected outcomes of 2035.
- B) Continue communication with stakeholders to ensure the plan meets their needs and is supported.
- C) Continue to improve accountability and transparency for the community.

AATA Board and Staff are committed to this process. Resources will be provided, as needed, to achieve success in implementing the Master Transit Plan for Washtenaw County. The AATA Board is prepared to transition into the best governance structure to achieve the best public transit plan for our community.

Resolution 12/2010

**RESOLUTION TO ADOPT A PLAN FOR SHAPING THE FUTURE OF PUBLIC
TRANSPORTATION IN WASHTENAW COUNTY**

Whereas, the Ann Arbor Transit Authority (AATA) was chartered by the City of Ann Arbor in 1969 and has provided public transit services to city residents supported by a millage and to surrounding communities, supported by Purchase of Service Agreements (POSAs), and

Whereas, public transit is a critical part of the regional infrastructure and an essential catalyst for sound development patterns and future economic growth, and

Whereas, Washtenaw County continues to grow in population and continues to evolve as a major economic engine within the State of Michigan and is a destination for employment, entertainment, education and recreation, and

Whereas, a number of plans and proposals have been set forth by various agencies within the county to provide transit infrastructure, and

Whereas, a comprehensive public transit system requires long-term plans which include the perspective of the needs of the area's citizens and institutions, and

Whereas, long-term plans require benchmarks and strategies for implementation, therefore,

Be it resolved that:

The AATA Board adopts the Plan for Shaping the Future of Public Transportation in Washtenaw County, and

Work on this Plan commences immediately to educate the public on current AATA operations and services as well as various transit options for future consideration, and

By summer of 2010, AATA will produce a Draft Transit Service Plan for discussion with all stakeholders. The Plan will include, but is not limited to a vision of public transit services to be provided over the course of the next 25-30 years and potential funding options to capitalize and maintain this Plan, and AATA will identify and implement governance structure changes necessary for the provision of these services.

Through the end of 2010, AATA or its successor organization will finalize the Plan, after providing all stakeholders with the opportunity to comment and provide input, and

By the beginning of 2011, the new governance structure will present a 3-5 year strategic plan to commence implementation of the Plan.

Paul C. Ajegba, Chair

Charles Griffith, Secretary

January 20, 2010

January 20, 2010