



BATA Board of Directors Meeting Minutes

Thursday, August 10, 2023 @ 1:00pm

115 Hall St, Traverse City, MI

1. Call to Order Richard Cochrun called the meeting to order at 1:02pm
2. Pledge of Allegiance and Moment of Silence
The Pledge of Allegiance was recited, and a Moment of Silence was observed.

3. Roll Call

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

4. First Public Comment*

Fern Spence: Fern shared that she believes BATA to be an essential service and thanks the Board for continuing to support the community. She suggested that BATA consider implementing a first/last mile model for buses and bike racks for customers to ride bikes to the transfer station.

Kevin Query: From 3West Real Estate advised the Board that his client is prepared to offer \$ 50,000 higher than the current highest offer. Mr. Query stated that all parties should be given the ability to counteroffer after being told of the highest offer accepted and stated that this option was not offered to their team but would like the Board to consider their offer before making a final decision.

5. Approval of Agenda/Declaration of Conflict of Interest

On a motion made by Joe Underwood and seconded by Robert Fudge, the BATA Board of Directors approved the Agenda for the August 10, 2023, Regular Board of Directors Meeting as presented.

MOTION CARRIED: 6-0

Joe Underwood requested clarification on why the MPO Resolution is back on the agenda, Kelly clarified that MDOT requires a resolution, last month's agenda item was just an agreement. Joe will abstain from voting on the MDOT resolution due to his continued conflict of interest.

Robert Fudge requested clarification on if Jamie Kramer can vote on the Interlocal Agreement due to her being a Leelanau County Commissioner and having voted on the Interlocal agreement as a

Leelanau County Commissioner. Kelly stated that she had the legal advice that all BATA Board members can vote on the Interlocal Agreement.

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 on the agenda is approved by a single Board action adopting the consent calendar.

Consideration of Approving the following Minutes

- a. *Regular Board of Directors Meeting Minutes of June 29, 2023*

Consideration of Accepting the following Minutes and Reports

- b. *Finance Oversight Team Notes of July 24, 2023, and August 7, 2023*
c. *Q3 Ridership Report*
d. *Q3 Organizational Scorecard*
e. *Q3 Turnover Report*
f. *Board Request Tracker*
g. *Correspondence*

On a motion made by Joe Underwood and seconded by John Somnavilla, the BATA Board of Directors moved to approve the August 10, 2023, Consent Calendar as presented.

MOTION CARRIED: 6-0

7. Any items removed from the Consent Calendar
No items were removed from the Consent Calendar

8. Executive Director's Report – Kelly Dunham
Executive Director Dunham highlighted items from her report regarding ridership numbers along with technological improvements made. She also shared that several BATA staff members will be attending the MPTA Conference next week and will have updates from FTA, MDOT and networking opportunities. A proposed site visit for 1:00 pm on August 24th was presented to Board Members – Kelly will send a calendar invitation to the Board to confirm.

- a. HQ Facility/Owner's Representative Report
Jerry Tomczak, Program Manager, Cunningham-Limp
Jerry reported that the building is currently under budget and ahead of schedule by approximately 2 weeks, the building will be fully enclosed by Thanksgiving. He also shared that they are working in conjunction with Garfield Township on building a crosswalk to ensure ease of access to the site by the nearby housing complexes.
The transfer station site will be scheduled for completion around May of 2024.
- b. Hiring Report – Chris Davis
Chris Davis reported on recruiting numbers, 21 for the year so far. 3-4 drivers per month in training classes. Training includes 4 weeks of 40 hours of training per week.

9. Chairperson's Report – Richard Cochrun

Chairperson Cochrun shared that there has been a resolution reached between the Leelanau and Grand Traverse County Commissioners.

10. Committee Reports

- a. Finance Oversight Team – Richard Cochrun
Chairperson Cochrun referred Board Members to the notes in the packet for a report on the FOT minutes.

11. Quarterly Finance Reports - Phil Masserant

- a. FY23 Q3 Financial Statements
Phil Masserant gave an overview of the Q3 Financial Statements. Highlights included the MiClass interest rate currently at 5.4%, a T-Bill that is maturing today that will be sent to MiClass and be available for Owner Direct Costs on the new facility as needed.
An update on changes to the Capital Budget was given as the boiler replacement and the Hall St carpet replacements are expected to be completed by the end of the quarter.
John Somnavilla requested information on why the cost of the boiler replacement was higher than the original budget. Kelly stated that the cost of the replacement was higher than the original quote.

Heather Harris-Brady requested an update on the pending bus order. Kelly stated that there are additional delays. Heather asked if there would need to be additional funds allocated to repairs of the current buses. This will be discussed at the September meeting when the Board looks at the FY24 Capital Budget that is being set.

On a motion made by Joe Underwood and seconded by John Somnavilla, the BATA Board of Directors accepts the Finance Reports as presented.

MOTION CARRIED: 6-0

12. Old Business

No old business was presented.

13. New Business –

- a. Presentation of Purchase Offers for 3233 Cass Road

Due to the public comment on an additional offer, the presentation of current offers is out of date. Listing agent Scott Hardy reported that the opportunity was given for additional offers to be made and that if it is allowed for contingencies for this bidder (in attendance), then all other bidders will need to be given the same opportunity. Scott would like to have further discussion with BATA before proceeding.

The Finance Oversight Team would like to evaluate the offers and ensure a fair process. FOT will meet next week to review the new information and call a special Board Meeting to handle this if needed.

- b. Authorization for Executive Director to execute the purchase agreement for the sale of 3233 Cass Road

On a motion made by John Somnavilla and seconded by Jamie Kramer, The BATA Board of Directors moved to table the authorization of the Executive Director to execute the purchase agreement for the sale of 3233 Cass Road as recommended by the FOT.

MOTION CARRIED: 6-0

c. MPO Resolution

On a motion made by Heather Harris-Brady and seconded by Jamie Kramer, the BATA Board of Directors approved the MPO Resolution as presented.

ROLL CALL

HEATHER HARRIS-BRADY	YES
JAMIE KRAMER	YES
JOE UNDERWOOD	ABSTAINED
ROBERT FUDGE	YES
JOHN SOMMAVILLA	YES
RICHARD COCHRUN	YES

MOTION CARRIED: 5 Ayes
 1 Abstained
 0 Nays

d. Interlocal Agreement with Grand Traverse and Leelanau Counties

Brad Jewett (who was not in attendance) asked Kelly to share with the Board that he supports the interlocal agreement and believes it is a fair resolution for all parties and will allow us to get back to focusing on our mission.

On a motion made by Joe Underwood and seconded by Jamie Kramer, the BATA Board of Directors approved the Interlocal Agreement with Grand Traverse and Leelanau Counties as presented.

ROLL CALL

HEATHER HARRIS-BRADY	YES
JAMIE KRAMER	YES
JOE UNDERWOOD	YES
ROBERT FUDGE	YES
JOHN SOMMAVILLA	YES
RICHARD COCHRUN	YES

MOTION CARRIED: 6-0

e. Articles of Incorporation Revision

Chairperson Cochrun reminded the Board that the original reason for the February Articles of Incorporation was at the direction of a professional opinion and was made based on the increase of population and change of population demographics since the original AOI was adopted.

Kelly had one additional change to make to the AOI revision at the Counties' attorney's request to include clarifying language in Article IV, the first paragraph. Additions are highlighted. "Of the remaining two (2), from Grand Traverse County, one (1)."

On a motion made by Joe Underwood and seconded by Jamie Kramer, the BATA Board of Directors approves the Articles of Incorporation Revision as presented and amended.

MOTION CARRIED: 6-0

- f. Distribution of Revised Bylaws
(Approval will be requested at the September meeting)
Kelly shared there is a 10-day notice requirement before asking the Board to vote on changes to the Bylaws is why they are being distributed at this meeting and voted on at the next meeting.

- g. FY24 Revised Budget
Phil shared the budget revision with Board members since the January original budget was a rough budget due to his short tenure with the organization at that time. The revised budget includes increased fare revenue, reduced service contracts (due to TCFF), increased operating reimbursement from the state (34% to 40.85%). The Federal reimbursement reflects the traditional 18%.
Expenses increased to reflect labor costs based on service hours (160,000) and wage and benefit increases for all frontline employees.
Chris shared that the \$4.00/hr wage increase would be in lieu of the 2.5% increase for 2024 contained in current contract language.

Heather Harris-Brady requested an update on FTE: Chris shared that we are currently needing 7 FTE to fill existing service levels.

On a motion made by Joe Underwood and seconded by Robert Fudge, the BATA Board of Directors voted in concurrence of approving the FY24 Revised Budget and the One Year Contract Extension with Drivers/mechanics and dispatchers through Teamsters Local 214 as recommended by BATA Administration and the Finance Oversight Team as presented.

MOTIONS CARRIED: 6-0

- h. Tentatively Agreed Contract extension with Teamsters Local 214 Driver/Mechanics and Dispatchers through September 30, 2025
See motion above.

- i. Lump Sum Payment to MERS
Phil explained to the Board that BATA has 2 defined benefit divisions (admin and drivers), Currently the divisions are funded at 84% and 111% respectively. He recommends making a one-time payment to MERS to bring the admin division to 100%. The advantage of making the payment in the current fiscal year is that we have plenty of eligible expenses left with the state as well as the additional 18% federal operating.
John Somavilla requested additional funding we'd receive by making this payment, Phil stated that we will get an additional reimbursement of 18% which equates to approximately \$90,000. The lump sum amount if paid by August 31, 2023, is \$489,657.

On a motion made by Jamie Kramer and supported by Joe Underwood, the BATA Board of Directors approved a Lump Sum Payment to MERS in the amount of \$489,657.00 as recommended by the Finance Oversight Team.

MOTION CARRIED: 6-0

14. Board Discussion Item

Kelly requested a discussion of the board's strategic planning effort which was put on hold mid-process last spring; she would like to reconvene on October 26th. Kelly will reach out to the consultant and confirm availability asap.

Eric Lingaur shared with the board that the annual Customer Satisfaction Survey is in preparation with intention to public at the end of August. He asked Board Members to share any questions they would like to have asked on this survey.

15. Second Public Comment*

Linda Joppich: Linda shared frustration with the new process for scheduling deviations which requires her to call dispatch daily. When dispatch returns her call to confirm it often sounds like the deviation was already scheduled. This seems inefficient for all and she would like to know if there is a better way this can be accommodated. Regarding the customer survey, she would like BATA to ask customers about specific scheduling processes. Linda also stated that she feels the BATA Board should have Rider Representation to ensure that current riders' needs are being met and feedback is being heard.

Mitch Treadwell: Would like to share that he is glad to see the Board approve the MPO process to help connect the regional transportation plan.

16. Directors Comments/Open Floor

Heather Harris-Brady: Heather shared that due to a recent surgery, she had to rely on BATA to get around town. While she had chosen occasionally to use it before, she had never had to rely on it until now. She shared the process of utilizing the bus service with the new app, she stated that she is impressed with the ease of the app and service timing.

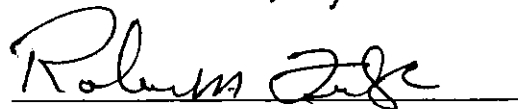
Heather also reminded the board that her seat will need to be filled soon as her term expires on 12/31/2023.

Heather encourages the Board to investigate beginning that process, Kelly stated the Governance Committee will start that process during the September Governance Committee meeting.

17. Adjournment

On a motion made by Robert Fudge, the BATA Board of Directors moved to adjourn the August 10, 2023 Regular Meeting of the BATA Board of Directors at 2:11pm.

Approved on 9/28/23



Robert A. Fudge, Secretary