

## **BATA Regular Board of Directors Meeting Agenda**

115 Hall St, Traverse City, MI 49684

Thursday, April 27, 2023 @ 1:00 pm

1. Call to Order by Chairperson
2. Pledge of Allegiance and Moment of Silence
3. Roll Call
4. First Public Comment\*
5. Approval of Agenda/Declaration of Conflict of Interest
6. Consent Calendar  
The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with in one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.

### *Consideration of Approving the following Minutes*

- a. *Regular Board Meeting Minutes of February 23, 2023*

### *Consideration of Accepting the following Reports*

- b. *FY23 Q2 Ridership Report [page 15]*
- c. *FY23 Q2 Turnover Report [page 20]*
- d. *Governance Committee Minutes of March 13, 2023 [page 19]*
- e. *Local Advisory Committee Meeting Minutes of April 12, 2023 [page 21]*
- f. *Finance Oversight Team Notes of April 17, 2023 [page 24]*
- g. *Board Request Tracker [no new items]*
- h. *Correspondence [page 25]*
7. Any items removed from the Consent Calendar – Richard Cochrun
8. Executive Director's Report – Kelly Dunham *[page 31]*
  - a. HQ Facility/Owner's Representative Report  
Jerry Tomczak, Program Manager, Cunningham-Limp
  - b. Hiring Report – Chris Davis
  - c. Link Service Update – Adam BeVier
9. Chairperson's Report – Richard Cochrun
10. Committee Reports
  - a. Finance Oversight Team – Richard Cochrun
  - b. Governance Committee – John Somnavilla
11. Finance Reports – Phil Masserant
  - a. Monthly Income Statement
  - b. Statement of Net Position
  - c. Capital Reserve Fund Report

- d. Operating Reserve Fund Report
  - e. New Facility Fund Report
13. Old Business
14. New Business
- a. New Facility Budget
  - b. FY 2022 Surplus Recommendation
  - c. IT Vendor Contract Recommendation
  - d. MPO Participation Resolution
  - e. FY 2023 Success Plan Scorecard Q1 & Q2 Results
15. Board Discussion Items
16. Second Public Comment\*
17. Directors' Comments and Announcements/Open Floor
18. Adjournment

**Public Comment:**

Any interested party or person may address the board on any matter of BATA concern during public comment. Comments will be limited to 5 minutes and a one-minute warning will be given when needed. Any public comment that becomes disruptive, unduly repetitive, or impedes the orderly progress of the meeting may be terminated by the presiding officer. Once you have completed your public comment the board may ask any clarifying questions. If needed, you will be assigned a member of BATA's staff to follow up directly on any open concerns.

## **BATA Regular Board of Directors Meeting Minutes**

115 Hall St, Traverse City, MI 49684

Thursday, February 23, 2023 @ 1:00 pm

1. Call to Order by Chairperson Cochrun at 1:00 pm.
2. Roll Call

Richard Cochrun	PRESENT
John Sommavilla	PRESENT
Robert Fudge	PRESENT
Heather Harris-Brady	PRESENT
Brad Jewett	PRESENT
Jamie Kramer	PRESENT
Joe Underwood	PRESENT

Also in attendance: Kelly Dunham, Eric Lingaur, Phil Masserant, Chris Davis, Britny Schwartz.

Pledge of Allegiance/Moment of Silence

3. First Public Comment\*

Mitch Treadwell: City Commissioner/Local Advisory Council member.

Introduced self as a municipal community member, rider – looking forward to BATA's growth plans.

Rob Hentschel: Chairman of the Grand Traverse County Board of Commissioners: Concerned about item: Articles of Incorporation changes and states that Public Act 196: Formation of authority guidelines state that members of a public authority shall not appoint their own members to serve on their Board. Mr. Hentschel stated that Grand Traverse County appoints four board members and Leelanau County appoints two board members for BATA and they are who create the articles of incorporation for the Board. Should there be a change needed, this would need to come from the interlocal agreement that formed BATA to make changes.

Mr. Hentschel also stated that it's his understanding that the change to the Articles of Incorporation is to allow the Board to appoint their own members and he feels this is a breach of public trust as it is possible there would be no link to members represented by new Board members. He stated he takes issue with an authority appointing its own members as it takes them one step further from the voters and accountability. He encouraged the Board to rethink their decision regarding the change of Bylaws and Articles of Incorporation to ensure they are adding board members who are accountable to the government and voters. He also reminded the Board that they have Bylaws that they can change and that Articles of Incorporation trump Bylaws. He encouraged the Board of Directors to rethink how the additional board members are elected to this Board.

Director Joe Underwood: Stated that he felt his integrity was questioned by Chairman Cochrun as well as Director Kelly Dunham. He stated that he will not accept the BATA mug that was given to all Directors at the January Board meeting and will not accept any compensation from either BATA or the Road Commission for attending BATA Board of Director meetings.

Chairperson Richard Cochrun asked Joe if he was appointed the liaison for the Road Commission during their Board meeting last month, Joe Underwood stated that he did create a liaison position, and that he doesn't believe there is a conflict of interest for a liaison of the Road Commission to attend meetings because he was appointed to this Board by the County Commissioners, not the Road Commission. Joe Underwood also clarified that he has not filled the liaison position with anyone else because he sits on this Board of Directors. Director Kelly Dunham requested clarification on what the appointment of the liaison meant and whether he would be paid by the road commission for his attendance at BATA meetings.

Director Underwood further stated that his loyalty is to the Grand Traverse and Leelanau County residents as he was appointed to serve on the board by them. Chairperson Cochrun stated that all the Board of Directors serve their communities as a whole as well, Joe then stated that he feels as though his loyalty was questioned because the Grand Traverse County appointment was not who some of the BATA Directors were hoping for and that is also why he is refusing to take any funds to sit on this board. Chairperson Cochrun stated that he can accept the Board Compensation per policy, Joe stated that he is aware that he is able to, but that he will not be. He also stated that he will bring this topic back up further on the agenda as he feels as though it was suggested that the reason that the \$40 compensation amount was set was to avoid having Board Members receive a 1099 tax form at the end of the year and stated that it was a comment made by an official on the board. He also voiced concern in regard to skirting tax law for board compensation, he is lead to believe that there are other things happening in the organization. Director Kelly Dunham stated that the board members are more than able to receive more than \$600 in compensation throughout the year and BATA as an organization would have no issue with issuing a 1099 to any board member. Chairperson Cochrun also stated that with the \$40 compensation and 10 meetings in a year, a board member will not hit the \$600 threshold to receive a 1099 regardless.

4. Approval of Agenda/Declaration of Conflict of Interest

**On a Motion made by Brad Jewett and seconded by Robert Fudge, the BATA Board of Directors approved the February 23, 2023, Regular Meeting Agenda as presented.**

**MOTION CARRIED: 7-0.**

**Oath of Office:** Oath of Office taken and recorded.

Introduction to Jamie Kramer – Representing the Leelanau County Commissioners for a 3-year term. Board introductions concluded.

5. Consent Calendar

The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with in one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.

*Consideration of Approving the following Minutes*

- a. *Organizational Meeting Minutes of January 26, 2023 [page 5]*
- b. *Regular Board Meeting Minutes of January 26, 2023 [page 8]*

*Consideration of Accepting the following Reports*

- b. *Monthly Income Statement [page 13]*
- c. *FY23 Q1+ Ridership Report [page 15]*
- d. *FY23 Q1 Turnover Report [page 20]*
- e. *Governance Committee Minutes of February 13, 2023 [page 21]*
- f. *Finance Oversight Team Notes of February 13, 2023 [page 23]*
- g. *Board Request Tracker [no new items]*
- h. *Correspondence [page 24]*

6. Any items removed from the Consent Calendar – Richard Cochrun

**On a Motion made by Brad Jewett and seconded by Joe Underwood, the BATA Board of Directors approved the February 23, 2023, Consent Calendar as presented.**

**MOTION CARRIED: 7-0.**

7. Executive Director's Report – Kelly Dunham *[page 37]*  
 Director Kelly Dunham shared insights from Transpro and stated that she is looking forward to the strategic planning meeting on March 16<sup>th</sup>. She also shared that the Procurement and Grants Management Specialist position has been filled with a new employee who will be starting on April 3<sup>rd</sup>.
- a. HQ Facility/Owner's Representative Report  
 Jerry Tomczak, Program Manager, Cunningham-Limp  
 Jerry was unable to attend, Kelly provided an update that there is one difference in the subcontractor from the last list shared and that is for the asphalt, it is now awarded to Elmer's due to their having the lowest bid when carrying both bids. She stated that they are currently focusing on permitting, county/township approval processes.
  - b. Technology Plan Update – Eric Lingaur *[page 38]*  
 Eric provided a detailed update on the five-year technology plan including current focuses, timelines for planned upgrades, grant funding and reason for upgrades.
- John Somnavilla asked who is implementing required project management. Eric stated that this is currently handled in house by our staff, but there is a possibility of needing to bring in outside vendors in the future. John also requested a return on investment (ROI) calculation on future recommendations to the Board. Heather Harris-Brady requested an update on backordered buses and if the current plan will accommodate the new fleet. Eric stated that there is no update on the timeline of backordered buses, but the current plan will accommodate those buses when they arrive.
8. Chairperson's Report – Richard Cochrun  
 Nothing to report.
9. Committee Reports
- a. Finance Oversight Team – Richard Cochrun  
 Chairperson Cochrun stated that the Finance Oversight Team met this month and is continuing to review driver compensation and recruiting efforts which are getting closer to reaching the FTE goal but have yet to reach it. There is also a need to update the Payroll/HR software and needing to select a realtor for Cass Rd transfer station. Kelly Dunham stated that she has reached out to Aspire North to obtain a list of certified commercial agents which she will use to solicit interest from qualified agents.

Brad Jewett requested an update on the employee count. Chris Davis reported that the current shortage is at 5.7 FTE, but they are seeing an increase in applications, new employees hired as well as an increase in the retention rate. Chris also stated that she is not prepared to give a hard date of when we will have full staff, but she reported they are forecasting staffing needs three months out.

- b. Governance Committee – John Somnavilla  
John shared that the Governance Committee is prepared to share the final draft on board comp, bylaws, and Articles of Incorporation. He also shared that it was decided to table meeting location conversation.

- 10. Finance Reports  
No finance reports to present.

- 11. Old Business  
No old business to report.

- 12. New Business

- a. MPO Presentation – Networks Northwest  
Hannah Yurk shared a presentation to help educate the Board of Directors of the changes the Metropolitan Planning Organization (MPO) will bring to the area as well as how it will affect BATA and how the data has been cultivated over the last 20 years. Hannah shared that the goal is to have the designation set in plan by September 2023, the MDOT transition plan will follow a similar timeline and the request for designation can begin after the MPO designation has been made.

Director Kelly Dunham shared that the next thing the board will be presented with will be the interlocal agreements. Kelly is the BATA contact for the MPO, she also reiterated that the MPO is a big deal for the region and while the transition to a small urban system coincides with the MPO, they are not the same; that becoming a Small Urban agency is a much bigger deal to BATA. The small urban designation will come after the MPO designation, likely in the 2025 Fiscal Year, with some reporting starting even in FY24.

- b. FY 2022 Audit Presentation – Rehmann  
Josh Sullivan from Rehmann provided a review of the recent audit report, highlighting the following:
  - Total assets are up.
  - Liabilities are down.
  - Single Audit had no issues or deficiencies found.
  - Changes to GASB-96 which will affect subscription-based technology leases.

Brad Jewett requested clarification that the language of the audit “presents fairly” is common, Josh confirmed that this language is common.

**On a Motion made by Joe Underwood and seconded by Brad Jewett, the BATA Board of Directors moved to accept the FY Audit Presentation as presented.**

**MOTION CARRIED: 7-0.**

- c. Michigan Class Investment Resolution *[page 49]*

Phil presented the MiClass Investment resolution as well as shared the benefits of added daily returns that allows investments to stay liquid and the ability to have them tracked as sub accounts. The funds invested will be coming from maturing T Bills as well as excess funds from the checking account.

**On a Motion made by Joe Underwood and seconded by Brad Jewett, the BATA Board of Directors moved to approve the Michigan Class Investment Resolution as presented.**

**MOTION CARRIED: 7-0.**

- d. Investment Policy Adoption *[page 106]*  
Phil presented the proposed investment policy and stated that this is a minimum requirement required to participate in MiClass Investments. Phil also shared that this would allow for investing of funds outside of MiClass in the future.  
Chairperson Cochrun reported that the Finance Oversight team will set milestones to review at their monthly meeting, Phil will also present MiClass reports quarterly.

**On a Motion made by Jamie Kramer and seconded by John Somavilla, the BATA Board of Directors moved to approve the Investment Policy as presented.**

**MOTION CARRIED: 7-0.**

- e. HRIS/Payroll Software Purchase *[page 108]*  
Chris presented information on a proposed HRIS/Software purchase, she stated that the Ultimate Kronos Group (UKG) Ready platform is a single platform for payroll and employee scheduling and is a secure platform hosted in Google Cloud.  
The current software used, Ascentis, was purchased in 2011 and will no longer receive improvements. It also does not allow all necessary reporting to be available.  
There is an initial investment of \$22,200 as well as an annual cost of \$39,720 which is a cost increase of \$6,425 per year. The cost is available in the existing FY23 planned expenses.  
Brad Jewett asked if there was research regarding other similar products, Chris shared that research was obtained for Paylocity, Paychecks as well as Pay Core and the conclusion was that UKG Ready was the best product overall. A reference was also done with The Ride in Ann Arbor to determine their satisfaction with the move to UKG Ready/ The reference was favorable.

**On a Motion made by Brad Jewett and seconded by Jamie Kramer, the BATA Board of Directors moved to approve the HRIS/Payroll Software Purchase as presented.**

**MOTION CARRIED: 7-0.**

- f. Board Compensation Policy *[page 110]*  
Brad Jewett inquired as to how the amount of \$40 was established. Kelly Dunham stated that she called other local boards and found the average compensation was \$40.

**On a Motion made by Jamie Kramer and seconded by Robert Fudge, the BATA Board of Directors moved to approve the Board Compensation Policy as presented .**

**MOTION CARRIED: 6-1.**

- g. BATA Board Recognition Policy *[page 112]*  
Brad Jewett inquired how the ten-year timeline was established, Heather Harris-Brady stated that the Governance Committee felt that ten years was a good time commitment as directors would serve for several terms in that timeframe.  
Joe Underwood shared his concern in providing a lifetime pass due to the use of tax dollars that this commitment would require.

**On a Motion made by John Sommovilla and seconded by Jamie Kramer, the BATA Board of Directors moved to approve the BATA Board Recognition Policy as presented.**

**Roll Call**

Richard Cochrun	YES
John Sommovilla	YES
Robert Fudge	YES
Heather Harris-Brady	YES
Brad Jewett	NO
Jamie Kramer	YES
Joe Underwood	NO
<b>MOTION CARRIED:</b>	<b>5-2.</b>

- h. BATA Articles of Incorporation Revision *[page ]*

**Moved by Joe Underwood and seconded by Brad Jewett to table this agenda item until public input could be solicited.**

**Roll Call**

Richard Cochrun	NO
John Sommovilla	NO
Robert Fudge	NO
Heather Harris-Brady	NO
Brad Jewett	YES
Jamie Kramer	NO
Joe Underwood	YES

**MOTION FAILED: 2-5.**

**On a Motion made by John Sommovilla and seconded by Jamie Kramer, the BATA Board of Directors moved to approve the BATA Articles of Incorporation as presented.**

**Roll Call**

Richard Cochrun	YES
John Sommovilla	YES
Robert Fudge	YES

Heather Harris-Brady	YES
Brad Jewett	NO
Jamie Kramer	YES
Joe Underwood	NO

**MOTION CARRIED: 5-2.**

Robert Fudge requested clarification on the discussion of filling the positions at 1-, 2- and 3-year intervals to ensure there isn't such a large turnover on the same calendar. Kelly stated that the Governance Committee can work on the language of the terms. Joe Underwood requested clarification as to why the language would change after approval. Kelly stated that because it would be a 1-time occurrence, it would not need to be listed in the current Articles of Incorporation and assured Joe that implementation will be made by the full board when new members are added to the Board of Directors.

- i. BATA Board Bylaws Revision *[page ]*  
 Brad Jewett made the recommendation for the Board of Directors to work with the GT County and Leelanau County representatives to discuss the appointment of these additional two directors and to seek input from the public. Kelly Dunham stated that as a public entity, BATA is not required to seek input from the public, rather, the full Board would appoint these two new board members. Kelly also reiterated that this revision was presented to the board at the last Board meeting with the intention to have a broader representation on the board.  
 Chairperson Cochrun stated that the expansion of the board was underway over one year ago and the intention is to ensure the public is represented with the proposed addition of two members at large.  
 Heather Harris-Brady added clarification to the discussion as she is currently the only member at-large on the Board, Heather stated that adding two additional at-large board members was a recommendation made at the Board Retreat last year and stated that she believes having additional board members will create a strong, resilient, and purposeful board.

**Moved by Joe Underwood and seconded by Bratt Jewett to table this agenda item until legal questions can be answered.**

<b>Roll Call</b>	
Richard Cochrun	NO
John Somavilla	NO
Robert Fudge	NO
Heather Harris-Brady	NO
Brad Jewett	YES
Jamie Kramer	NO
Joe Underwood	YES

**MOTION FAILED: 2-5.**

**On a Motion made by Jamie Kramer and seconded by John Somavilla, the BATA Board of Directors moved to approve the BATA Board Bylaws revisions as presented.**

**Roll Call**

Richard Cochrun	YES
John Somnavilla	YES
Robert Fudge	YES
Heather Harris-Brady	YES
Brad Jewett	NO
Jamie Kramer	YES
Joe Underwood	NO

**MOTION CARRIED: 5-2.**

13. Board Discussion Items  
Brad Jewett requested an update regarding the bus rollover from 2/22/2023. Kelly reported that it was a single vehicle accident, the driver hit ice but was not injured.
14. Second Public Comment\*  
  
Mitchell Treadwell: LAC. Hopeful with changes that there can be better opportunities granted for riders and engaged riders to serve on the board. Would like to see more representation from the city itself – Not a requirement, but it is good to look at geographical representation.
15. Directors' Comments and Announcements/Open Floor  
None.
16. Adjournment  
**On a Motion made by Brad Jewett, the BATA Board of Directors moved to adjourn the February 23, 2023 Regular Meeting of the BATA Board of Directors at 3:12 pm.**

Approved on \_\_\_\_\_

---

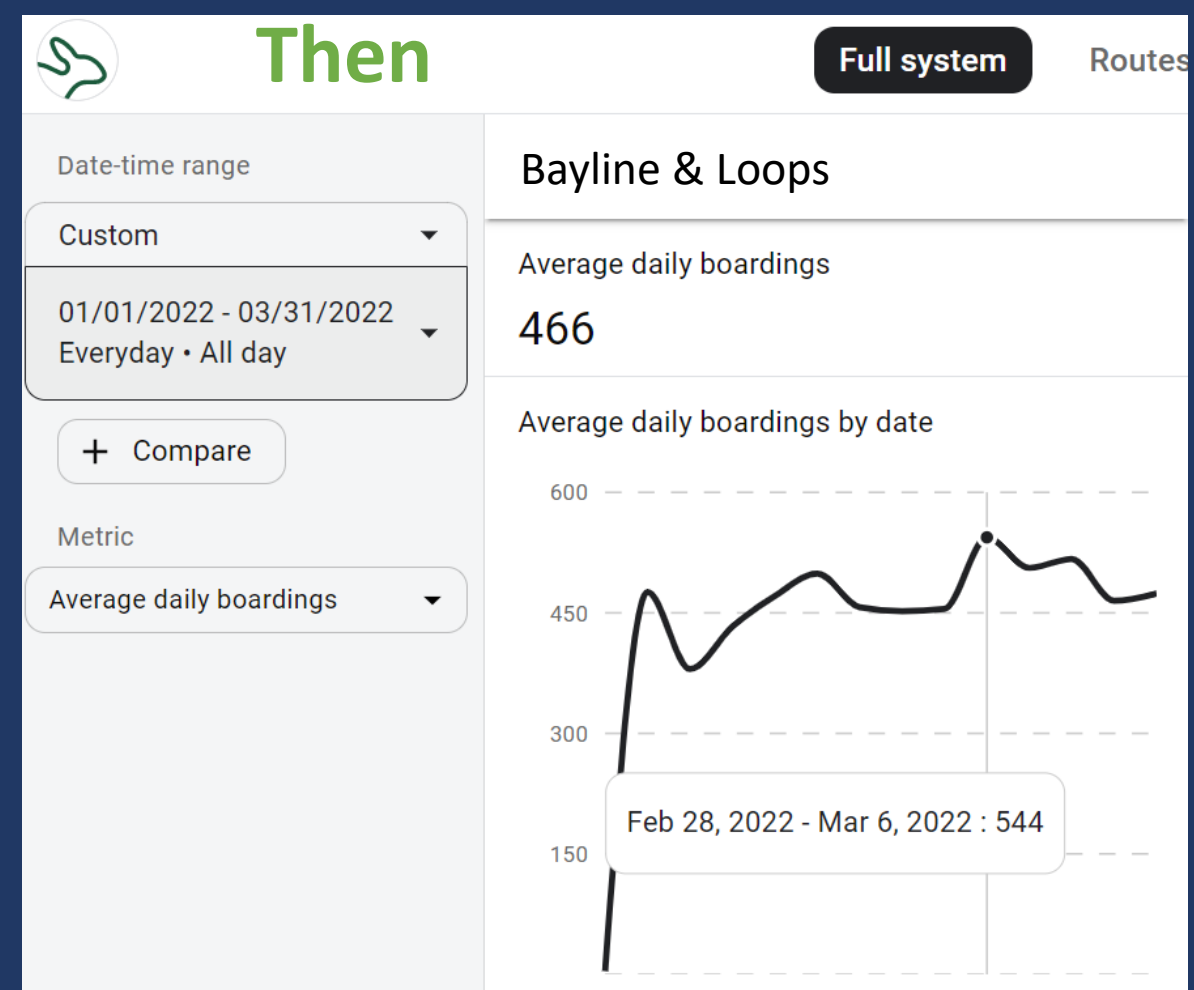
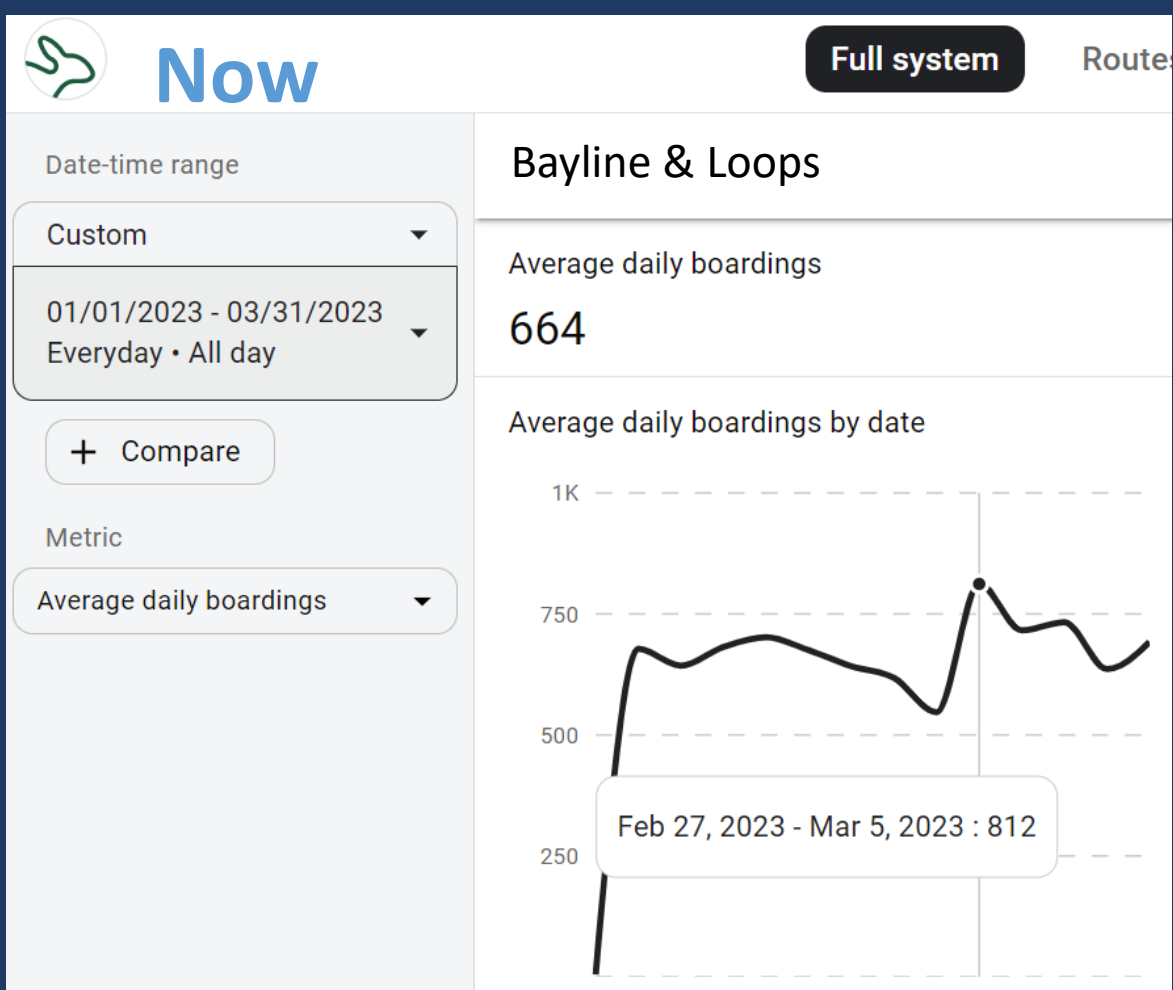
Robert A. Fudge, Secretary



Bay Area Transportation Authority

# *RIDERSHIP*

*Q2 2023 Ridership Report*



**Q2 2023 Ridership per service hour is 7.28 for Fixed-Routes \*March excluded**

**134% increase in productivity**

**Q2 2022 Ridership per service hour was 5.45 for Fixed-Routes**

# *Q2 2023 Ridership: Loop, Links, & Bayline*



*2023: 58,337*

*2022: 40,511*



*17,094*

*15,394*



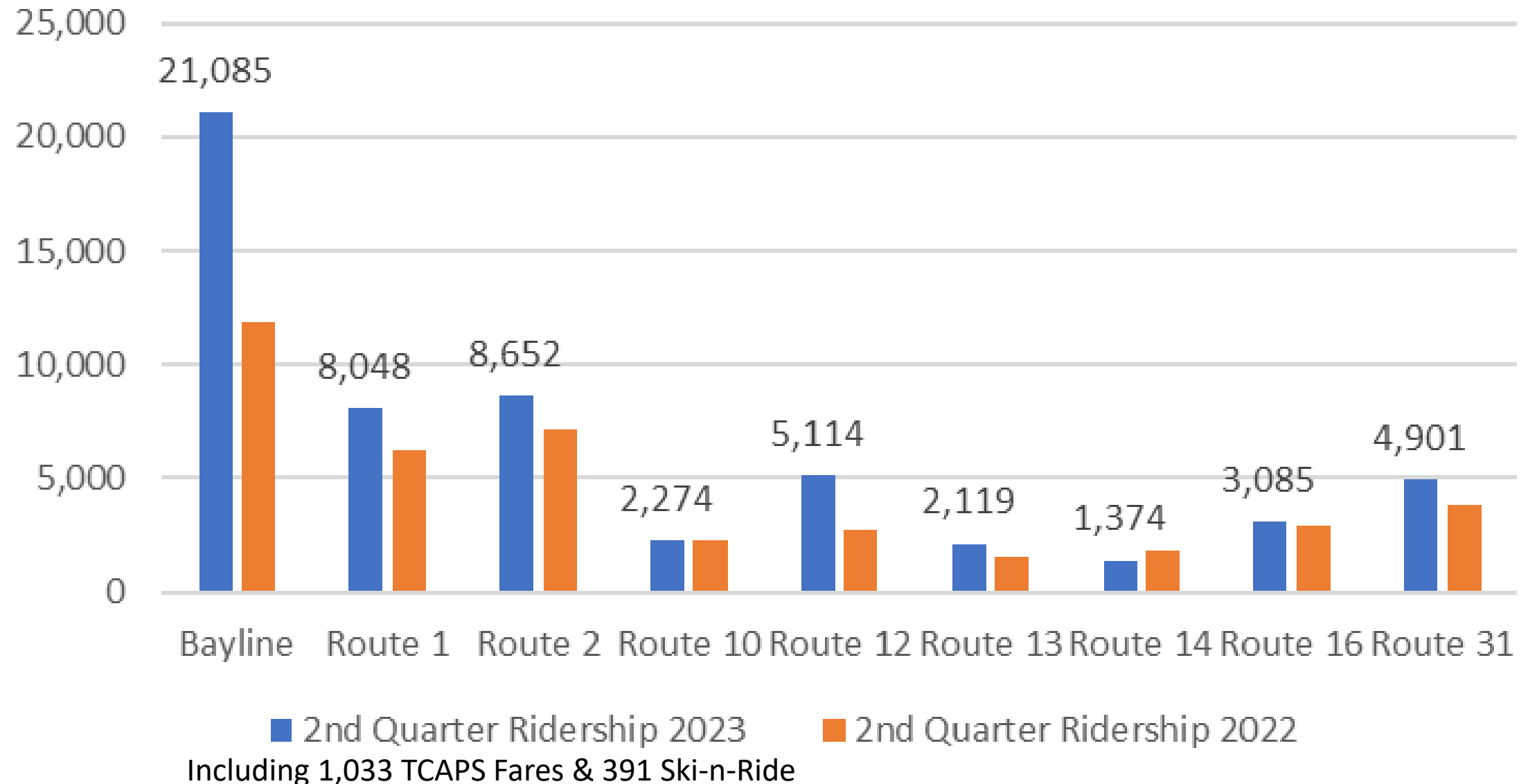
*20,862*

*20,490*

*2023 Q1 Total: 96,293*

*2022 Q1 Total: 76,395*

## 2023 & 2022 Q2 Ridership Comparison by Route



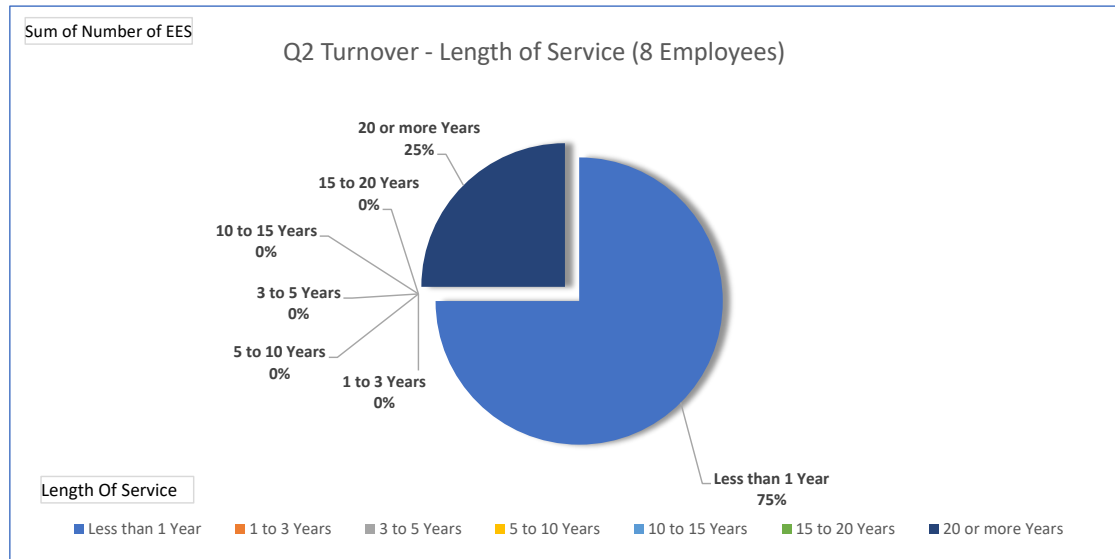
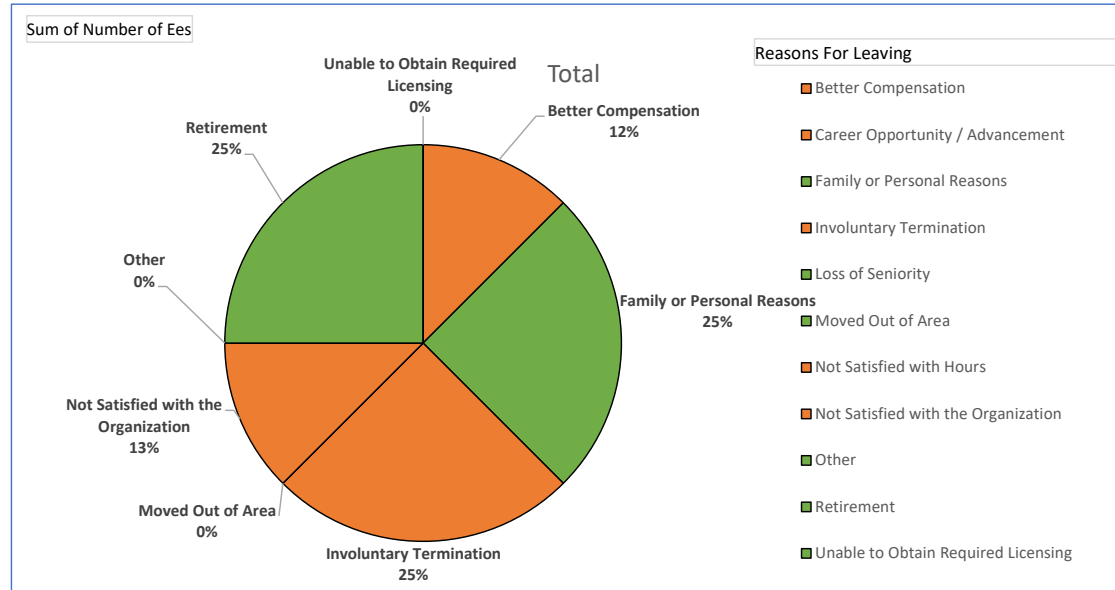
# Q2 2023 Turnover Report

## Q2 2022

Position	Number of Ees
Driver	4
Mobility Mgr & Outreach	1
Dispatcher	1
Total Employee Turnover	6
Total # of Employees	96

## Q2 2023

Position	Number of Ees
Driver	7
Dispatcher	1
Total Employee Turnover	8
Total # of Employees	110

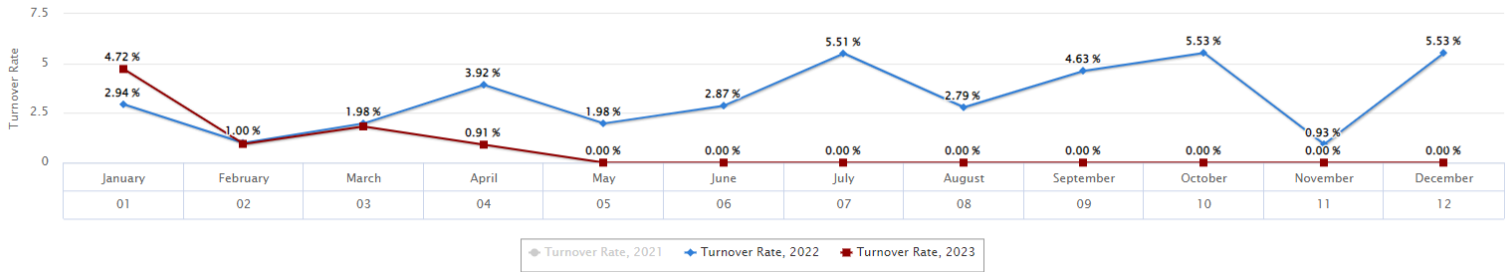


\*Total # of employees is based on employee count at the beginning of the reporting quarter

Company Attrition over Time



Company Attrition over Time





## **BATA Governance Committee Minutes**

Monday, March 13, 2023, at 9am

Zoom Link: Join Zoom Meeting

<https://us06web.zoom.us/j/82688733707?>

Meeting ID: 826 8873 3707

Passcode: 605265

Cass Road Conference Room and via Zoom  
3233 Cass Road, Traverse City, Michigan 49684

Committee Members Bob Fudge and Heather Harris-Brady were present in the Cass Road Conference Room, John Somnavilla attended virtually via Zoom. BATA Administrative Assistant Britny Schwartz managed the Zoom in the Cass Road Conference Room. No other BATA employees or members of the public were present. The meeting was recorded.

1. Call to Order by Chairperson Somnavilla at 9:00 am. Somnavilla handed meeting duties over to Heather Harris-Brady, as she was present in the Cass Road Conference Room.
2. First Public Comment  
No public comment.
3. Old Business  
No old business.
4. New Business
  - a. Interview At-Large Board Applicants  
The Governance Committee interviewed 6 of the 11 applicants for the two open member at-large positions, which were posted on BATA's website March 3 – March 13 and advertised March 3 – March 13. All applicants are residents of either Grand Traverse County or Leelanau County.

Two applicants appeared in-person for interviews, the other four appeared via Zoom. All applicants received the same process overview (the committee would make recommendations to the full BATA Board, the Board must approve the recommendations for a new at-large member to be seated, upon approval all new board members must attend an orientation meeting with Kelly Dunham (BATA Executive Director) and John Somnavilla (Governance Committee Chair). Each applicant received the same set of questions (based on the same questions used the last time an at-large member position was open), and each interview was allotted the same amount of time.

During the interviews, one member of the public joined the Zoom and was informed via chat that they could not comment until the second public comment

period. The individual observed part of the interviews and left the meeting before the second public comment period.

Due to the potential for a “pause agreement” between BATA and Grand Traverse County that came to light in the minutes immediately prior to the start of this meeting, the Governance Committee did not discuss candidates or formulate a recommendation. Committee members were encouraged to take thorough notes on their interviews for future reference.

All committee members expressed their appreciation for the applicants and their interest in serving the community, as well as the perspectives and experience each would add to the BATA Board.

5.     Second Public Comment  
      No public comment.
6.     Adjournment called by Heather Harris-Brady, seconded by Robert Fudge at 10:54 am.

## BATA - Local Advisory Council Minutes

Wednesday, April 12, 2023

12:00 – 1:42pm

### Council Members in Attendance:

Matt Morritz, Chair: Community Representative  
Mandy Joppich: Community Representative  
Linda Joppich: Community Representative  
April Missias: Leelanau County Senior Services  
Heidi Gustine: Area Agency on Aging  
Demarie Jones: Disability Network No. Michigan  
Susan Odgers: Community Representative  
\*Tom Mair: Representing LAC Member Susan Odgers  
Michelle Krumm: Senior Center Network  
Mitch Treadwell: Traverse City Commissioner  
Fern Spence: Community Representative

### BATA Staff in Attendance:

Kelly Dunham / BATA  
Bill Clark / BATA  
Eric Lingaur / BATA  
Britny Schwartz / BATA

- 1) Welcome to the 2023 Local Advisory Council Spring Meeting: Eric Lingaur called the meeting to order at 12:02 pm.
- 2) 2022 Annual Report Highlights
  - a) Ridership
    - i) Total Ridership is higher than 2020 and almost as high as 2021 when we had more fixed route service.
    - ii) Link on Demand and Village Link both saw big increases in ridership.
  - b) 2022 customer service survey
    - i) 86% satisfied with fixed routes and
    - ii) 68% satisfied with on demand (includes village link on demand).
  - c) Shelter improvements: Signs, benches, bike racks and concrete pads were added to our bus stops. (Shelters were ordered last Spring and will be installed at new stops. Looking at early summer for installation.)
  - d) Staffing: Reduced need from 26 to 14 additional drivers to operate at full-service level in 2022. (Based on current hiring trends we hope to be fully staffed by June and are hoping to be able to bring service routes back online.)
  - e) Early 2023 Notes:
    - i) Ski n Ride for middle school students saw 331 riders from January to March.
    - ii) TCAPS transportation support update: Will continue to partner with TCAPS with the focus being on utilizing existing routes. There were 1,033 total TCAPS rides provided in the afternoons from late January to Spring Break to assist TCAPS' driver shortage. Although they now have full afternoon

coverage again, TCAPS will continue to cover student ride costs for afternoon rides until the end of the school year.

3) Bill Clark and Eric Lingaur: Service Level Updates

a) Education and Marketing for Summer of 2023

- i) Bayline and fixed route promotion as well as Bike n Ride/Park n Ride will be the focus. The goal is to educate riders on services available. Will also provide hotels with Bayline information for their guests.
- ii) Link On-Demand and Village Link will become BATA Link.
- iii) Real-time bus tracker: GPS Installation is happening now on buses. Will provide application access as well as the opportunity to have tracker screens installed throughout the community.
  - (1) Michelle invited BATA to present at their IT presentation as well as a lunch and learn at the Senior Network. The contact is Krissy Probate.
  - (2) Michelle also asked if BATA is interested in providing transportation for the Senior Day at the fair – Eric and Bill will explore further.
- iv) Susan stated that ads need to include more leaders in the community (commissioners, etc.) as it will continue to model using the bus and would be a nice call to action from leaders.

4) BATA Crosstown proposed route: Route 5 (which served S. Airport and Garfield) was taken offline due to staffing in 2021 and there is a known gap in connecting riders to shopping hot spots. Bill shared tracking information with the group showing where the riders are coming from and where they are going. They are currently using link on demand, which is four times as expensive as a City Loop ride.

- a) The goal is to have shorter routes (30-minute frequency) and connect riders to Bayline, Route 1, and Route 2 without having to go to the Hall St. Transfer Station. A draft of the proposed route was shown, but the LAC was asked to consider how to reduce its travel time to give dependable service.
  - i) Option 1: Loop through Park Drive, this will allow the bus to pick up more residents in Park and on Barlow. No GT Mall.
  - ii) Option 2: Add GT Mall and remove Park Drive/Barlow from the route.
- b) Mitch Treadwell noted that it replicates route 2 on LaFrainer, Barlow and Hammond. He recommended changing route 2 if overlapping, also stated that connection times need to match route 1, 2 and Bayline to be effective.
- c) Michelle Krumm stated that seniors do still use the mall for walking and recommended that it connects to the mall for at least the winter. The LAC was generally in favor of seasonal differences in this route due to summer traffic, winter weather, etc.
- d) It was also noted that this could see ridership change on Route 2, which is OK as Route 2 ridership is very heavy.
- e) Discussion was also had regarding utilizing Route 14's alignment on Garfield to be in partnership with this new route to support the areas once served by the old Route 5.
- f) Tom Mair asked if there is any talk of adding another fare-free route?
  - i) Kelly presented that the Bayline was originally introduced as a 3-year model to help remove barriers for riders as well as connect the community. It was originally funded by fundraising, but those fundraising opportunities ended due to COVID but recommended making it a short-term introductory period. The LAC was generally favorable of a short-term introductory fare-free route.
  - ii) Michelle also recommended marketing to sponsors, potentially having participating businesses provide their employees with tokens for free rides as well as connecting with Cherry Festival on how they could support marketing and encouraging ridership.
  - iii) Eric will investigate marketing for the Bayline 5-year anniversary (July).

- 5) Update on BATA's Board of Directors.
  - a) Executive Director Kelly Dunham provided a brief overview of the 60-day pause agreement between BATA and the GTC Commissioners that began on March 15<sup>th</sup>. Kelly will be meeting with county administrators from both Grand Traverse and Leelanau to discuss and agreement on the board expansion and make up of additional seats.
  - b) Discussion regarding concerns was had within the group with a focus on how the LAC can support BATA as well as what the next steps are after the 60-day agreement ends.
- 6) Designate the LAC/BOD liaison for 2023 and adjourn.
  - a) Mitch Treadwell nominated Linda Joppich for the LAC/BOD liaison, Susan Odgers seconded the motion.
  - b) It was agreed that Linda Joppich, Matt Morritz (LAC Chairperson) and Fern Spence will rotate attending the Board of Director meetings to ensure there is a LAC liaison in attendance.
- 7) Eric Lingaur adjourned the meeting at 1:42 pm.

Thank you for your support and advocacy!

2023 Local Advisory Council Membership

- Matt Morritz, Chair: Community Representative
- Dan Buron: Goodwill Northern Michigan
- Lana Payne: Commission on Aging
- Mandy Joppich: Community Representative
- Linda Joppich: Community Representative
- April Missias: Leelanau County Senior Services
- Amanda Molski / Heidi Gustine: Area Agency on Aging
- Demarie Jones: Disability Network No. Michigan
- Susan Odgers: Community Representative
- Michelle Krumm: Senior Center Network
- Mitch Treadwell: Traverse City Commissioner
- Fern Spence: Community Representative

CC: Valerie Shultz/MDOT, Alex Simonetti/MDOT, Paul Clausen/BATA, Kelly Dunham/BATA, Eric Lingaur/BATA, Britny Schwartz/BATA, Bill Clark/BATA

**BATA**  
**Finance Oversight Team**  
**Notes**

**1:00pm April 17, 2023**  
**3233 Cass Road, Traverse City, MI**

**Present:** Richard Cochrun, John Sommovilla, Robert Fudge, Kelly Dunham,  
Phil Masserant  
**Absent:** Chris Davis

**1. Update on FTA Guidance Regarding Cass Road Facility Disposal**

Kelly provided an update on the use of Cass Road proceeds to offset the cost of the new facility. FTA has approved this disposition method and will restrict the proceeds from Cass to use on the Hammond Road facility.

**2. Review of FY23 Q2 Quarterly Finance Reports**

Phil reviewed the quarterly finance reports to be presented at the regular meeting on April 27, 2023. The FOT provided input on format.

**3. Review of Facility Budget and Funding Sources as well as related Technology Plan and Capital Budgets**

Kelly and Phil reviewed the facility budget and associated technology and capital budgets with the FOT. Phil will present the full Board with the updated facility budget as well as a streamlined capital and technology budget.

**4. FY22 Surplus Allocation**

The FOT discussed a recommendation for the allocation of the FY22 surplus to be applied to BATA's capital fund. Discussion was held regarding future local match requirements as a small urban agency that BATA hasn't incurred as a rural system, the potential need for future locally funded vehicle purchases, etc. If the Board approves designating these funds to the capital fund, future expenditures will require Board approval.

**5. Driver Compensation/Recruiting Incentive Discussion**

This has been a standing agenda item to monitor the progress towards full staffing levels and to discuss alternatives to the current \$10k recruiting and retention plan that ends on June 30. Significant progress has been made this spring and current staffing projections for June put us at 90-95% of full staffing levels. There was consensus to let the current recruiting and retention plan expire. The FOT began discussing what type of hiring incentive it should revert back to, especially as

hiring incentives have become so commonplace. Prior to the \$10,000/3 year commitment plan, BATA was offering a \$1500/1 year commitment plan. Staff will gather current trend information and present it to the FOT at the May meeting.

Future Meeting Items:

Capital Reserve Policy Review

Budget Preparation Process

## COMPLIMENTS TO BATA STAFF

Date Received	Employee	Route #	Comment	Dept
03/10/13	Mary Murphy	LOD 1	Ethan Russel at Medilodge said, Mary was so nice and helpful, it took a minute to get the rider out to the bus, but she was willing to help out however she could.	
03/16/23	Brian Steed	LOD	Brian picked up a women that he did not recognize, she was a little confused paying for her fare and getting seated. When Brian pulled up to Hall St to drop her off, she didn't immediately recognize that it was her stop. Brian asked her if she was going to Hall St Transfer and she said yes. She still seemed confused as she was gathering her things and leaving the bus. Brian watcheed her walk into transfer and wondered out loud if she needded a transfer, so he drove around the tarmac and parked the bus by the north door and walked into transfer to ask her if she was taking another bus. She was getting on route 10 so Brian gave her a transfer so she could complete her trip.	
03/16/23	Doug Kratochvil		Caroline state that Doug was extraordinary in helping her. She is learning to live without a vehicle as she has been told she can no longer drive. She took 3 big bed blankets to the laundry in her shopping carts and on the way home, one of the carts spilled over and Doug took the time to "punch" the comforter down in the cart so it would not spill out.	
03/17/23	Joshua Stone		Suzy called and said she is moving back to Charlevoix for awhile and wanted to say thanks for all our help and that she appreciates it. She also wanted us to tell Josh that she went to the restaurant that he suggested (Fuji's) and sure enough, he said it was going to be expensive, and it was. I thought, god, I could take the bus for the next 3 months for that, but it was good and I appreciate the tip.	
03/28/23			Tonya stated that she took the bus this morning and just wanted to say thank you and let us know how much she appreciates all of our hard work, everyone was pleasant and any questions I had were answered.	

**From:** Kelly Dunham  
**Sent:** Thursday, March 16, 2023 12:08 PM  
**To:** Britny Schwartz  
**Subject:** FW: Per diem waiver

Please include the email below in the April Correspondence as requested.

Kelly

**From:** Heather Harris Brady <leelanauwriter@gmail.com>  
**Sent:** Thursday, March 16, 2023 9:26 AM  
**To:** Kelly Dunham <dunhamk@bata.net>  
**Subject:** Per diem waiver

Good morning Kelly,

As you probably remember from the governance committee meetings, I requested the waiver option in our per diem policy. Since I have always served the BATA Board in an entirely volunteer capacity it's my wish to complete my term in the same manner. Therefore, I will be waiving any per diem for my service on the BATA board.

Please include this email as correspondence in our next board packet, and once forms are available I will be happy to sign the official waiver.

Best,  
Heather

Heather Harris-Brady



U.S. Department of  
Transportation

**Federal Transit  
Administration**

March 23, 2023

Kelly Dunham  
Executive Director  
Bay Area Transportation Authority  
Cass Road Transfer Station  
3233 Cass Rd.  
Traverse City, MI 49684

RE: 2020 Decennial Census Urbanized Areas population of 50,000-199,999 in Population

Dear Ms. Dunham,

This letter is to inform you of upcoming changes to the Federal Transit Administration's (FTA's) allocation of Urbanized Area Formula Grants (Section 5307) and Formula Grants for Rural Areas (Section 5311), and other FTA formula-based programs authorized by the Bipartisan Infrastructure Law, enacted on November 15, 2021. These changes result from the Census Bureau's recent publication of new urban area boundaries based on 2020 Census data and will affect how funding is awarded to grantees beginning in Federal Fiscal Year (FY) 2024, which begins on October 1, 2023. Some of these changes may require the governor to select a new designated recipient or administer/allocate funds to new direct recipients and/or subrecipients. Eligibility and requirements associated with Notice of Funding Opportunities (NOFOs) published in FY 2023 will be determined by 2010 Census designations.

Funds apportioned prior to FY 2024 will not be affected and may continue to be used under the terms for which they were originally apportioned. For example, funds apportioned under the Section 5311 program for rural areas prior to FY 2024 may continue to be used for areas that were classified as rural prior to the 2020 Census for purposes eligible under the Section 5311 program.

FTA has identified that Traverse City-Garfield, MI is now located in a small UZA (population of 50,000-199,999). This change will impact Bay Area Transportation Authority and any other providers of public transportation also in the small UZA. Such public transit providers will be eligible in FY 2024 to receive funding under FTA's Section 5307 Urbanized Area Formula Program and potentially other urban-focused formula programs. For small UZAs, funding will be apportioned to the State to support the transit needs of the small UZA, as well as other small UZAs in the State. Amounts specific to each small UZA are published by FTA for informational purposes only and are non-binding.

In order to receive funding through FTA and other Federal transportation funding programs, transit providers in UZAs are required to participate in the federally prescribed multimodal planning processes of a metropolitan planning organization (MPO). The MPO for the UZA will be required to comply with Federal planning requirements by preparing a Unified Planning Work Program (UPWP), a Metropolitan Transportation Plan (MTP), and a Transportation Improvement Program (TIP). These documents will enable transit providers to receive Section 5307 funding and access funding opportunities from a range of other sources. Funding will also be allocated to the MPO to support transit planning activities, as provided in 49 U.S.C. 5305.

The allocation of formula funding to the State for small UZAs in FY 2024 will be based on specific variables set in Federal law. A summary of FTA formula factors by formula program is provided on the [FTA Census Resources and Information webpage](#). For more detailed information on how funding made available under each of the FTA formula grant programs is apportioned, visit [FTA's 'Formula Flowcharts' webpage](#).

The following summarizes other changes that will apply to transit providers in small UZAs that were previously designated as rural subrecipient:

- Transit providers will be eligible to receive funds under the Section 5307 Urbanized Area Formula Program and potentially other formula funds made available for use in small UZAs.
- Transit providers will need to participate in the planning activities of an MPO for that UZA. The MPO, transit providers, and State will be required to coordinate the programming of Federal transit funding.
- Transit providers that are eligible public entities may elect to become or remain a direct recipient of FTA funds. Direct recipients are subject to oversight by FTA, which includes additional reporting requirements and compliance reviews (e.g., triennial reviews).
- With the State's approval, transit providers that are eligible public entities may also become or remain subrecipients of the State. To receive Section 5310 (Enhanced Mobility of Seniors & Individuals with Disabilities Program) funds, any recipients other than the State must be subrecipients of the State.
- Private non-profit organizations that provide public transit services in small UZAs may only receive Section 5307 funds as a subrecipient if they are carrying out Job Access and Reverse Commute projects as defined in [49 U.S.C. 5302\(10\)](#). Private non-profit organizations are eligible subrecipients of Section 5339(a) (Buses and Bus Facilities Formula Program) funds for public transportation projects and for Section 5310 funds (for certain public transportation projects and certain alternative to public transportation) made available for use in UZAs.
- Except for those operators for which safety is regulated by another Federal agency, transit providers that receive Section 5307 funds are required by the Public Transportation Agency Safety Plan (PTASP) regulation at 49 CFR part 673 to have an Agency Safety Plan (ASP) in place. The ASP of transit providers that serve a small UZA must be developed in cooperation with frontline employee representatives and incorporate applicable PTASP requirements as defined in [49 U.S.C. 5329\(d\)](#).
- Recipients will need to be in compliance with applicable FTA requirements and have completed the FTA Certifications and Assurances before FTA can award FY 2024 funding.

A summary of additional changes to select program requirements that apply to a change in area designation, along with other information on the 2020 Census, is provided on the [FTA Census Resources and Information](#) webpage.

For general guidance related to the Section 5307 program, please consult [FTA Circular 9030.1E](#) (Urbanized Area Formula Program: Program Guidance and Application Instructions).

Please contact Susan Weber of the FTA Regional office at [susan.weber@dot.gov](mailto:susan.weber@dot.gov)/312.353.3888 if you have any questions.

Sincerely,

**KELLEY  
BROOKINS**

Digitally signed by  
KELLEY BROOKINS  
Date: 2023.03.23 13:46:16  
-05'00'

Kelley Brookins  
Regional Administrator, Federal Transit Administration

ecc: Jean Ruestman Administrator, MDOT Office of Passenger Transportation  
Valerie Shultz, MDOT North Unit Supervisor  
Susan Weber, FTA Community Planner  
Kathleen Russell, FTA Community Planner

Greetings BATA Board of Directors!

We've got a lot to catch up on next week and I'm looking forward to our meeting. But first, a couple of upcoming events to mark on your calendars...May 4<sup>th</sup> from 10a-3p we will be having an employee BBQ to recognize the great work that our staff has provided over the winter and to gear up for another busy summer. We welcome you to attend the BBQ and get to know BATA's staff. And, our highly anticipated and long-awaited groundbreaking of our new headquarters facility (1340 W. Hammond Rd) is scheduled for May 10<sup>th</sup> at 2pm. I hope all of you can be there to celebrate this significant milestone on the long journey it's been!

Over the past month, staff have been working diligently on our new technology implementations, gearing up for the public facing roll outs in mid-June. Much like our new facility, these improvements have been a long time coming, so it's very exciting to see them finally coming to fruition. There have also been a fair number of meetings and webinars regarding the transition to Small Urban. I'm very pleased to have Shaughn Handley, BATA's new procurement and grants manager on board to assist in the transition and what's to come as a federal direct recipient. The official notice from the US DOT regarding BATA's transition from a rural agency to small urban is in your packet under correspondence for your review. We are continuing to meet with the FTA, MDOT and other transit systems to get a better idea of all of the implications this transition means.

On the agenda this month, Adam BeVier, BATA's Operations Manager overseeing Link service and dispatch, will be providing you with an overview of the upcoming improvements to the Link system throughout both counties (as a result of the new technology). Under new business for your consideration, we have an updated total construction costs budget for your review and approval, the Finance Oversight Team (FOT) is recommending an allocation of the FY22 surplus to BATA's capital fund for future use to be determined (and approved by the Board) at that time, the MPO participation resolution, and an IT vendor contract recommendation. I will also present the Q1 and Q2 results of our organization scorecard from our success plan.

We've received our initial appraisals of the Cass and Diamond facilities as well as the authorization from the FTA to redirect the proceeds of the Cass Facility to offset the costs of the new HQ. An RFP was issued today to commercial listing agents in the area. Once an agent has been selected, we'll discuss the timing of the listings.

As always, I look forward to seeing all of you next week! In the meantime, if there are any questions, please contact me at 231-675-2885.

Respectfully,

Kelly Dunham

BAY AREA TRANSPORTATION AUTHORITY

STAFFING UPDATE – April 21, 2023

Driver staffing goal to meet the Transit Master Plan for full service – 68 FTE

APRIL FTE NEEDED

13

MAY FTE NEEDED

9

JUNE FTE NEEDED

3

Chris Davis

April 21, 2023



# Via and BATA partner to create the Link service

April 2023

## Case study

# The new face of the Link-On-Demand and the Village Link services

### Problem

- Lack of operational efficiencies on the driver and fleet level due to different softwares.
- Confusing rider experience with different travel rules and overall quality of service.
- Software shortcomings that increased handling time for our dispatchers over the phone

### Solution

- Increase transparency for riders, drivers, and dispatchers with one connected technology platform and reporting suite.
- Give riders more agency over their experience with additional booking and tracking capabilities
- Streamline rider experience between the two zones
- Improve dispatch and operating efficiency by consolidating tools onto one platform and sharing a fleet of drivers and vehicles across a single service zone



#### Geography

Traverse City and  
Leelanau Counties



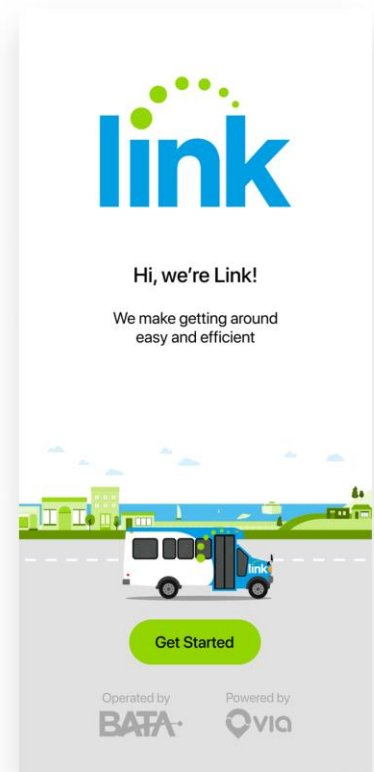
#### Use case

**Urban** Commute and  
rural county  
connectivity



#### Fleet

16 vehicles

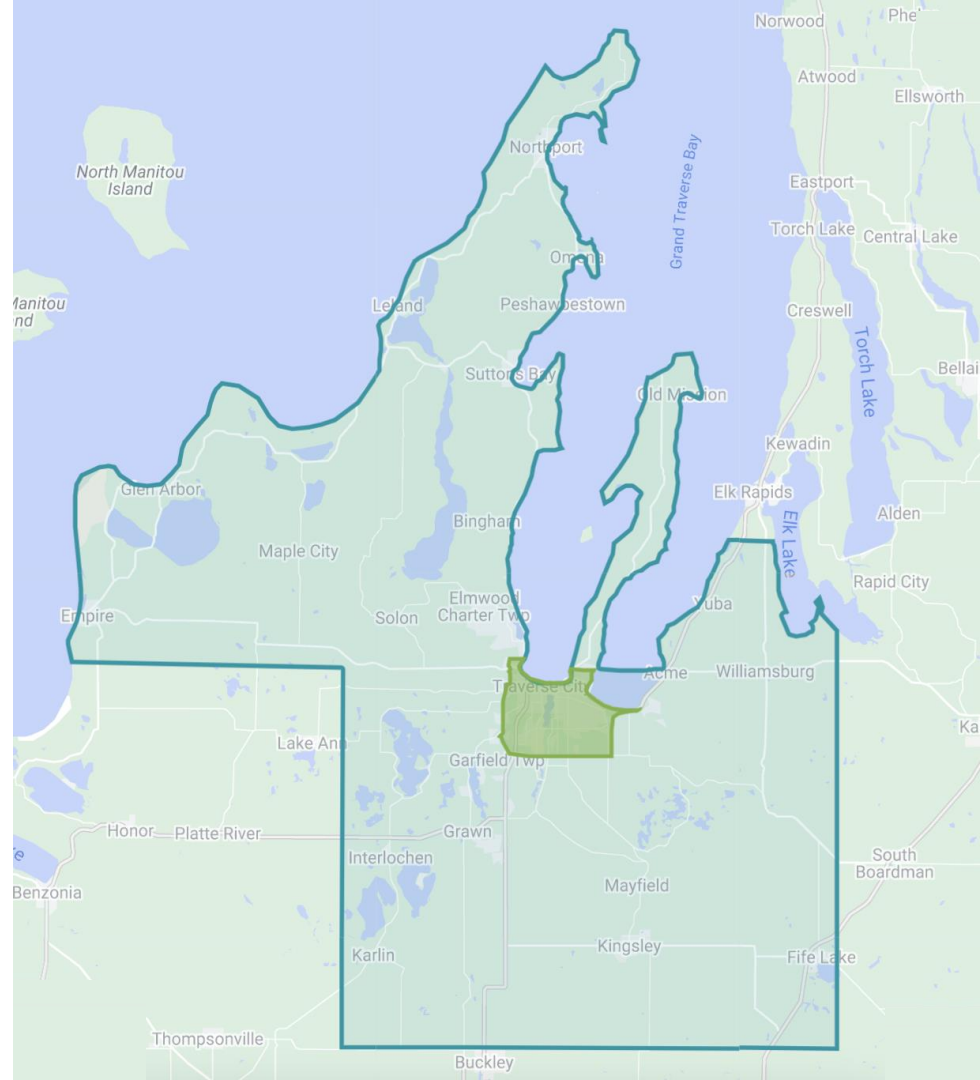


# Link Service Zone

A simpler experience for drivers, dispatchers and riders.

BATA is exploring potentially different pricing and hours for the Traverse City zone.

The booking experience for rides inside or outside the Traverse City boundaries is the same and a single fleet of vehicles will be servicing both types of rides.



# Taking a rider & inclusive first approach



## **Accessible White-Labeled Rider App**

Rider app meets WCAG 2.1 AA and ADA requirements



## **Phone Booking**

Web tools for dispatchers to quickly help riders who do not have a smartphone.



## **Automated Rider Communications**

Smart automated messages to Riders to update and inform them about their trip.



## **Multiple Payment Options**

Seamless credit card payments or cash! We support both.



## **Accessible Options**

The service is operating with a wheelchair accessible fleet.

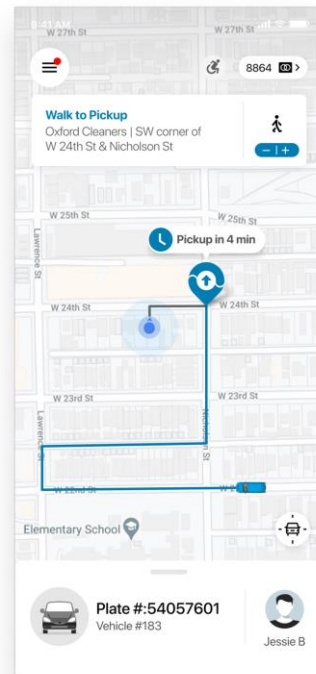
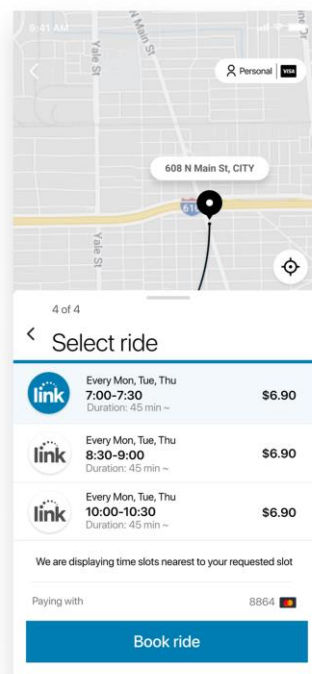
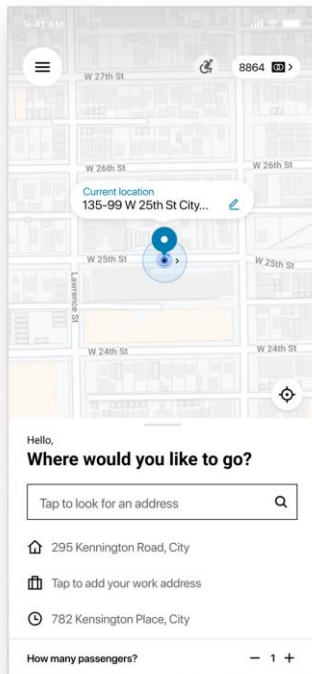
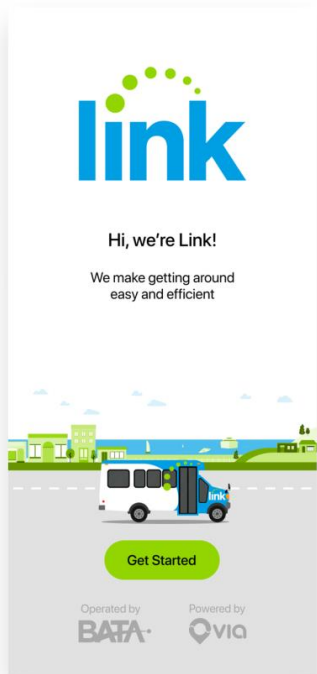


## **Shared Rides**

Via's algorithm creates efficiencies by grouping multiple riders travelling in the same direction.

A fully branded app that is easy to use and that ties back to BATA's look and feel

## BATA Link App



**Thank you.**

# Appendix Slides

# BATA Income Statement

## For the Six Months Ending March 2023

	March 2023 YTD			Budget			
	Actual		Budget	Variance	Annual Budget	Budget Remaining	% of Budget
<b>Revenues</b>							
Fare Box Revenue	\$ 259,213	<u>1</u>	\$ 191,034	\$ 68,179	\$ 382,065	\$ 122,852	68%
Auxiliary Trans Revenue	115,319	<u>2</u>	66,552	48,767	133,106	17,787	87%
Non-Trans Revenue	8,182		378	7,804	761	(7,421)	1075%
Local Revenue	1,636,967	<u>3</u>	1,625,811	11,156	4,521,234	2,884,267	36%
Local Service Contract	143,938		139,482	4,456	288,844	144,906	50%
State Formula & Contracts	1,589,591	<u>4</u>	2,043,700	(454,109)	4,154,215	2,564,624	38%
Federal Operating Grants	844,319	<u>4</u>	1,075,417	(231,098)	2,164,538	1,320,219	39%
CRRSAA/CARES Act	812,782	<u>4</u>	1,040,443	(227,662)	2,094,583	1,281,801	39%
Other Revenue: Interest	180,307	<u>5</u>	88,504	91,803	132,806	(47,501)	136%
Other Revenue: Refunds and Credits	178,215		16,212	162,003	32,422	(145,793)	550%
<b>Total Revenues</b>	<b>\$ 5,768,832</b>		<b>\$ 6,287,533</b>	<b>\$ (518,701)</b>	<b>\$ 13,904,573</b>	<b>\$ 8,135,741</b>	<b>41%</b>
<b>Expenses</b>							
Salaries & Wages	2,392,422	<u>6</u>	3,080,793	(688,371)	6,140,337	3,747,915	39%
Paid Leave	220,632		220,632	-	441,264	220,632	50%
Fringe Benefits	780,037	<u>6</u>	953,740	(173,703)	1,911,747	1,131,710	41%
Services	374,049		301,195	72,854	772,037	397,988	48%
Fuel & Lubricants	311,287	<u>7</u>	554,358	(243,071)	1,108,719	797,432	28%
Materials & Supplies	167,962		213,006	(45,044)	427,028	259,066	39%
Utilities	67,944		84,371	(16,427)	149,262	81,318	46%
Insurance	301,828		296,682	5,146	593,358	291,530	51%
Misc Expense	34,930		23,718	11,212	39,613	4,683	88%
Interest				-			
Operating Leases & Rentals	8,589		8,736	(147)	17,472	8,883	49%
<b>Total Expenses before Depreciation</b>	<b>4,659,680</b>		<b>5,737,231</b>	<b>(1,077,551)</b>	<b>11,600,837</b>	<b>6,941,157</b>	<b>40%</b>
<b>Net Income before Depreciation</b>	<b>1,109,153</b>		<b>550,302</b>	<b>558,851</b>	<b>2,303,736</b>	<b>1,194,583</b>	<b>48%</b>
Depreciation	555,312		527,154	28,158	1,054,291	498,979	53%
<b>Net Income (Loss)</b>	<b>553,841</b>		<b>23,148</b>	<b>530,693</b>	<b>1,249,445</b>	<b>695,604</b>	<b>44%</b>

**BATA Income Statement Notes**  
**For the Six Months Ending March 2023**

	<u><b>Account Name</b></u>	<u><b>Explanation</b></u>
<u><b>1</b></u>	Passenger Fares	Increased Ridership
<u><b>2</b></u>	Advertising Revenue	Increase in new advertisements
<u><b>3</b></u>	Taxes Levied by Transit Agency	Increase in property tax values. Majority of taxes are collected on summer tax bill (Jul-Sep).
<u><b>4</b></u>	State Operating Assistance Federal Section 5311 ARPA/CRRSSA/CARES Act	Budget forecasted at full service levels. FY2023 State Operating 34.58%, Federal 5311 Operating 36% (includes 18% ARPA)
<u><b>5</b></u>	Interest Income	Fed Funds Rate for March 2023 was 4.65%. It was 0.20% last year.
<u><b>6</b></u>	Salaries and Fringe Benefits	Decreased staff and service levels
<u><b>7</b></u>	Fuel & Lubricants	Decrease in gallons consumed and favorable experience in fuel rates

**BATA Statement of Net Position**  
**March 2023**

	<u>Mar 31, 23</u>	<u>Mar 31, 22</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>				
Current Assets				
ICS/Money Market - General Fund	\$ 267,253	\$ 8,312,670	\$ (8,045,418)	-96.8%
ICS/Money Market - Cap/Op Funds	-	1,559,258	(1,559,258)	-100.0%
Treasury Bill - Cap/Op/New Fac	2,702,255	2,111,468	590,786	28.0%
Total Cash	<u>2,969,507</u>	<u>11,983,396</u>	<u>(9,013,889)</u>	<u>1</u> -75.2%
Michigan Class - General Fund	4,670,653		4,670,653	
Michigan Class - Operating Reserve	2,403,248		2,403,248	
Michigan Class - Capital Reserve	2,258,585		2,258,585	
Michigan Class - New Facility Reserve	2,758,296		2,758,296	
Total Michigan Class	<u>12,090,782</u>	<u>-</u>	<u>7,420,129</u>	<u>2</u>
Accounts Receivable	112,427	139,644	(27,217)	3 -19.5%
Due (to) from State	(548,123)	(346,963)	(201,160)	4 58.0%
Due from Federal	875,338	859,937	15,401	1.8%
Property Taxes Receivable	5,076	11,347	(6,270)	
Prepaid Expenses	369,660	348,651	21,009	6.0%
Total Current Assets	<u>15,874,667</u>	<u>12,996,011</u>	<u>2,878,656</u>	<u>22.2%</u>
New Facility (CIP)/Land Acquisition	1,814,187	343,502	1,470,684	5 428.1%
Fixed Assets (net of depreciation)	5,387,266	6,321,827	(934,561)	6 -14.8%
Deferred Outflows of Resources for Pension Obl.	738,811	488,012	250,799	7 51.4%
Net Pension Asset	714,759	422,758	292,001	7
<b>TOTAL ASSETS</b>	<u><b>\$ 24,529,689</b></u>	<u><b>\$ 20,572,109</b></u>	<u><b>\$ 3,957,580</b></u>	<u><b>19.2%</b></u>
<b>LIABILITIES &amp; NET POSITION</b>				
Liabilities				
Current Liabilities				
Accounts Payable	\$ 127,521	\$ 67,782	\$ 59,739	88.1%
Accrued Expenses	291,743	540,269	(248,526)	-46.0%
Deferred Revenue	5,407	3,138	2,268	72.3%
Other Current Liabilities	104,612	80,468	24,143	30.0%
Total Current Liabilities	<u>529,283</u>	<u>691,658</u>	<u>(162,375)</u>	<u>-23.5%</u>
Net Pension Liability	-	(1)	1	7 -100.0%
Deferred Inflows of Resources for Pension Obl.	919,964	642,257	277,707	7 43.2%
Total Liabilities	<u>1,449,247</u>	<u>1,333,914</u>	<u>115,333</u>	<u>8.6%</u>
Net Position				
Assigned				
Operating Reserve Fund	2,403,248	2,035,194	368,054	18.1%
Capital Fund	2,246,067	1,886,998	359,069	19.0%
Land Acquisition Fund	-	848,921	(848,921)	-100.0%
New Facility Fund	5,343,130	5,412,095	(68,965)	-1.3%
Total Assigned	<u>9,992,446</u>	<u>10,183,208</u>	<u>(190,763)</u>	<u>-1.9%</u>
Investment in Capital Assets	7,201,452	6,665,329	536,124	8.0%
Restricted for Pension	533,606	268,514	265,092	98.7%
Unrestricted	5,352,939	2,121,145	3,231,794	152.4%
Total Net Position	<u>23,080,443</u>	<u>19,238,196</u>	<u>3,842,247</u>	<u>8</u> 20.0%
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<u><b>\$ 24,529,689</b></u>	<u><b>\$ 20,572,109</b></u>	<u><b>\$ 3,957,580</b></u>	<u><b>19.2%</b></u>

**BATA Statement of Net Position Notes**  
**March 2023**

	<u><b>Account(s)</b></u>	<u><b>Explanation</b></u>
<u><b>1</b></u>	Cash	Increase Increased net position
<u><b>2</b></u>	Michigan Class	Investment Pool started March 2023
<u><b>3</b></u>	Accounts Receivable	PY Included large TCHC Receivable
<u><b>4</b></u>	Due from State	Decrease \$97K FY22 payable \$451K FY23 payable
<u><b>5</b></u>	New Facility (CIP)/Land Acquisition	Increase New Facility/Land Acquisition costs
<u><b>6</b></u>	Fixed Assets	Decrease Accumulated depreciation + disposals
<u><b>7</b></u>	Deferred Outflows of Resources Deferred Inflows of Resources Net Pension Liability	<b><u>GASB 68 audit adjustment, as of 9/30/22</u></b> <u>Deferred Outflows of Resources \$738,811</u> Difference in experience \$54,263 Difference in assumptions \$337,555 Contributions subsequent to the measurement date \$346,993  <u>Deferred Inflows of Resources (\$919,964)</u> Difference in experience change (\$133,781) Difference between projected and actual earnings (\$786,183)  <u>Net Pension Asset \$714,759</u> Plan fiduciary net position \$10,856,504 Total pension liability (\$10,141,746)
<u><b>8</b></u>	Net Position	Increase Positive net income

**BATA Operating Reserve Fund  
March 2023 YTD**

	<b>Independent Bank</b>	<b>Michigan Class</b>	<b>Treasury Bill</b>	<b>Adjustments</b>	<b>Reserve Fund Total</b>
<b>Balance at September 30, 2022</b>	\$ 638,931	\$ -	\$ 1,724,269	\$ -	<b>\$ 2,363,200</b>
<b>Increases:</b>					
Interest Income	6,693	2,839			9,532
Investment Income			30,516		30,516
<b>Total Increases</b>	\$ 6,693	\$ 2,839	\$ 30,516	\$ -	<b>\$ 40,048</b>
<b>Cash Transfers</b>	\$ (645,624)	\$ 2,400,409	\$ (1,754,785)		-
<b>Balance at March 31, 2023</b>	\$ -	\$ 2,403,248	\$ -	\$ -	<b>\$ 2,403,248</b>

FY23 Revised Budgeted Expenses

\$ 11,717,139

Balance as a % of FY23 Revised Budgeted Expenses\*

20.5%

*\*Maximum Balance = 30%*

\$ 3,515,142

**BATA Capital Reserve Fund**  
**March 2023 YTD**

	<b>Independent Bank</b>	<b>Michigan Class</b>	<b>Treasury Bill</b>	<b>Adjustments</b>	<b>Reserve Fund Total</b>
<b>Balance at September 30, 2022</b>	\$ 765,442	\$ -	\$ 1,120,387	\$ 3,631	\$ 1,889,460
<b>Increases:</b>					
Interest Income	8,020	3,162			11,182
Investment Income			19,828		19,828
FY2023 Funding: 2.5% of budgeted revenue				347,614	347,614
<b>Total Increases</b>	\$ 8,020	\$ 3,162	\$ 19,828	\$ 347,614	\$ 378,624
<b>Decreases:</b>					
FY23 Q1-#30 (Concrete pads)				(9,500)	(9,500)
FY23 Q2-#49 (DVR's)				(12,518)	(12,518)
<b>Total Decreases</b>	\$ -	\$ -	\$ -	\$ (22,018)	\$ (22,018)
<b>Cash Transfers</b>	(773,462)	2,255,423	(1,140,215)	(341,745)	-
<b>Balance at March 31, 2023</b>	\$ -	\$ 2,258,585	\$ -	\$ (12,518)	\$ 2,246,067

**BATA New Facility Reserve Fund**  
**March 2023 YTD**

	<b>Independent Bank</b>	<b>Michigan Class</b>	<b>Treasury Bill</b>	<b>Adjustments</b>	<b>Reserve Fund Total</b>
<b>Balance at September 30, 2022</b>	\$ -	\$ -	\$ 5,411,433	\$ (98,072)	\$ 5,313,361
<b>Increases:</b>					
Interest Income		6,633	7,663		14,296
Investment Income			34,821		34,821
				-	-
<b>Total Increases</b>	\$ -	\$ 6,633	\$ 42,484	\$ -	\$ 49,117
<b>Decreases:</b>					
Mansfield Land Use Consultants				(19,348)	(19,348)
				-	-
<b>Total Decreases</b>	\$ -	\$ -	\$ -	\$ (19,348)	\$ (19,348)
<b>Cash Transfers</b>		2,751,663	(2,751,663)		-
<b>Balance at March 31, 2023</b>	\$ -	\$ 2,758,296	\$ 2,702,255	\$ (117,420)	\$ 5,343,130

Investment Income	\$ 87,746
T Bill Maturity at 8/10/23	\$ 2,790,000

**BATA Locally Funded Capital Projects Budget  
FY2023**

<u>Project #</u>	<u>Project Description</u>	<u>Owner</u>	<u>Asset Category</u>	<u>Priority</u>	<u>Useful Life</u>	<u>Budget</u>	<u>Q1-Q4 Spend</u>	<u>Q4 Budget Remaining</u>
<b>Capital Projects Budget, New</b>								
52	Hall St AC Unit Replacement	Kurt	Building Imprvmts	A	10	\$ 24,784		24,784
53	Hall St Boiler Replacement	Kurt	Building Imprvmts	A	10	50,000		50,000
54	Hall St Carpet Replacement	Kurt	Building Imprvmts	C	10	5,000		5,000
55	Hall St DSX Door Locks	Kurt	Building Imprvmts	C	10	10,000		10,000
<b>Total</b>						<b>\$ 89,784</b>		<b>\$ 89,784</b>
<b>Capital Projects Budget, Ongoing</b>								
7A	Motors/Transmissions/Body Work	Kurt	Vehicle Parts	A	3	\$ 100,000	-	100,000
7B	Bldg/Grds Improvements, Equipment Replacement	Kurt	Buildings	A	6		-	-
9	General IT	Eric	Technology	A	6	7,000	-	7,000
13	Local Vehicle Purchase (Buses and Components)	Kurt	Vehicles	A	5-12		-	-
30	Annual Shelter, Bench, Signage and Stop Placemaking	Kurt	Oper Equipmt	A	10	50,000	9,500	40,500
49	Vehicle Technologies (Replacement, e.g. MDTs, Fareboxes, Radios)	Eric	Technology	A	5-10	26,460	12,518	13,942
<b>Total</b>						<b>\$ 183,460</b>	<b>\$ 22,018</b>	<b>\$ 161,442</b>
<b>Capital Projects Budget, Contingency (10% of budget)</b>						<b>\$ 27,324</b>	<b>-</b>	<b>\$ 27,324</b>
<b>Total</b>						<b>\$ 300,568</b>	<b>\$ 22,018</b>	<b>\$ 278,551</b>
Total as a % of Budget							7.33%	92.67%

**Bata Headquarters and Transfer Station  
Construction Costs**

<b>Funding Source</b>	<b>Total</b>	<b>Federal</b>	<b>State</b>	<b>New Facility Reserve</b>
2017-0016/P29	16,725,000	13,380,000	3,345,000	
2022-0015/P10	6,600,000		6,600,000	
FY20 Surplus	2,083,540			2,083,540
FY21 Surplus	3,328,555			3,328,555
Interest & Investment Income	49,296			49,296
<b>Total New Facility Funding</b>	<b>28,786,391</b>	<b>13,380,000</b>	<b>9,945,000</b>	<b>5,461,391</b>
<i>Future Sale of Old Facilities</i>	<i>2,025,000</i>			<i>2,025,000</i>
<b>New Facility Funding Total</b>	<b>30,811,391</b>	<b>13,380,000</b>	<b>9,945,000</b>	<b>7,486,391</b>

			<b>Funding Sources</b>				
<b>Contractor</b>	<b>Description</b>	<b>MDOT Approved/GMP</b>	<b>Adjustments</b>	<b>Budget Amount</b>	<b>Federal</b>	<b>State</b>	<b>New Facility Reserve</b>
Progressive AE	Design and Engineering	1,134,575	33,600	<b>1,168,175</b>	907,660	226,915	33,600
Christman Company	Construction	<b>26,537,872</b>	278,099	<b>26,815,971</b>	12,472,340	9,718,085	4,625,546
Various	Owner Direct Costs	-	1,687,300	<b>1,687,300</b>			1,687,300
	Contingency	-	800,000	<b>800,000</b>			800,000
<b>Total Construction Cost Budget</b>		<b>27,672,447</b>	<b>2,798,999</b>	<b>30,471,446</b>	<b>13,380,000</b>	<b>9,945,000</b>	<b>7,146,446</b>

<b>Actual Costs</b>	<b>Total</b>	<b>Federal</b>	<b>State</b>	<b>New Facility Reserve</b>
Progressive AE, Inc.	924,018	660,084	165,021	98,913
The Christman Company	-	-	-	-
Mansfield Land Use Consultants	19,348	-	-	19,348
<b>Total Costs to Date</b>	<b>943,365</b>	<b>660,084</b>	<b>165,021</b>	<b>118,261</b>

Current Funding Balance	27,843,026	12,719,916	9,779,979	5,343,130
<i>Future Sale of Old Facilities</i>	<i>2,025,000</i>	-	-	<i>2,025,000</i>
Construction Budget Balance	29,528,081	12,719,916	9,779,979	7,028,185
Funding Surplus/(Shortfall)	339,945	-	-	339,945

## BATA - Operation Center & Transit Facilities

### Total Project Cost

4/21/2023

			Grant	Local Funds	Total	
1	Progressive Arch.	Architect's & Engineering Fees	1,134,575	33,600	1,168,175	
2	Mansfield	Civil and Landscape designer fees and reimbursables		30,000	30,000	
3	Shoreline	Other Consultants fees and reimbursables		12,000	12,000	
4	CL	Program Manager fees		380,000	380,000	
5	BATA	Water & Sewer Usage Fees (aka "REU's" or "Tap Fees") - assessed by Garfield Twp.		216,000	216,000	27 units x \$8,000 per unit = \$216k / expected lateral fees reimbursement in future
6	Shoreline	IT Equipment - hardware + added data drops		71,000	71,000	
7		Telecommunication equipment (phones, paging system, ...)		30,000	30,000	
8	BATA	Owner moving costs		20,000	20,000	
9	BATA	AV Equipment		10,000	10,000	
10	Shoreline	Security, Video, Alarm, Door Access		219,000	219,000	
11	BATA	Kitchen Equipment		10,000	10,000	
12	BATA	Furniture, fixtures, equipment (FFE)		450,000	450,000	
13	TCLP	Electrical Extension		-	-	No charge per TCLP
14	BATA	Window Treatments		60,000	60,000	
15	BATA	Site & Building Surveying		3,000	3,000	
16	BATA	Building interior and exterior signage		50,000	50,000	
17	TCC	Temporary water - during construction		-	-	Included in TCC budget
18	TCC	Temporary Electrical usage - during construction		-	-	Included in TCC budget
19	TCC	Temporary Gas usage - during construction		-	-	Included in TCC budget
20	TCC	Builders Risk Insurance (currently a separate line item in TCC estimate)		-	-	Included in TCC budget
21		Construction Materials Testing		45,000	45,000	Soils & Structures
22	TCC	Connectivity charges for electrical, telephone system and telephone services to the CM Construction Trailer		-	-	Included in TCC budget
23		Commissioning Mechanical & Electrical Equipment - prior to occupancy		20,000	20,000	Independent 3rd party
24	GFA	Inspection fees for public sewer and water lines		56,300	56,300	Per mtg. with Jennifer/GFA - letter 10.20.21
25	BATA	Other permit fees		5,000	5,000	Not included in TCC budget
Total:			<b>1,134,575</b>	<b>1,720,900</b>	<b>2,855,475</b>	

Owner Contingency: **800,000**

Christman Company - Total Construction Cost: **26,815,971**

**Project Budget:** **30,471,446**

# BATA - Operation Center & Transit Facilities

## Construction Budget

4/20/2023

		Christman DD Estimate				Bid Results	
WC	Description	DD Est. 08/03/22	WC Allowances	VE Est. Adjustments	WC Total	Apparent Low Bid	Notes
02	Earthwork & Site Utilities	3,221,407	10,000	(46,500)	3,184,907	4,230,880	
05	Site Concrete and Curbs	370,515	5,000	-	375,515	378,930	
06	Bituminous Paving	360,603	5,000	-	365,603	705,329	is this Molon or Elmers
08	Landscape/ Irrigation	291,647	5,000	-	296,647	401,109	
08A	Landscape Allowance					50,000	Allowance
09	Precast Concrete	1,588,020	5,000	-	1,593,020	1,709,150	
10	Structural Concrete	1,166,126	10,000	-	1,176,126	918,195	
11	Masonry	208,324	7,000	-	215,324	440,060	
12	Structural Steel	2,134,360	10,000	-	2,144,360	2,205,800	
14	Roofing	1,638,759	5,000	-	1,643,759	876,582	
15	Metal Siding/ Roofing	530,594	3,000	-	533,594	516,270	
18	Glass/Glazing/ Aluminum	468,215	3,000	-	471,215	574,421	
20	General Trades / Carpentry	630,713	20,000	-	650,713	1,188,347	
21	Metal Framing/Drywall/Acoustical/Insulation	470,819	15,000	-	485,819	683,500	
22	Flooring	78,276	3,000	-	81,276	101,160	
24	Painting & Wall Coverings	443,141	3,000	-	446,141	460,359	
25A	Overhead Doors	579,250	2,000	-	581,250	793,268	
26	Fire Protection	280,565	5,000	-	285,565	183,600	
27	Mechanical Systems	4,495,010	15,000	(52,000)	4,458,010	4,641,683	
27A	Snow Melt Allowance	0	0	0	0	550,000	Added after bid / allowance
28	Electrical	1,856,143	10,000	-	1,866,143	1,626,169	
31	Equipment	670,000	-	(385,000)	285,000	285,000	
38	General Requirements		150,000		150,000	150,000	
98	VE Reductions	(483,500)		-	-483,500	0	
<b>Subtotal:</b>		<b>20,998,987</b>	<b>291,000</b>	<b>-483,500</b>	<b>20,806,487</b>	<b>23,669,812</b>	

Sub Default Insurance: 1.20% 284,038

Sub Total: 23,953,850

CM Risk/Construction 3.00% 718,615

Subtotal Direct 24,672,465

Preconstruction 64,960

Construction 527,220

General Conditions: 310,966

Fee: 538,208

Sub Total: 26,113,819

Commercial General Liability Insurance: 0.82% 214,133

Builders Risk Insurance: 22,057

PLM Bond: 0.60% 156,683

Permit(s) / Plan Review: 31,179

**Total Contract Amount: 26,537,871**

Future Change Orders (includes TCC fee):		
1	Reduce final grades - Team Elmers	(391,400)
2	New Bus Wash Equipment	360,500
3	Propane tank, containment, ...	309,000
		278,100

Revised Total Construction Cost: **26,815,971**



## MEMO

04.20.23

**Memo to:** BATA Board of Directors  
**From:** Eric Lingaur, Communications and Development Director  
**Re:** BATA Managed Service Provider IT Contract Recommendation

---

Since 2014 BATA has contracted with i3 Business Solutions from Grand Rapids, Mich., as BATA's managed service provider (MSP) IT partner handling a variety of technology needs for the organization. With the transition to a new facility, and being fully staffed with two internal IT resources, BATA's IT Team began exploring options to switch to a new MSP that better fits the needs of the organization moving forward. BATA's IT department conducted extensive research with the following objectives in mind:

- Annual savings
- Locally based support vs. downstate, out of state or out of country
- Same or greater level of service delivery

**Based on our findings and proposals received, BATA's IT Team recommends transitioning from its current MSP i3 Business Solutions to Next IT for the following reasons:**

- **Cost Savings:** First year cost savings of \$24,841 based on pricing and being able to accommodate more IT projects with internal BATA staff. (See Feature and Cost Comparison Worksheet)
- **Local:** Next IT has a fully staffed local Traverse City office that just down the road from BATA's current Cass Road Station and BATA's new headquarters on LaFranier.
- **Service:** Next IT provides a greater level of service at a lower price than BATA's current MSP.

Total cost for the first year of the agreement (enclosed) will be \$42,600 and \$39,000 annually thereafter versus BATA's current annual MSP cost of \$67,441.44 annually.

BATA's IT Team hopes to make this transition before moving into the new headquarters facility in 2024 to help transition and set up the new building. Thank you for your consideration.

###



FEATURE	nextCARE	Safety Net	i3 (current)
<b>Proactive Components</b>			
Pro Active best practices & technology alignment	Month/Quarter	Month/Quarter	Month/Quarter
Professional Strategy & Technology Reviews	Month/Quarter	Month/Quarter	Month/Quarter
Notes	* All Similar	* All Similar	* All Similar
<b>Managed Backup Services (BaaS)</b>			
Managed Backup Services (BaaS) for Servers Local + Offsite	Up to 3TB	Up to 5GB	Up to 5GB
Managed Backup Services (BaaS) for Office 365 & Gsuite	*Option	*Option	*Option
Monitoring & Alerts	X	X	X
Restore verification tests	quarterly	quarterly	quarterly
Restore user data on demand	X	X	X
Image Level backups	X	X	X
File level backups	X	X	X
Notes	*O365 BACKUP AVAILABLE \$690 PER MONTH OR \$6 PER USER	*O365 BACKUP AVAILABLE \$690 PER MONTH OR \$6 PER USER	*O365 BACKUP AVAILABLE \$690 PER MONTH OR \$6 PER USER
<b>Managed Security &amp; Tools</b>			
24x7x365 Monitoring & alerting of critical events	X	X	X
Windows Operating System security patch Management & deployment	X	X	X
Updates over 300 common applications	X	N/A	X
Automated File System Cleanup	X	X	X
Portal access to Knowledge bases, service tickets, invoices, & reporting	X	X	X
Continuous documentation of covered assets & network environment	X	X	X
Next I.T. provided Antivirus protection software, Management & Real-time definition Updates	X	X	X
Asset Lifecycle & Warranty/service Contract Management	X	X	X
Vendor Management	X	X	X
Notes	*UPDATES ALL APPLICATIONS & HARDWARE	*UPDATES MICROSOFT APPLICATIONS (Only) & HARDWARE	*UPDATES ALL APPLICATIONS & HARDWARE
<b>Advanced Managed Security</b>			
nextSOC - Real time EDR security threat detection & response	X	X	X
Cloud-based web threat protection - monitoring, filtering, & reporting (powered by Cisco Umbrella)	X	X	X
Block domains with malware, phishing, botnet, or other high-risk items	X	X	X
Policy-based web access & reporting by network, device, and user	X	X	X
External Recon for detection of attacks against RDP ports and other External surfaces	X	X	X
Ransomware Canaries for Ransomware incident detection	X	X	X
Advanced Threat Intelligence Platform (TIP), Vulnerability Scanning	X	X	X
Email Spam Filtering (inbound/outbound filtering, Imposter email Protection, Mail Spooling)	X	X	X
Continuous end user security awareness training	X	X	X
24x7x365 Dark web monitoring IRC (internet relay chat) channels, Social media platforms, & Black market sites	X	X	X
On demand dark web breach assessments	X	X	X

FEATURE	nextCARE	Safety Net	i3 (current)
Self-Serve Password reset tools (End users can reset passwords & unlock accounts automatically)	X	X	X
Multi-factor Authentication (powered by Cisco DUO)	X	X	X
Disk Encryption/protection, Monthly Cybersecurity risk assessments	X	X	X
Mobile device Management	X	X	X
<b>Notes</b>	<i>*CISCO UMBRELLA ANTI-VIRUS, MFA CISCO DUO</i>	<i>*WINDOWS SECURITY PLUS ANTIVIRUS, SOPHOS FIREWALLS AS SERVICE, MFA MICROSOFT</i>	<i>*SENTINEL ONE EDR, WATCHGUARD FIREWALLS AS SERVICE, MFA MICROSOFT</i>
<b>Remote / Help Desk Support</b>			
Tier 1 Remote Support	Unlimited	Unlimited - No Desk Side Support	Unlimited
Tier 2 Remote Support	Unlimited	Unlimited - No Desk Side Support	Unlimited
Tier 3 Remote Support	Unlimited	Unlimited - No Desk Side Support	Unlimited
Onsite Support Hours Included in Plan	On-demand	On-demand	On-demand
<b>Notes</b>	<i>*FULL SERVICE</i>	<i>*NO DESK SIDE SUPPORT, BATA TO PROVIDE ALL SUPPORT FOR PRINTERS, WORKSTATIONS. *SAFETYNET WILL SUPPORT SERVERS, MICROSOFT APPLICATIONS</i>	<i>*FULL SERVICE</i>
<b>Onsite Support</b>			
Week days - remediation support for covered users & assets at no extra charge	No Charge	No Charge	No Charge
After Hours/Weekends/Holidays - remediation support for covered users & assets at no extra charge	No Charge	No Charge	No Charge
<b>Notes</b>			
<b>General Company Information</b>			
Closest Office Dispatch Location (City)	KZ/MU/TC	TC/FH/DET	GR
Number of Dedicated Help Desk Staff	15	20+	20+
Help Desk Business Hours	24x7x365	7A-5P / 24/7 ON-CALL	7A-6P / 24/7 ON-CALL
Onsite Business Hours	24x7x365	7A-5P / 24/7 ON-CALL	7A-6P / 24/7 ON-CALL
<b>Notes</b>	<i>*TC OFFICE 24/7 ON CALL SUPPORT</i>	<i>*TC OFFICE 24/7 ON CALL SUPPORT</i>	<i>*GR OFFICE 24/7 SUPPORT</i>
<b>Service Level Agreements (SLA)</b>			
Response/Acknowledgment	30 Minutes	30 Minutes	30 Minutes
Remediation	4 Hours	4 Hours	4 Hours
Resolution	16 Hours	16 Hours	16 Hours
<b>Notes</b>	<i>* All Similar</i>	<i>* All Similar</i>	<i>* All Similar</i>
<b>Major Partners/Certifications</b>			
Cisco / Meraki	X (Premier)	X	X
Microsoft	X (Silver)	X	X
Veeam	X	X	X
vmware	X (Enterprise)	X	X
DELL	X	X	



FEATURE	nextCARE	Safety Net	i3 (current)
Barracuda	X		
WebRoot	X		X
Storage Craft	X		
datto	X		
Lenovo	X		X
HP	X		
Digium	X		
Rincentral	X		
3CX	X		
Sophos Firewall		X	
Watchguard Firewalls			X
Notes			
Package Pricing	Next IT / nextCARE	Safety Net	i3 (current)
Onboarding Fee	\$ 3,600.00	\$ 10,150.00	\$ -
Monthly Package - All Inclusive w/ Helpdesk	\$ 4,250.00	\$ -	\$ 5,620.12
Monthly Package - Triage Support	\$ 3,250.00	\$ 4,950.00	\$ -
Annual Cost Year 1 * Includes onboarding fee	\$ 42,600.00	\$ 69,550.00	\$ 67,441.44
Annual Cost Year 2+	\$ 39,000.00	\$ 59,400.00	\$ 67,441.44

Recommended Vendor

First Year Savings vs. Current \$24,841  
Second Year Savings vs. Current \$28,441



next I.T.  
technology solutions  
that make business sense

Solution Prepared For

---

Bay Area Transportation Authority

Quote: AAAQ19833-02

Created: 3/20/2023



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

## Company Information

Eric & Michele Ringelberg founded Next I.T. in 2001. With a lot of hard work, the right people, and a little luck Next I.T. has grown from our basement to three offices across Michigan – Muskegon, Traverse City, & Kalamazoo

Next I.T. is an IT consulting company that delivers secure, scalable, and reliable technology solutions to small & mid-sized organizations across the mid-west. Our proven technology success processes are built with industry best practices and provide a strategic advantage in today's competitive environment. Our clients range from manufacturers to schools, non-profits, wineries, attorneys, accountants, who all want the same thing – to reduce risk, be more productive, and leverage their technology so their organizations can grow!

We are proud to be a local, award-winning, technology solution provider and recognized by many of the top technology manufacturers as a partner; Cisco Premier Certified Partner, Microsoft Silver Certified Partner, VMware Enterprise Partner, VEEAM, HP, WebRoot, Lenovo, DELL, and many more.

Next I.T. is different from our competitors because we focus on technology solutions that make business sense for YOU. Our size and independent ownership make Next I.T. the ideal technology partner for most small and mid-size organizations. We are large enough to maintain close relationships and purchasing leverage with all major suppliers, yet not so big that we forget how important your business is to our business.

To learn more about Next I.T, go to [www.next-it.net](http://www.next-it.net).





MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

Wednesday, April 19, 2023

Bay Area Transportation Authority  
Eric Lingaur  
3233 Cass Road  
Traverse City, MI 49684-8891

Dear Eric,

We all know that people are the foundation of any great organization. You wouldn't be where you are today without committed employees and loyal customers. How can you support your staff, retain customers, increase revenue, grow market share, and remain flexible in a constantly changing landscape? Reliable, scalable and secure IT infrastructure is the best investment you can make - now and for the future. We specialize in:

- ✓ Smart IT solutions built around your business priorities
- ✓ Multi-layered security structures that protect you and your customers
- ✓ Long-term strategic guidance of client IT systems and infrastructure

Next IT focuses on your IT so you can focus on your business growth. Our experienced professionals work with you to guide your technology strategies, helping you align them with your business and process strategies. We provide strategic, architectural, operational, and implementation planning for all your IT needs.

This proposal includes

- ✓ Scope of work & deliverables
- ✓ A detailed description of services
- ✓ Solution approval
- ✓ Terms & Conditions

At next IT, we appreciate the trust you put in us when you hand us the keys to your IT kingdom. We've earned that trust from hundreds of clients in dozens of industries, and we know we can earn it from you.

Respectfully,

A handwritten signature in black ink, appearing to read 'Eric Ringelberg', written over a light blue horizontal line.

Eric Ringelberg  
CEO  
Next I.T. LLC



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

#### PREPARED FOR:

Bay Area Transportation Authority  
Eric Lingaur  
3233 Cass Road

#### PREPARED BY

John Sohacki  
866-388-6398 x661  
jsohacki@next-it.net

#### QUOTE INFORMATION

Quote: AAAQ19833-02  
created: 3/20/2023  
Expires: 30 Days after Creation

## A True Business Partner

---

Imagine a full IT staff – without the costs of a Full-Time IT employee. Next IT clients enjoy 24/7/365 access to our full suite of resources, tools, and professional team for one predictable and affordable monthly rate.

### Strategic Technology Management and Alignment

nextCARE clients are assigned a dedicated Technology Alignment Manager (TAM) and Business Technology Advisor (BTA). The TAM acts as your 'virtual' IT Manager and focuses on implementing best practices and eliminating ticket noise. The BTA acts as your 'virtual' IT Director and focuses on aligning technology roadmaps with business priorities. Together, they provide strategic level guidance designed to help your organization reduce risk, be more productive, and leverage technology investment.

### Vendor Management

Ever called a vendor and spent more time waiting for help than getting help? Would you like to have a tech-savvy member of your leadership team to help ensure you get the right solution at the right price... without financial interest in you buying or paying more than you need? You'll never have to overpay again with us as a partner. Next I.T. will work on your behalf with all your third-party solutions providers—ISPs, cloud services hosts, printer vendors, copier providers and more.

### Monitoring & Security

Next I.T. continuously monitors servers, workstations, infrastructure events, and security threats for the purpose of reducing security vulnerabilities through malicious activity and to maintain organization productivity. We monitor and protect your network with managed tools such as anti-spyware, antivirus, MFA, MDR, EDR, and web filtering. Next IT also inventories and manages your IT system assets, tracking your warranties and service contracts, and providing security updates and software installations. Next IT cannot and does not guarantee 100% protection because hackers are continuously adapting their techniques to avoid detection.

### Maintenance Windows

Next IT will coordinate a recurring maintenance windows with clients. These windows represent defined periods of time during which planned maintenance, upgrades, and changes to clients' IT services and systems may occur. During these maintenance windows, services may be intermittent or unavailable. Next IT will provide proactive patch management to cover all Windows servers, desktops, and laptops running Microsoft business versions of operating systems with "critical updates" and "security updates" after next IT tests the patches. Microsoft

Quote: AAAQ19833-02

*Technology Solutions That Make Business Sense*

Created: 3/20/2023



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

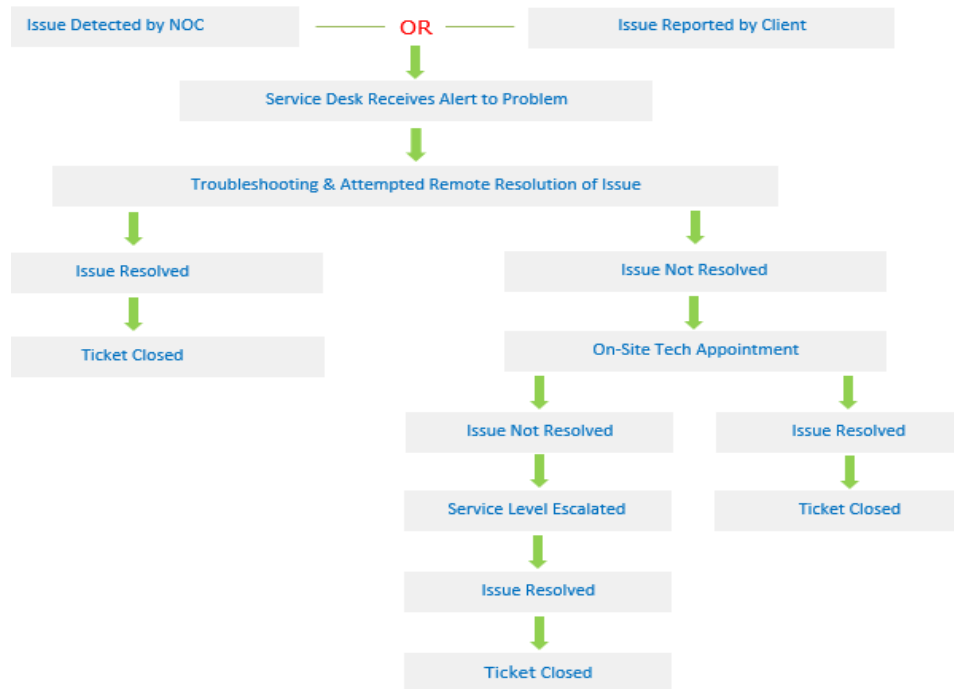
KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

updates for drivers, feature packs, service packs, and other optional patches will be deployed at next IT's discretion.

## Support Process

Next IT provides operating system and application support services to resolve software issues relating to the underlying network and computing environment. Whenever possible, next IT will attempt to resolve support incidents via remote support tools and dispatch onsite support at our discretion when remote support is not viable.



## Incident Response Objective

All reported incidents receive a priority number based on the impact and urgency of the service interruption. Impact is determined based on the number of people/departments/buildings that are affected by the interruption or outage.

PRIORITY	RESPONSE (HRS)	REMEDIATION (HRS)	RESOLUTION (HRS)	DEFINITION	EXAMPLE
<b>P1 - Emergency</b>	0.5	0.5	8.0	Significant impact – Large number of users or business critical functions affected	<ul style="list-style-type: none"> <li>Virus Outbreak</li> <li>Email outage</li> <li>Server/network crash</li> </ul>
<b>P2 – Urgent</b>	0.5	2.0	16.0	Limited impact – limited number of users or functions affected. Business process can continue	<ul style="list-style-type: none"> <li>Network printer outage</li> <li>Department LOB not working</li> </ul>
<b>P3 – Important</b>	0.5	4.0	24.0	Minor impact –one user affected.	<ul style="list-style-type: none"> <li>Single virus infection</li> <li>User's desktop</li> </ul>

Quote: AAAQ19833-02

Technology Solutions That Make Business Sense

Created: 3/20/2023



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

					<i>crashed</i>
<b>P4 – Next Visit</b>	0.5	*n/a	*n/a	<i>Issues which do not lead to degradation of service. Business process can continue</i>	<ul style="list-style-type: none"> <li>• <i>Slow desktop</i></li> <li>• <i>New user setup</i></li> <li>• <i>How do I...</i></li> </ul>

## Statement of Work

### Implementation

nextCARE Onboarding Project - Our team follows a proven process to onboard new clients. The initial transition of the Service Desk environment is typically a two (2) week process and includes the services of our project team, CSA, BTA and TAM.

- Assign project team
- Establish onboarding process priorities & expectations
- Create onboarding blueprint & define deliverables timeline
- Perform initial environment readiness and functional capability assessment
- Implement Remote Monitoring and Management tools
- Deploy agents and tools to covered devices
- Setup patch management schedule
- Schedule monthly 'service trend' reports
- Document relevant information & change administrative passwords
- Cross Train next IT service team
- Provide client training on new systems & technologies
- Launch services
- Report initial findings to improve performance, security & reliability

**Implementation: \$3,600.00**

Recurring Services	Qty
<p>nextCARE DESK - Virtual IT Department. Support organization's devices used by each end user, including servers, workstations, laptops, PDA, servers, networks, smartphones, office phone systems, &amp; Cloud/SaaS Applications (Users are the total number of employees, email accounts, or AD accounts).</p> <p>Agreement Support</p> <p>* Priority emergency support</p> <p>- (24x7x365) Remote remediation support for covered users &amp; assets at no extra charge</p> <p>- (24x7x365) On-Site remediation support for covered users &amp; assets \$150 per hour</p> <p>Managed Backups - nextBDR180</p> <p>- Server backup management &amp; monitoring</p> <p>- (11) incremental local backup images each weekday</p> <p>- (1) 'consolidated' backup of daily incremental backups to our off-site cloud storage each night</p> <p>* (Off-site storage exceeding 3TB will be billed \$10 per TB)</p> <p>Managed Care</p> <p>- 24x7x365 Monitoring &amp; alerting of critical server events</p>	30

**Quote: AAAQ19833-02**

**Technology Solutions That Make Business Sense**

**Created: 3/20/2023**



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

<ul style="list-style-type: none"> <li>- 24/7x365 monitoring, alerts &amp; notifications of critical network devices.</li> <li>- Automated network mapping &amp; documentation with network device password management</li> <li>- Windows Operating System security patch management &amp; deployment</li> <li>- Updates over 300 common applications</li> <li>- Automated File System Cleanup</li> <li>- Portal access to Knowledge bases, service tickets, invoices, &amp; reporting</li> <li>- Continuous documentation of covered asset inventory &amp; network environment</li> <li>- Next I.T. provided Antivirus protection software, management &amp; real-time definition updates</li> <li>- Asset Lifecycle and Warranty/Service Contract Management</li> <li>- Vendor Management</li> </ul> <p>Advanced Managed Security</p> <ul style="list-style-type: none"> <li>- nextSOC - Real time EDR security threat detection &amp; response</li> <li>- Cloud-based web threat protection - monitoring, filtering, &amp; reporting (powered by Cisco Umbrella)</li> <li>- Block domains with malware, phishing, botnet, or other high-risk items</li> <li>- Policy-based web access &amp; reporting by network, device, and user</li> <li>- External Recon for detection of attacks against RDP ports and other external surfaces</li> <li>- Ransomware Canaries for ransomware incident detection</li> <li>- Advanced Threat Intelligence Platform (TIP), Vulnerability Scanning</li> <li>- Email Spam Filtering (inbound/outbound filtering, Imposter email Protection, Mail Spooling)</li> <li>- Continuous end user security awareness training</li> <li>- 24x7x365 Dark web monitoring IRC (internet relay chat) channels, Social media platforms, &amp; Black market sites</li> <li>- On demand dark web breach assessments</li> <li>- Self-Serve Password reset tools (End users can reset passwords &amp; unlock accounts automatically)</li> <li>- Multi-factor Authentication (powered by Cisco DUO)</li> <li>- Disk Encryption/Protection, Monthly Cybersecurity Risk Assessments</li> <li>- nextMDM (Essentials). Centrally manage and secure users, smartphones, tablets, laptops, and apps</li> </ul> <p>Strategic Technology Management</p> <ul style="list-style-type: none"> <li>- Periodic Business Technology Reviews based on Next IT myITprocess best practices</li> <li>- Proactive Technology Alignment reviews</li> <li>- Monthly technology trend reports</li> </ul>	
<p>Downstream IT (DSIT) - DownStream IT enables technology providers to share all the great performance and efficiency of ConnectWise at the Internal IT- level. The tool provides full visibility into critical IT management functions so that internal IT teamss can gain tighter control of their own network issues and improve their response times. DSIT ticketing captures all communication and provides easy visibility into service team availability, allowing quick prioritization and intelligent scheduling. The capacity for handling service and support, project management and business development increases dramatically and time-consuming, routine tasks become automated so that important information is readily accessible.</p>	2

**Recurring Services: \$3,200.00**



MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

# Summary

---

Onboarding + 1 <sup>st</sup> Month		\$6,800.00
Recurring Services	Monthly Total:	\$3,200.00

Initial agreement starts on 5/1/2023 and ends on 4/30/2024. Continued service may be interrupted if agreement is not renewed by end date.

Special Notes & Amendments

\*None



next I.T.

MUSKEGON  
423 West Norton Avenue  
Muskegon MI 49444  
866.388.6398

KALAMAZOO  
5340 Holiday Terrace  
Kalamazoo, MI 49009  
269.659.3947

TRAVERSE CITY  
3139 Logan Valley Road  
Traverse City MI 49684  
231.739.6398

#### Payment and Fees

- a. **ACH Payment** – Easily setup and manage your ACH payments with no processing fees! You can also view your Next I.T. Invoices at:  
<https://next-it.connectboosterportal.com/authentication/login> **Client initials:** \_\_\_\_\_
- b. **Invoice** – Client authorizes Next I.T. to invoice in accordance with the fees defined in MSP quotes, standard Net 10 day payment term **Client initials:** \_\_\_\_\_
- c. **Credit card** - Client authorizes Next I.T. to charge Customer's credit card in accordance with the fees defined in MSP quotes. **Client authorizes Next I.T. to charge a 3% (MC/Visa) processing fee in addition to the fees defined in the quotes. Client authorizes Next I.T. to charge a 4% (AMX/Discover) processing fee in addition to the fees defined in the quotes** **Client Initials:** \_\_\_\_\_

<b>Card Holder Name:</b>	_____	<b>Expiration Date:</b>	_____
<b>Card Number:</b>	_____	<b>Security Code:</b>	_____
<b>Billing Address:</b>	_____		

- d. **Financing** - We found some financing options for quote AAAQ19833-02 **Client Initials:** \_\_\_\_\_  
that include hardware, software, licensing, and services;

Which Financing term works best for you?

**Block Time Billing** – All payments are due upon receipt of the invoice from Next I.T. Discounts on the standard time and materials rate are only available to clients that pre-pay.

**Project Billing** - Unless stated otherwise in writing, client will be invoiced for 50% of the project total (including product and labor) upon quote acceptance. Any balance remaining to be invoiced upon project completion. Scheduling of tasks and resources will not begin until after Next I.T. receives signed agreements and initial down payment.

**Monthly Billing** - Fees are defined in individual quote documents, and will be either charged to Client on the 1<sup>st</sup> of each month, or invoiced with Net 10 day payment terms on the first of every month.

*Pricing and availability are subject to change based on manufacturers and distributors. Labor and installation charges are additional unless included in quote. The hardware and software components proposed above may be covered by individual manufacturers' warranties. WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES WITH REGARD TO THE PRODUCTS OR SERVICES PROVIDED, EXPRESS OR IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS AND INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OR CONDITION (I) OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT, SATISFACTORY QUALITY, OR SYSTEM INTEGRATION, OR (II) ARISING FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE IN THE INDUSTRY. To the extent a warranty cannot be disclaimed, such warranty is limited in duration to the legal warranty period. All sales are final. We do not accept returns unless, (i) we provided a product other than the product stated in the purchase order, or (ii) we authorize the return. In the event we authorize a return, such return will be subject to a minimum 25% restocking fee and the product must be in its original unopened packaging or original packaging available. We shall not be liable for any loss of profits, business, goodwill, data, interruption of business, incidental or consequential damages related to this agreement. Next I.T. warrants that the services will be performed in a manner consistent with generally accepted industry practice. If a failure to comply with this warranty emerges within 30 days following the completion of services, Next I.T. shall, if promptly notified in writing, at its option, either provide the services anew or refund the price charged for such non-conforming services. This performance anew or refund is the client's exclusive remedy and shall constitute [company's] fulfillment of all liabilities with respect to nonconformity of or defect and/or deficiency in services furnished to client. This agreement may only be modified by a writing signed by the parties. All billing disputes must be submitted to the Next I.T. Accounting Department at [billing@next-it.net](mailto:billing@next-it.net) within 10 days of the invoice date.*

As an authorized agent, I accept this quote and authorize delivery of the above equipment and services.

Paul Clausen

Print Name

Signature

Date



## Master Service Agreement

This agreement is entered into on the date hereinafter written by and between Next I.T. and Bay Area Transportation Authority, hereinafter-called client, to furnish certain computer-related services as provided in this managed services agreement.

### 1. Introduction

Next I.T. is in the business of managing computer and software systems and client desires that Next I.T. manage and support, for the particular use of the client, certain hardware and software programs to be used by the client and supplied to client from Next I.T. and/or other sources. In accordance with the foregoing and the agreements hereunder, the parties hereto agree as follows:

### 2. Obligations and responsibilities

#### a. Technology system management

- (1) Parties agree that operating client's technology system requires continual supervision, maintenance, upgrades, training and research. By this agreement, client appoints Next I.T. as its I.T. management staff. Client understands that following the advice and instructions of Next I.T. is necessary to maintain the integrity of its technology system.
- (2) Next I.T. will provide skilled certified engineers to monitor and work on client's technology system, as determined by Next I.T. Next I.T. personnel will be available at site of client's technology system in accordance with the plan(s) described in this proposal.

#### b. Services provided and selection of plans

- (1) Client will pay for and Next I.T. will provide those services selected in this agreement. Client agrees that it has reviewed and been advised by Next I.T. of the services offered under the various plans. Client understands the services offered under the plan or plans it has selected.
- (2) Network documentation. In addition to those services specified in this proposal, Next I.T. will provide and maintain network documentation of managed devices for client throughout the duration of this agreement for all clients engaging Next I.T. for server or network coverage. Network documentation will be available to client electronically upon request. Network documentation includes:
  - Administrative access methods & credentials
  - Network hardware connectivity & configuration summary
  - Internet service provider contact information
  - Network element OS versions
  - Network schematics
  - Overview of computer network assets

#### c. Client staff contact. Client shall provide a staff member to help Next I.T. coordinate efforts under this agreement. Client staff shall be available throughout the duration of this agreement unless changed by management. This person will be the central contact between Next I.T. personnel and client personnel. Unless otherwise specified and requested in writing, the I.T. liaison/individual is empowered to make security and coverage related decisions for client.

#### d. nextCARE is designed to provide pro-active support services that anticipate and prevent it problems before they occur. To successfully provide these advanced services, Next I.T. must include all 'active' devices or active users. Active devices are defined as any client equipment normally covered by agreement that is utilized for more than eight (8) hours per quarter. Active users are defined as any user accessing company technology resources.

#### e. To ensure the security of our valued clients, Next I.T. requires all mission critical servers & workstations backed up currently licensed, commercial-grade, vendor supported backup solution.

#### f. Covered software and covered hardware must be genuine, licensed, within published end of support (EOL), and in a manufacturer-supported configuration (including manufacturer approved compatibility with hardware and software it interacts with) with a current call-in technical support and onsite maintenance contract from the original manufacturer or equivalent third party. Such support must grant client entitlement and access to the intellectual property required to fix covered software and covered hardware, including but not limited to patches, updates, firmware, fixes, utilities, documentation, and tools. The cost of such licensing, support, maintenance, incident fees, or hardware repair is not included in this service agreement

#### g. Client agrees to implement a computer use policy and security policy properly distributed and signed by all users.

#### h. Situations that may cause out of agreement charges to the client

- (1) Cost of any parts, equipment, 3<sup>rd</sup> party support, or shipping charges of any kind.
- (2) All services requested by client that fall outside of SOW will be considered projects, and will be quoted and billed as separate, individual services. A project is defined as a major upgrade, change, or new addition to client's existing it network (ie new server or server replacement, wireless networking, new or replacement switching, pc fleet replacement, phone system, etc.). Next I.T. will make a commercially reasonable effort hardware quote, however, hardware is subject to market changes.

## Master Service Agreement

- (3) The cost to bring client's environment up to minimum standards required for services.
- (4) The cost of service and repair made necessary by the introduction, alteration or modification of equipment other than that authorized by Next I.T., including introduction, alterations, software installations or modifications of equipment made by client's employees or anyone other than Next I.T.
- (5) Remediating malicious activities caused by clients or users bypassing Next I.T.'s security tools and recommendations.
- i. Should the covered environment not meet the minimum standards, all services shall be performed on a good faith effort basis. Next I.T. shall make no guarantees regarding the ability of Next I.T.'s engineers or technologies to provide services to any item of the covered environment that does not meet the minimum standards.
- j. No security solution is foolproof and the client is not guaranteed to be 99% virus free by using this service. Client must follow safe browsing and safe email procedures. Excessive virus infections may require remediation, user training and system changes beyond the scope of this agreement. Prior to commencing support, all supported devices must be infection free.
- k. Next I.T.'s may be required to, and without breach, delay in providing services on any item in the covered environment that does not meet these minimum standards until such minimum standards are met and after which services on those items will resume.
- l. Unclaimed equipment. Next I.T. has the right to dispose of any client personal property left in Next I.T.'s possession for more than sixty (60) days following the termination of this agreement or completed work.
- m. 3<sup>rd</sup> party supported providers. Client authorizes Next I.T. to contact its 3<sup>rd</sup> party support providers on behalf of client. Next I.T. will provide a vendor authorization letter to client. It is the client's responsibility to send this letter to 3<sup>rd</sup> party vendor in order to authorize Next I.T. to make changes on behalf of client.
- n. Projects. It is understood that any and all services requested by client that fall outside of the terms of this agreement, including those performed on behalf of client with a non-authorized 3<sup>rd</sup> party vendor will be considered "projects", and will be quoted and billed as separate, individual services at the then current rates of Next I.T.
- o. Client access to data. Next I.T. managed backups are password protected. Access to the data is not provided to client's staff to protect and ensure that virtualization is able to be completed if needed. Should client demand access to the device, the ability to provide support, virtualization or bare metal restore will be on a 'commercially reasonable efforts' basis and can no longer be guaranteed.
- p. Client will not change, add or delete applications to or from its technology system without first notifying and receiving approval from Next I.T. if client changes, adds or deletes any applications to or from its technology system without this submission and approval step, Next I.T. shall not be responsible for delays or damages that result and client shall pay, in accordance with this agreement, for services performed by Next I.T. to correct any delays or damage to client's technology system.
- q. Client and Next I.T. recognize and agree that client's technology system may host services or applications outside the scope of this agreement (excluded applications). In this case, client shall maintain all aspects of the most current version of antivirus software for these excluded applications. Client will also use an automated update process to deploy antivirus signature files to any excluded applications within three (3) business days of release from the manufacturer.
- r. If client makes a change to systems not included within the technology system that could affect the technology system, client shall provide Next I.T. with four (4) hours advance notice before making such change. This includes infrastructure changes or hardware maintenance of the technology system. If a client change to a system, which is not included within the technology system, creates an error or a loss of function to the technology system without this four-hour advance notice, responses by Next I.T. to correct errors or loss of function shall be charged in accordance with the terms and conditions of this agreement.
- 3. Warranties
  - a. Hardware and software warranty
    - (1) Next I.T. is neither a hardware manufacturer nor a software developer (except as to any custom software), instead Next I.T. is a reseller, integrator and technology management service
    - (2) Provider. Next I.T. does not provide its own warranties for hardware or third-party software. Instead, Next I.T. assigns to its clients the warranties, if any, provided by the manufacturer
    - (3) Or supplier of the hardware or third party software Next I.T. resells or sub-licenses, to the extent such warranties are transferrable, except as expressly set forth in this agreement. Next I.T. does not offer, and specifically disclaims, any warranty of its own, expressed or implied.
  - b. Services warranty
 

Next I.T. warrants that the services will be performed in a manner consistent with generally accepted industry practice. If a failure to comply with this warranty emerges within 30 days following the completion of services, Next I.T. shall, if promptly notified in writing, at its option, either provide the services anew or refund the price charged for such non-conforming services. This performance anew or refund is the client's exclusive remedy and shall constitute Next I.T.'s fulfillment of all liabilities with respect to nonconformity of or defect and/or deficiency in services furnished to client. Maximum refund provided is equal or up to six (6) months of the total managed services recurring invoice. (ex. Labor for PC/server/network installs, upgrades, file copies, backups/restores, etc...)

## 4. Other warranties

## Master Service Agreement

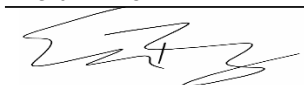
- a. The foregoing warranties are exclusive and in lieu of all warranties of quality and performance, written, oral or implied. Next I.T. specifically disclaims all other warranties, including but not limited to, implied warranties of merchant ability, fitness for a particular purpose, or that software or equipment is free of the rightful claim of any third person by way of infringement or the like.
  - b. No lawsuits, legal actions, causes of action, or claims arising out of or relating to this agreement, the performance of services by Next I.T., or the performance or breach of this agreement shall be brought or asserted by or on behalf of Client or any affiliate of Client against Next I.T. or any of its affiliates unless brought and asserted by the timely filing of a legal action within one (1) year after the date of the first occurrence of the event or breach giving rise in whole or in part to the claim or cause of action. Any such claim or cause of action of Client or its affiliate against Next I.T. or any of its affiliates shall expire and be forever released and barred unless brought and asserted by the timely filing of a legal action within such one (1) year period. Client hereby waives any statute of limitations that exceeds this time limit.
  - c. Hiring personnel - client agrees not to solicit, hire or otherwise employ or engage in any manner whatsoever, directly or indirectly, during the term of this agreement and for a period of two (2) years thereafter, any person who is or was an employee of Next I.T. and who was assigned to perform work here under during the prior 12 months, without the express consent of the Next I.T. client acknowledges that actual damages in the event of a violation of this provision would be difficult to determine and therefore agrees that if it violates this provision, client shall pay to Next I.T. as liquidated damages, and not as a penalty, the sum of \$20,000 of each person so solicited, hire, employed, or engaged directly or indirectly.
  - d. Confidentiality of information during the performance of this agreement, Next I.T. and client may have access to information concerning the products and business of the other. Neither party shall use information of the other party except in connection with the exercise of its rights and responsibilities under this agreement. Next I.T. and client will take all necessary and prudent steps to prevent the disclosure of such information to third parties, at least equivalent to the most stringent steps used by such party in protecting its own confidential and proprietary information. The commitments of confidentiality and non-use set forth above do not apply to that information that can be documented to be known to recipient or the general public before disclosure hereunder, or that, through no act on the part of the recipient hereunder becomes generally available to the public.
5. Miscellaneous provisions
- a. Amendments - this agreement may only be changed by written amendment executed by the authorized representatives of both parties. Amendments adding computers, servers or networks apply to the remainder of the term selected in this agreement from the date of the addition.
  - b. Authorized representatives the signatories represent and warrant that they are authorized by their respective organizations to enter this agreement.
  - c. Counterparts this agreement may be executed in one or more counterparts, each of which will be considered an original copy of this agreement and all of which, when taken together, will constitute one and the same agreement.
  - d. Termination - This agreement shall remain in full force and effect unless an event of default occurs:
    - (1) Fails to fulfill in any material respect its obligations under this Agreement and does not cure such failure within sixty (60) days' of receipt of such written notice.
    - (2) Events of default by client shall be in default under this agreement if client fails to make payment of any undisputed invoice within 30 calendar days after it is delivered, or if client fails to materially perform or comply with the terms and conditions of the agreement in the event of default by a party (the defaulting party), the other party may notify, in writing, the defaulting party of its intent to terminate the agreement. This agreement shall be terminated as of the first day of the month following that notification.
    - (3) If either party terminates this Agreement, Next I.T. will assist Client in the orderly termination of services, including timely transfer of the services to another designated provider. Client agrees to pay Next I.T. the actual costs of rendering such assistance at Next I.T.'s normal billable hourly rate
  - e. This agreement and the rights hereunder may not be assigned or otherwise transferred by either party, except to any corporation controlled by or under common control with the assigning party, or in connection with the acquisition of, or the sale of substantially. All of, the assets of the business to which this agreement pertains.
  - f. Facsimile execution this agreement may be validly executed by the signing of a facsimile copy of this agreement. Either the fully executed facsimile copy or a conforming executed original shall be evidence of the existence of this agreement.
  - g. Severability if any provision or provisions of this agreement are found to be invalid, illegal or unenforceable, the validity, legality and unenforceability of the remaining provisions shall not in any way be affected or impaired thereby.
  - h. Force majeure each party shall be excused from performance or any period and to the extent that the party is prevented from performing any services, in whole or in part, as a result of delays caused by the other party, acts of god, war, acts of government, fire, floods, epidemics, quarantine, restrictions, strikes, embargoes, inability to secure raw materials or transportation facilities, acts or omissions of carriers, civil disturbances, court orders, labor disputes, third-party nonperformance, or other cause beyond that party's reasonable control, including failure or fluctuations in electrical power, heat, light, air conditioning or telecommunications equipment, or any and all causes beyond control of Next I.T. such nonperformance shall not be a default or a ground for termination.
  - i. Modifications. This agreement can be modified only by a written agreement signed by authorized representatives of Next I.T. and client. Variances from or in addition to the terms and conditions of this agreement in any order or other writing from the client will be of no effect. Next I.T. and client agree not to enter into any oral agreement or understanding that is in conflict with this agreement. Next I.T. and client further agree that any oral communication allegedly or purportedly constituting such an

## Master Service Agreement

agreement shall be absolutely null, void and without effect except as outlined in in proposal.

- j. Any notice, request, demand or other communication required or permitted by, or relating to, the terms of this agreement is considered properly given when it is delivered to the united states postal service, sent certified mail – return receipt requested, or postage prepaid, or upon confirmation of receipt by facsimile, addressed to the party to receive notice as previously requested by notice hereunder, delivered via email, or as provided in conjunction with such party's signature below. Any notice given by either party hereto to the other party shall be in writing and shall be signed by the party giving notice. Any notice or other document to be delivered to either part hereto by the other party shall be deemed delivered if mailed postage prepaid to the party to whom it is directed; at the address of such party stated in the agreement.
- k. Venues and jurisdiction client (i) agrees that any litigation, action or proceeding arising out of or relating to this agreement be instituted in a state or federal court in the city and state of Michigan, (ii) waives any objection which it might have now or hereafter to this venue, (iii) irrevocably submits to the jurisdiction of any court in such litigation, action or proceeding, and (iv) hereby waives any claim or defense to inconvenient form.
- l. Counterparts this agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same original.
- m. This agreement shall not be deemed to extinguish or mitigate any payments, which are owed to Next I.T. by client pursuant to the terms of any previous or other existing agreements between Next I.T. and client. Client acknowledges that it has read this agreement, understands it and agrees to be bound by its terms and conditions.
- n. Attorneys' fees in the event of a dispute under this agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
- o. Captions and headings the captions and headings are inserted in this agreement for convenience only. They must not be considered to define, limit or describe the scope or intent of this agreement, or of any provision hereof, nor in any way affect the interpretation of this agreement.
- p. Limitations of liability. Under no circumstances shall Next I.T. be liable to client for special, incidental, consequential, indirect damages, loss of goodwill, or business profits, work stoppage, data loss, computer failure or malfunction, commercial damages or loss, or exemplary or punitive damages, except with respect to indemnities arising out of intellectual property claims. Under no circumstances, shall Next I.T. aggregate liability arising from, or out of, or relating to this agreement exceed the fees paid under the statement of work for which the liability arose.
- q. Entire agreement this agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior contemporaneous written or oral agreements and representations between the parties with respect thereto.

This agreement shall be construed under and in accordance with the laws of the state of Michigan.

Company	<u>Next I.T. LLC</u>	client	<u>Bay Area Transportation Authority</u>
Signature:		Signature:	
Name:	<u>Eric Ringelberg</u>	Name:	<u>Paul Clausen</u>
Title:	<u>CEO</u>	Title:	
Date:	<u>3/20/2023</u>	Date:	

The Bay Area Transportation Authority (BATA)  
Traverse Transportation Coordinating Initiative  
Resolution  
April XX, 2023

RESOLUTION TO ESTABLISH AN INTERMUNICIPALITY COMMITTEE UNDER MICHIGAN  
PUBLIC ACT 200 OF 1957 FOR PURPOSES OF TRANSPORTATION PLANNING IN THE  
TRAVERSE CITY STUDY AREA

WHEREAS, the urban transportation planning regulations implementing sections of the Federal-Aid Highway Act of 1962, and the Urban Mass Transportation Act of 1964, as amended, require that each urbanized area, as a condition of receipt of Federal transportation capital or operating assistance, having a continuing, cooperative and comprehensive (3-C) transportation planning process that results in plans and programs consistent with the comprehensively plan development of the urbanized area; and

WHEREAS, the Traverse Transportation Coordinating Initiative was initiated in 2023 to conduct a transportation planning process in response to the Federal-Aid Highway Act of 1962 and the Urban Mass Transportation Act of 1964, as amended; and

WHEREAS, urban transportation planning funds from the United States Department of Transportation are available, directly or indirectly, to the Traverse Transportation Coordinating Initiative to carry out the transportation planning process in the Traverse Study Area; and

WHEREAS, The Bay Area Transportation Authority has previously participated and agrees to continue to participate with other local municipalities in the comprehensive, cooperative and continuing transportation planning process for that Traverse Study Area; and

WHEREAS, Michigan Public Act 200 of 1957 provides for the creation, by two or more municipalities, of an Intermunicipality Committee for the purpose of studying area problems; and

WHEREAS, the Intermunicipality Committee may accept gifts and grants from the Federal, State and Local Governments, also from private individuals, foundations or agencies, if such grants are made for furtherance of the objectives for which the Intermunicipality Committee is established; and

WHEREAS, resolution to join in creating an Intermunicipality Committee as provided by Michigan Public Act 200 of 1957, does not obligate the Bay Area Transportation Authority to any dues, fees or other financial commitments to the Intermunicipality Committee.

NOW, THEREFORE, BE IT RESOLVED, that the Bay Area Transportation Authority, together with the City of Traverse City, the Charter Township of East Bay, the Charter Township of Garfield, the Charter Township of Elmwood, the Township of Acme, the Township of Long Lake, the Township of Peninsula, the Township of Green Lake, the Township of Bingham, the County of Grand Traverse, the Grand Traverse County Road Commission and the Leelanau County Road Commission has duly considered the creation of such an Intermunicipality Committee and the Bay Area Transportation Authority does hereby agree to join with those municipalities similarly agreeing to jointly and mutually establish and organize an Intermunicipality Committee under Michigan Public Act 200 of 1957 for the purpose of studying the area transportation problems of mutual interest and concern, such Intermunicipality Committee hereinafter referred to as the Traverse Transportation Coordinating Initiative;

BE IT FURTHER RESOLVED THAT:

1. the Intermunicipality Committee created by this resolution shall be that organization previously established and presently operating as a voluntary association under the name Traverse Transportation Coordinating Initiative;
2. in addition to the municipalities herein named, and in accordance with the Bylaws, the Traverse Transportation Coordinating Initiative as an Intermunicipality Committee shall include a duly appointed representative from the Grand Traverse County Road Commission, Leelanau County Road Commission, Federal Highway Administration, Michigan Department of Transportation, Bay Area Transportation Authority, and Cherry Capital Airport Authority;
3. membership on the Committee may in the future include other such units of government, agencies, commissions or committees that would be eligible in accordance with the Bylaws;
4. the Bylaws, as approved by the Traverse Transportation Coordinating Initiative and attached hereto, shall be the Bylaws of the Intermunicipality Committee;
5. the Traverse Transportation Coordinating Initiative shall operate and act in compliance with and under the authority of Michigan Public Act 200 of 1957 and shall have the duties, privileges and rights prescribed in that Act;
6. the Traverse Transportation Coordinating Initiative shall develop transportation plans and programs for the Traverse Urbanized Area, integrally considering local, county, regional and state plans;
7. the Traverse Transportation Coordinating Initiative broad objectives encompass, but are not limited to the following;
  - a to develop transportation plans and programs and establish processes for the continuing review of plans, recommendations, and programs to facilitate the movement of persons and goods in the Traverse Study Area;
  - b. to design and carry out the assembling and analysis of information pertaining to transportation within the area;
  - c. to coordinate transportation facility implementation and operation within the Traverse Study Area;
  - d. to review and evaluate the planning and programming of transportation related activities, projects and programs within the Traverse Study Area as they may impact the transportation system;
  - e. to assist in project implementation where such projects require organizational, functional and operational analysis and/or to undertake those implementation functions not reserved to other agencies or as may be appropriately delegated by such other agencies; and
  - f. to establish and implement a continuing program of public information regarding transportation planning, programs and projects.

Signatories to this resolution mutually agree to join in and ascribe to this comprehensive, continuing and cooperative transportation planning process for the Traverse Study Area, in fulfillment of the requirements of the Federal-Aid Highway Act of 1962, the Urban Mass Transportation Administration Act of 1964, as amended, and other relevant acts, regulations, or directives pertaining to Federal and State participation in the transportation planning program and projects in the TC/Garfield Urbanized Area.

On a motion made by \_\_\_\_\_ seconded by \_\_\_\_\_, to adopt the Resolution in support of the establishment of an intermunicipality committee, under Michigan Public Act 200 of 1957, for the purposes of transportation planning in the Traverse Study Area.

Roll call vote:

Ayes- \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
Nays- None

#### CERTIFICATE

I, \_\_\_\_\_, do hereby certify that the foregoing is a true copy of a resolution adopted by the Bay Area Transportation Authority Board, at a regular board meeting, held in the Bay Area Transportation Authority Hall Street Conference Room on April 27, 2023.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

## 2023 Organization Performance Scorecard

Strategy	Metric	2022 Benchmark	Performance Goal	Points	Metric Definition	Data Source	Q1	Pts	Q2	Pts
Safe	Preventable Passenger Injuries per 500k miles	0.34	0.34	5	Number of preventable passenger injuries per 500k miles.	Passenger Injury Log & Max miles report	0	5	0	5
	Days Since Last Preventable Accident	45	48	5	Highest number of days between all preventable accidents. This includes both non-reportable and reportable collisions. Number can roll over from previous quarters.	Accident Log	20	2.1	45	4.7
	Preventable Reportable Collisions (per 100k miles)	0.3	0.2	10	Number of preventable, reportable vehicle collisions recorded each quarter per 100k miles driven	[Recordable Accident Log (801/802)] / Total Miles x 100,000	0.5	4.0	0.7	2.9
	# of days between employee injuries	118	40	5	Number of days between employee reportable injuries	Injury log	50	5	52	5
				25				16		18
Efficient	Cost recovery	9.25%	TBD	5	The percent of eligible operating expenses recovered by direct revenues	QuickBooks	10.93%	5.0	12.15%	5.0
	Operating Expense per Hour	\$77.64	TBD	5	Total eligible operating costs divided by number of service hours	QuickBooks	\$75.50	5.0	\$80	4.9
	Operating Expense per Mile	\$5.35	TBD	5	Total eligible operating costs divided by number of miles	QuickBooks	\$5.03	5.0	\$5.44	4.9
	Operating Expense per Trip	\$33.84	TBD	5	Total eligible operating costs divided by number trips	QuickBooks	\$ 23.47	5.0	\$ 24.76	5.0
				20				20		20
High-Quality	Net Promoter Score	64%	67%	10	The percentage of promoters minus the percentage of detractors in response to the Net Promoter Score question (Annually 2nd & 4th Quarters)	Customer Survey	56%	8.4	56%	8.4
	Overall Customer Satisfaction	84%	88%	10	Average percentage of customer satisfaction with BATA's service delivery. (Annually 2nd & 4th Quarters)	Customer Survey	79%	9.0	79%	9.0
				20				17.3		17.4
	Employee Satisfaction	84%	88%	10	Overall score on annual survey which determines if employees feel they would refer BATA to their friends/family	Annual survey in June	84%	10	84%	10
	Employees' Equipped for Success	88%	92%	10	Overall score on annual survey which determines if employees feel as though they have the tools needed to deliver quality service	Annual survey in June	88%	10	88%	10
				20				20.0		20.0
Reliable	Average Department Scorecard Score	92%	95%	5	A quarterly average of departmental performance scores	Dept. Scorecards	92%	4.8	93%	4.8
	Monthly Departmental Scorecard Results Shared	NA	100%	5	Departmental Scorecard results shared within each department each month	Monthly Departmental Report	100%	5	100%	5
	Bus Observations by Admin Staff		100%	5	An average of 3 bus observations/quarter performed by each member of the admin staff	SmartSheet Dataset	81%	4	52	2.5
				15				13.8		12.3
				100				87		88
Overall Performance Score										

### BATA MISSION

BATA Delivers safe, high-quality, efficient and reliable transportation services in its region that link people, jobs and communities.