



BATA Regular Board of Directors Meeting Minutes
Wednesday, April 29, 2020
Hall Street Transfer Station/Virtual Attendance
Traverse City, Michigan 49684

1. Call to Order by Chairperson
The meeting was Called to Order by Chairperson VanNess at 9:01am on Wednesday, April 29, 2020.

2. **Roll Call**
VanNess Present
Sommavilla Present
Joppich Present
Rushton Present
Cochrun Present
Harris-Brady Present
Jewett Present

Also in Attendance: Chris Davis, Kelly Dunham, Eric Lingaur, Mary Meredith, and Nichole Thompson

3. Public Comment
There was no Public Comment.

4. Approval of Agenda

a. BATA Board of Directors Meeting Agenda
On a Motion made by Brad Jewett and seconded by Debra Rushton, the BATA Board of Directors approved the Agenda for the April 29, 2020 regular Board of Directors Meeting as presented.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady YES
Jewett YES
MOTION PASSES: 7-0

5. Approval/Acceptance of Minutes

a. March 25, 2020 Regular Board of Directors Meeting
On a Motion made by Brad Jewett and seconded by Debra Rushton, the BATA Board of Directors approved the Minutes of the March 25, 2020 Regular Board of Directors Meeting as presented.

Roll Call:

VanNess	YES
Sommavilla	YES
Joppich	YES
Rushton	YES
Cochrun	YES
Harris-Brady	YES
Jewett	YES

MOTION PASSES: 7-0

6. Executive Director's Report – Kelly Dunham
Kelly reviewed her Executive Director's Report with the Directors, highlighting the following items of interest.

A \$345,624 federal mobility on demand demonstration grant has been awarded to BATA. The 3-year window on this grant will be timed to go along with our on-demand pilot project scheduled to kick off this summer. These grant dollars do not cover money that has already been spent.

In response to the COVID-19 pandemic, BATA will see an additional 18% federally funded reimbursement for all of FY20 and FY21 expenses due to the CARES ACT funding efforts. There may be additional funds available to replace lost revenue and we are awaiting guidance from MDOT/FTA.

Kelly updated the Directors regarding several other projects currently underway including the ADA Assessment, the land acquisition, the tech study, and the on-demand pilot.

Four proposals were received in response to the ADA RFP and our internal team has been evaluating these responses and will notify the winning bidder this week.

The Facility Ad Hoc is continuing due diligence on the land acquisition project, including hiring an owner's representative. A special meeting of the Board may be called in a couple of weeks to keep this effort moving forward.

Eric Lingaur advised that the tech study RFP deadline has been extended due to COVID-19. We have received two responses and would like to have three total. Eric relayed how difficult it is now to keep things moving forward due to pandemic and, therefore, the need to move the deadline. The on-demand pilot was

scheduled for June 1st however this will be moved as well in order to wait for things to open more in the community - perhaps late June or July.

Also, in response to COVID-19, we have installed makeshift barriers on buses, and we are working on a permanent solution that will provide protection for the driver. Also looking into air disinfectants and hand sanitizers on all the vehicles. Kelly stated that she is open to any other safeguarding ideas from the board. We are providing masks to riders as needed. Several riders bring/wear their own masks.

Kelly discussed our recent efforts at collecting on a past due debt for services we provided during the 2019 Traverse City Film Festival and we are working with legal counsel on a demand letter and possible litigation. The directors also offered various ideas to continue, and to strengthen, our pursuit to receive payment.

7. Finance Reports – Nichole Thompson

Nichole reviewed the following March/Q2 FY20 Finance Reports with the Board.

- Income Statements
- Statement of Net Position
- Capital Fund Report
- Operating Reserve Fund Report
- Cash Flow Analysis

Directors' questions were addressed and Nichole noted the following items of interest:

- The pandemic has resulted in a dip in Farebox Revenue. Also fuel costs are low due to current market pricing. Salaries and Wages however remain at forecast levels. We do not have anyone on unemployment right now.
- The Year-to-Date Income Statement reflects Local Revenue (primarily property taxes) within forecast. The winter tax collection is in process – with final county tax settlements taking place by May.
- We have not spent our SDNT/New Freedom grant funds yet.
- The Directors asked about the reduction in driving hours and how this relates to paying a full wage. Chris Davis gave the Board an update on what drivers are doing when not assigned to an active route. Additional online training sessions have been given to the drivers so that when these drivers are called back, they will be up-to-date on training. Chris and Kelly also spoke about the strategy to call employees at the end of the Emergency Declaration and we have been reviewing ridership levels along with legal guidelines.

- Nichole then continued with the reporting on Year-to-Date Expenses noting that Services continue to see a slight variance. Fuel is below forecast. Overall our Net Position is favorable.
- The Statement of Net Position continues to reflect a favorable cash position over the prior year. We renewed our 12-month CDI in April, at an interest rate of 1.1%, which is down from the 2.5% interest previously acquired, but is the best rate we could obtain with the COVID-19 pandemic in effect. We have a large increase in Fixed Assets due to our new vehicles. Over 20 vehicles have been added to the fleet since prior year, and all were grant funded.
- The Capital Fund reflects updated Q2 capital spend of \$92K. Adding in \$57K of Q1 capital spend puts us at \$150K total local capital spend year to date, which is 75% of budget.
- The Operating Reserve Fund reflects an addition of a \$130K state payment, putting our balance at \$894K or 9.26% of total budget. Our target is 10%.
- Regarding Cash Flow, our March 30th balance is at \$4.3M, vs \$3.4M one year ago, with a net change in cash of negative \$128K from the beginning of the fiscal year, which is above forecast. Property tax collection in process is \$164K above forecast. We have a healthy cash position. Kelly noted that the land acquisition fund has had no activity but will be added to the quarterly reports in the future as the project proceeds.

Kelly will call the FOT together to discuss cash management and how we identify the unreserved cash on hand. Identification will be clarified as to where the net surplus at the end of the year is placed.

The BATA Board of Directors accepted the March/Q2 FY2020 Finance Reports as presented.

Roll Call:

VanNess	YES
Sommavilla	YES
Joppich	YES
Rushton	YES
Cochrun	YES
Harris-Brady	YES
Jewett	YES

MOTION PASSES: 7-0

8. Chairperson's Report – Nicole VanNess
Nicole has had some communication from former employees regarding wrongful termination. Kelly and the BATA team are working on this issue with legal guidance.

9. Finance Oversight Team Update – Kelly Dunham

While the FOT did not meet recently, Kelly reported that the master plan team met last week to review the three proposals in response to the RFP for a Transit Master Plan and overall the proposals did include what we were looking for in our master plan. Unfortunately, the Transit Master Plan has been tabled due to the pandemic and, until our ridership increases again, we really can't proceed. The team will revisit in the fall.

a. Quarterly Agreed Upon Procedure

Nichole reviewed the Quarterly Agreed Upon Procedure proposal we received from Rehmann and overall this will mirror what DG&N had done in the past. Unannounced testing of major cash cycles will be conducted along with some of the same testing as previously done. The Directors are satisfied with the vetting process and in the proposal itself.

On a Motion made by John Somnavilla and seconded by Brad Jewett, the BATA Board of Directors approved the Quarterly Agreed Upon Procedure from Rehmann as presented.

Roll Call:

VanNess	YES
Somnavilla	YES
Joppich	YES
Rushton	YES
Cochrun	YES
Harris-Brady	YES
Jewett	YES

MOTION PASSES: 7-0

10. Old Business

- a. Board Request Tracker
No current items to report.

11. New Business

- a. Credit Card / Store Card Policy
b. Purchasing Policy

On a Motion made by Debra Rushton and seconded by Brad Jewett, the BATA Board of Directors agreed to table the Credit Card/Store Card Policy and the Purchasing Policy until legal counsel has reviewed the policies, with consideration of the changes discussed at today's meeting.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady ABSENT
Jewett YES
MOTION PASSES: 6-0

c. Executive Director's Performance Review – Closed Session

On a Motion made by Brad Jewett and seconded by Debra Rushton, the BATA Board of Directors moves to go into closed session at 10:52am under section 8(e) of the Open Meetings Act, to consider the personnel evaluation of the Executive Director, Kelly Dunham, as requested by Kelly Dunham.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady YES
Jewett YES
MOTION PASSES: 7-0

On a Motion made by Brad Jewett and seconded by Debra Rushton, the BATA Board of Directors moved to reopen the Regular Meeting at 11:14am.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady YES
Jewett YES
MOTION PASSES: 7-0

d. Executive Director's 2020 Performance Review and Merit Increase

On a Motion made by Richard Cochrun and seconded by Brad Jewett, the BATA Board of Directors approved the 2020 performance review of Kelly Dunham and awards a 4.5% salary increase retro-active to 1/27/20 based on merit as provided in the performance review.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady YES
Jewett YES
MOTION PASSES: 7-0

- 12. Public Comment
There was no Public Comment.
- 13. Directors Comments/Open Floor
There were no Directors Comments.
- 14. Adjournment
On a Motion made by Debra Rushton and seconded by Brad Jewett, the BATA Board of Directors moved to adjourn the April 29, 2020 Regular Meeting of the BATA Board of Directors at 11:22am.

Roll Call:
VanNess YES
Sommavilla YES
Joppich YES
Rushton YES
Cochrun YES
Harris-Brady YES
Jewett YES
MOTION PASSES: 7-0

Submitted/Recorded by: Mary Meredith, Administrative Assistant
Chris Davis, Director of Administrative Services

Approved on 5-27-20
DATE

Linda Joppich
Board Secretary