

**Transportation Authority of Calhoun County**  
**Meeting Agenda**  
**September 23, 2025**  
**Marshall City Hall – Council Chambers**  
**323 West Michigan Avenue**  
**Marshall, Michigan 49068**

- I. Call to Order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes – August 26 2025
- V. Public Comments on Agenda Items
- VI. Consent Agenda
  - a. Finance and Budget Report
- VII. Public Hearings and Subsequent Board Action
- VIII. Unfinished Business
  - a. Community Events 9/30(Albion) and 10/8 (BC)
  - b.
- IX. New Business
  - a. Resolution 06-2025 – Net Position Policy
  - b. Resolution 07-2025 – Authorizing Resolution
  - c. Resolution 08-2025 – Resolution of Intent
  - d. Resolution 09-2025 – Support Services Agreement Battle Creek
  - e. Resolution 10-2025 – Support Services Agreement Marshall
  - f. Resolution 11-2025 – Travel Policy
  - g. Resolution 12-2025 – Investment Policy
  - h. Resolution 13-2025 – Credit Card Policy
  - i. Resolution 14-2025 – Federal Grant Compensation Policy
  - j. Resolution 15-2025 – Federal Grant Management Policy
  - k. Resolution 16-2025 – BCATS Appointments
  - l. Resolution 17-2025 – FY2026 Budget and Organizational Structure
  - m. Resolution 18-2025 – MDOT Blanket Signature Resolution
- X. Public Comments on Non-Agenda Items
- XI. Board and Executive Director Comments
  - a. Communications to the Board
  - b. Legislative Updates
  - c. BCATS Updates – Jeff Franklin
  - d. Consultant Updates – Peter Varga/Clark Harder
- XII. Dates of Next Meetings
  - a. Committee Meeting/Workshop – October 14, 2025
  - b. Board Meeting – October 28, 2025
- XIII. Adjournment

**Transportation Authority of Calhoun County**  
**Meeting Minutes**  
**Marshall City Hall – Council Chambers**  
**323 West Michigan Avenue, Marshall, MI 49068**  
**August 26, 2025**

**I. Call to Order**

The meeting was called to order by Vice Chairperson Tom Tarkiewicz at 9:01 a.m.

**II. Roll Call**

Members present: Tom Tarkiewicz, Dr. Paul Watson, Amy Evans, Maya Williams, Vivian Davis.

Members absent: Erick Stewart, Jenasia Morris (in at 9:02am)

**III. Agenda**

It was motioned by Amy and supported by Vivian to approve the agenda.

Motion carried.

**IV. Approval of Minutes**

It was motioned by Dr. Watson and supported by Maya to approve Minutes for July 22, 2025, Board Meeting; August 6, 2025, Special Meeting and August 12, 2025, Work Session Meeting.

Motion carried.

**V. Public Comments on Agenda Items**

None.

**VI. Consent Agenda**

None.

**VII. Finance and Budget Report**

Tom mentioned possibly moving the Finance and Budget Report to the Consent Agenda.

**VIII. Public Hearings and Subsequent Board Action**

None.

**IX. Unfinished Business**

a) Mallory Avis, TACC Executive Director, updated the Board on marketing progress. Website improvements, a finalized campaign called “lets ride” and vehicle wraps being the larger projects. An annual report has been added to King Media’s scope of work.

b) Kristy Grestini, BCT Mobility Manager, told the Board there is continual growth in Albion but residents want to travel to Battle Creek. The Albion vehicle is still being scheduled in advance in Albion but opening it up to the County if there is not enough demand in Albion for same day service.

**X. New Business**

a) The Board was provided with Resolution 05-2025 and Mallory gave an overview. Financial and grant tracking software were identified as current needs for the Authority. It was motioned by Dr. Watson and supported by Maya to approve Resolution 05-2025 to authorize and direct Mallory Avis of the Transportation Authority of Calhoun County to execute the Statement of Work provided by Maner Costerisan.

Motion Carried

- b) Mallory Avis explained her proposed Fiscal Year 2026 Budget to the Board with full operation expected by the end of the year (September 30, 2026). Several questions from the Board were answered. The State of Michigan has not adopted a budget yet so adjustments may need to be made. A budget workshop is being planned for the next meeting in early September.

**XI. Public Comments on Non-Agenda Items**

None.

**XII. Board and Executive Director Comments**

- a) Vivian raised her concern for mobility management in smaller communities. Business cards should be available to the public soon and can be distributed at community events or individually.
- b) Mallory Avis spoke about the concern of the current state budget situation. She encouraged everyone to reach out to their state level elected officials.
- c) Jeff Franklin, Director of BCATS, updated the Board on local road and bridge projects.
- d) Clark Harder, Board Consultant, feels the Board is on track for the October 1 key date. All positive comments on progress made by the Board and Staff.

**XIII. Next Meetings**

- a) Work Session – September 9, 2025
- b) Board Meeting – September 23, 2025

**XIV. Adjournment**

Meeting adjourned at 9:57 a.m.

Respectfully Submitted,

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Vivian Davis, Secretary

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Erick Stewart, Chair

**September 23, 2025**  
**Finance and Budget Report**

08.31.25, TACC received **\$18,055.04** from SMB&T for August interest earnings.

09.09.25, \$64,800 check #1025 to King Media cleared.

09.12.25, TACC received **\$1,097.92** from the City of Battle Creek for delinquent personal property taxes July 2025.

09.17.25, TACC Finance Committee – Intacct (accounting software) Kick-off Meeting

Respectfully,

Maya Williams and Amy Evans

TACC Accounts Receivable and Payable to date (01.01.24 - 09.17.25)

Accounts Receivable

Date	Source	Amount	
01.10.25	City of Springfield	\$ 84,628.81	taxes
01.10.25	City of Marshall	\$ 229,429.62	taxes
01.15.25	City of Albion	\$ 56,873.67	taxes
01.17.25	City of Battle Creek/CCLBA	\$ 436.44	taxes
01.21.25	City of Battle Creek	\$ 1,483,507.30	taxes
01.27.25	City of Marshall	\$ 104,204.92	taxes
01.30.25	City of Springfield	\$ 16,036.68	taxes
01.31.25	SMB&T	\$ 3,930.91	interest
02.03.25	City of Battle Creek	\$ 251,987.71	taxes
02.07.25	City of Marshall	\$ 1,104.53	taxes
02.07.25	City of Albion	\$ 107,404.70	taxes
02.14.25	City of Springfield	\$ 30,714.89	taxes
02.18.25	City of Battle Creek/CCLBA	\$ 219.02	taxes
02.18.25	City of Battle Creek	\$ 452,646.75	taxes
02.28.25	City of Springfield	\$ 55,373.79	taxes
02.28.25	City of Marshall	\$ 229,059.50	taxes
02.28.25	SMB&T	\$ 9,072.47	interest
03.11.25	City of Marshall	\$ 17,370.46	taxes
03.14.25	City of Springfield	\$ 21,059.92	taxes
03.17.25	City of Battle Creek	\$ 864,267.28	taxes
03.17.25	City of Battle Creek/CCLBA	\$ 578.25	taxes
03.17.25	City of Albion	\$ 79,649.10	taxes
03.21.25	City of Battle Creek	\$ 114,621.63	taxes
03.27.25	City of Springfield	\$ 378.98	interest earned
03.28.25	City of Battle Creek	\$ 38,170.49	taxes
03.31.25	SMB&T	\$ 14,095.50	interest
04.10.25	City of Springfield	\$ 1,640.79	delinquent taxes
04.25.25	City of Battle Creek	\$ 2,559.08	delinquent taxes
04.30.25	SMB&T	\$ 15,806.26	interest
05.21.25	Calhoun County	\$ 424,345.45	delinquent taxes
05.31.25	SMB&T	\$ 16,889.97	interest
06.06.25	City of Battle Creek	\$ 2,951.79	delinquent taxes
06.18.25	Calhoun County	\$ 70.27	Denial Vet Exempt
06.30.25	City of Marshall	\$ 489.94	delinquent taxes
06.30.25	SMB&T	\$ 17,297.11	interest
07.03.25	Calhoun County	\$ 80.22	Uncapped Taxes
07.03.25	City of Battle Creek	\$ 1,244.78	delinquent taxes
07.18.25	City of Springfield	\$ 492.84	delinquent taxes
07.25.25	City of Battle Creek	\$ 11,852.70	Pilot Paymet
07.31.25	SMB&T	\$ 17,520.74	interest
08.15.25	City of Battle Creek	\$ 580.10	delinquent taxes
08.15.25	City of Albion	\$ 2,507.69	Pilot Paymet
08.31.25	SMB&T	\$ 18,055.04	interest
09.12.25	City of Battle Creek	\$ 1,097.92	delinquent taxes
		<b>\$ 4,802,306.01</b>	<b>2025 Received to date</b>

Accounts Payable

Date	Source	Amount	Check #
01.08.25	BluFish	\$ 24,500.00	1006 marketing
01.21.25	Cincinnati Insurance Co / Worgess	\$ 908.00	1007 D&O insurance
01.24.25	Michigan Transportation Connection	\$ 4,429.50	1008 consultants
02.17.25	Battle Creek Unlimited	\$ 275.00	1009 mailbox rental
02.18.25	Cincinnati Insurance Co / Worgess	\$ 818.75	online GL insurance
02.24.25	Michigan Transportation Connection	\$ 3,615.00	1010 consultants
03.05.25	MEADA (Choose Marshall Chamber)	\$ 275.00	1011 membership
03.05.25	Greater Albion Chamber of Commerce	\$ 250.00	1012 membership
03.10.25	Battle Creek Area Chamber of Commerce	\$ 399.00	1013 membership
04.08.25	Miller Johnson	\$ 4,076.25	1014 Legal fees
05.19.25	Miller Johnson	\$ 2,185.00	1015 Legal fees
05.20.25	Miller Johnson	\$ 6,220.90	1016 Legal fees
06.04.25	Calhoun County Treasurer	\$ 1,481.20	1017 Taxable Value decrease
07.01.25	Miller Johnson	\$ 47,687.75	1018 Legal fees
07.08.25	Michigan Transportation Connection	\$ 13,817.22	1019 Consultants
07.17.25	Miller Johnson	\$ 7,284.75	1020 Legal fees
08.06.25	City of Battle Creek	\$ 2,278.28	1021 APTA Board Conference
08.06.25	Miller Johnson	\$ 24,088.75	1022 Legal fees
08.06.25	Calhoun County Treasurer	\$ 1,595.46	1023 Taxable Value decrease
08.15.25	Maner Costerisan	\$ 14,521.00	1024 Financial Services
09.02.25	King Media	\$ 64,800.00	1025 Marketing and Communication
		<b>\$ 225,506.81</b>	<b>2025 Paid to date</b>
	<b>Income info:</b>		
	SMB&T	\$ 116,951.91	Total Interest paid to date
	City of Albion	\$ 246,435.06	Taxes paid to date
	City of Battle Creek	\$ 3,226,721.24	Taxes paid to date
	City of Marshall	\$ 633,901.49	Taxes paid to date
	City of Springfield	\$ 234,009.14	Taxes paid to date
	Calhoun County	\$ 423,014.74	Taxes paid to date
		\$ 4,764,081.67	Total Taxes paid to date
		\$ 4,572,015.00	Anticipated taxes per Budget (Avg gap)
		\$ (192,066.67)	Remainder of anticipated taxes
		\$ 330,687.85	2024 Total Received
		\$ 25,790.10	2024 Total Paid
		\$ 304,897.75	SMB&T Account Balance 12.31.24
		\$ 4,802,306.01	2025 Received as of 09.17.25
		\$ 225,506.81	2025 Paid as of 09.17.25
		\$ 4,881,696.95	Available Balance
		\$ -	Uncashed Checks
		<b>\$ 4,881,696.95</b>	<b>SMB&amp;T Account Balance 09.17.25</b>

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 06-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for a net position policy to maintain unrestricted net position at levels that support financial stability and operational continuity;

**Whereas**, a net position policy supports long-term planning by providing resources for future capital purchases, operational expenses, and debt services;

**Whereas**, adequate reserves provide for both anticipated and unforeseen contingencies and ensure consistent service delivery, support ongoing obligations, and provide for long term planning;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Unrestricted Net Position and Reserves Policy

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

<b>Policy Title:</b>	<b>Unrestricted Net Position and Reserves Policy</b>
<b>Policy Number:</b>	<b>Fin-006</b>
<b>Effective Date:</b>	<b>10/01/2025</b>
<b>Board Approved Date:</b>	<b>09/23/2025</b>
<b>Last Review Date:</b>	<b>09/23/2025</b>
<b>Supersedes:</b>	<b>N/A</b>
<b>Version Number:</b>	<b>1.0</b>

## **Unrestricted Net Position and Reserves Policy**

The TACC Board of Directors, as a best practice in financial management, adopts this policy. It is recognized as prudent to maintain unrestricted net position at levels that support financial stability and operational continuity. Additionally, it assists with long-term planning by providing resources for future capital purchases and replacements as identified in TACC's Capital Improvement Plan (CIP). This policy is further guided by the recommendations of the Government Finance Officers' Association (GFOA) on reserves and working capital management.

### **1.0 BACKGROUND**

The focus of the TACC Unrestricted Net Position and Reserves Policy is to ensure that there will be adequate liquid resources to meet the minimum reserve targets established by the TACC Board of Directors (Board) to provide financial stability as well as the ability to mitigate current and future risks.

Net Position, defined as total assets less total liabilities, serves as a useful indicator of TACC's financial health. It comprises three components: Net Investment in Capital Assets, Restricted, and Unrestricted. The Unrestricted component is further divided into Designated and Undesignated categories. Designated funds are set aside by Board directive for specific purposes, either directly or by the Executive Director. Undesignated funds represent the remaining balance after such allocations. While these subcategories are not part of the formal classifications under generally accepted accounting principles (GAAP), they are used internally as management tools and do not appear on the face of the annual financial statements. As a best practice, they should be identified in the management discussion and analysis portion of the annual financial statements.

### **Guiding Principles:**

Adequate designation of Unrestricted Net Position for specific purposes is essential to maintaining financial stability and operational continuity. In alignment with sound financial practices and Government Finance Officers' Association (GFOA) recommendations, designated reserves include allocations for both anticipated and unforeseen contingencies. These reserves help ensure consistent service delivery, enable emergency response, and

support ongoing obligations – including operating, capital, and debt service needs. They also provide resources for long-term planning, future capital investments outlined in the Capital Improvement Plan (CIP), and compliance with unfunded mandates, such as emerging regulatory requirements. Maintaining prudent reserve levels strengthens TACC’s capacity to issue long- term debt when necessary, and is viewed favorably by financial markets, potentially leading to higher ratings and reduced borrowing costs.

**Policy Purpose**

The purpose of this policy is to establish minimum reserve targets to:

- Manage the cyclical nature of revenues and expenses;
- Mitigate financial risks resulting from natural disasters or other catastrophic events;
- Respond to the challenges of a changing economic environment, including prolonged downturns in the local, state or national economy;
- Demonstrate continued prudent fiscal management and creditworthiness; and
- Enable long-term planning for capital investments in alignment with the Capital Improvement Plan (CIP)

**2.0 POLICY**

The Unrestricted Net Position and Reserves Policy establishes the framework for annual review of fiscal sustainability to comply with the Board’s policies on maintaining adequate working capital, reserves for current and future operations, and debt service coverage when applicable. Target minimum level of reserves will consist of the following Board-directed designations:

<b>Unrestricted Net Position</b>	
<b>Designated for:</b>	<b>Working Capital</b>
Minimum Capital Reserves	90% of one years annualized average capital replacement value (based on rolling multi-year CIP).
Debt-related funding	The next year’s debt (P&I) payments, if any, plus any reserve requirements under bond covenants
Operational Stability	1 year of current budget operating expenses (less depreciation)

**3.0 TERMS AND DEFINITIONS**

- A. **Unrestricted Net Position - Designated** is a subset of Unrestricted Net Position which requires direction by the Board to set aside portions of working capital for a specific purpose.

- B. **Unrestricted Net Position- Undesignated** represents a remainder balance of working capital that is available to be designated for other uses.
- C. **Working capital** is current assets less current liabilities and measures the relative liquid portion of TACC net position available to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenses) and to ensure operational and financial stability.
- D. **Minimum Reserve Targets** are designated by the Board and consist of:
  - 1. **Minimum Capital Reserves** – amounts set through the annual budget process. The minimum target amount is ninety percent (90%) of one year’s annualized average capital replacement value, as identified in the Capital Improvement Plan (CIP) or other long-term planning documents. The calculation shall be based on a rolling multi-year average to ensure stability. These reserves are intended to provide cash for capital purchases, serve as a source of matching funds for grants, and demonstrate financial capacity for long-term borrowing. Capital reserves do not assume that all projects will be funded entirely with cash; bonding and other financing tools may also be used and should be identified in the CIP
  - 2. **Debt-related Funding** – amounts designated under this category shall be set aside to cover the next year’s debt (P&I) payments, if any, including any required reserves under bond covenants
  - 3. **Operational Stability** – amounts designated under this category shall be used to mitigate annual budget revenue shortfalls (actual revenue less than projected revenue), should they occur, due to changes in the economic environment and/or one-time unanticipated expenses. The minimum target reserve shall be determined annually during the budget process and will be 1 year of operating expenses less depreciation and one-time capital outlays

#### 4.0 PROCESS

As part of the annual budget process the Authority will evaluate and update the minimum reserve targets. A reserve analysis will be prepared and submitted for Board approval as part of the annual budget process. If the revised targets result in a negative Unrestricted Net Position, TACC will develop a 1-5 year replenishment plan to restore reserves to policy-defined levels.

To evaluate and reset the minimum reserve targets, the following steps will be taken annually:

- A. **Budget and Fiscal Viability** - TACC will prepare its annual budget and long-range cash plan, including projected changes to Unrestricted Net Position and reserve targets. This will encompass operating and capital budgets, a five-year

cash flow plan, and projected minimum reserves.

B. **Allocation of Unrestricted Net Position** - Following the annual audit, Unrestricted Net Position shall be reassessed and adjusted in accordance with this policy. Reserve allocations will include:

1. Minimum capital reserves.
2. Minimum debt-related reserves.
3. Working capital equal to 1 year of budgeted operating expenses (excluding depreciation).

A reserve analysis will support this evaluation and be submitted for Board approval. The Board may revise reserve categories or amounts at any time to ensure adequate funding for operations, capital needs, debt service and unforeseen events.

Reserves will be managed in alignment with the Capital Improvement Plan, Five-Year Financial Plan, and other Board-adopted initiatives, with minimal need for annual adjustments. This policy will be periodically reviewed and updated to reflect the evolving needs of TACC.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 07-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, this resolution authorizes the filing of applications with the Federal Transit Administration, an operating administration of the United States Department of Transportation, for federal transportation assistance authorized by 49 U.S.C. Chapter 53; title 23, United States Code, or other federal statutes administered by the Federal Transit Administration;

**Whereas**, the Federal Transit Administration has been delegated authority to award federal financial assistance for a transportation project;

**Whereas**, the grant or cooperative agreement for federal financial assistance will impose certain obligations upon the TACC Board of Directors and may require TACC Board of Directors to provide the local share of the project cost;

**Whereas**, TACC Board of Directors has or will provide all annual certifications and assurances to the Federal Transit Administration required for the project;

**Now, Therefore**, be it resolved by the Transportation Authority of Calhoun County;

1. That the Executive Director is authorized to execute and file an application for federal assistance on behalf of TACC Board of Directors with the Federal Transit Administration for federal assistance authorized by 49 U.S.C. Chapter 53, title 23, United States Code, or other federal statutes authorizing a project administered by the Federal Transit Administration; Such application will be made directly to the Federal Transit Administration under the authority granted by BATA Board of Directors by the State of Michigan, the Designated Recipient as defined by 49 U.S.C. 5307 (a)(2).
2. That the Executive Director is authorized to execute and file with its applications the annual certifications and assurances and other documents the Federal Transit Administration requires before awarding a federal assistance grant or cooperative agreement.
3. That the Executive Director is authorized to execute grant and cooperative agreements with the Federal Transit Administration on behalf of the TACC Board of Directors.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 08-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the Transportation Authority of Calhoun County (TACC), established under Public Act 196, to provide a local transportation program for the state fiscal year of 2026 and therefore, apply for state financial assistance under provisions of Act 51; and

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

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

**Whereas**, the performance indicators have been reviewed and approved by the governing body.

**Whereas**, the application has reviewed and approved the proposed surplus budget and funding sources of estimated federal funds \$2,009,147, estimated state funds \$3,022,319, estimated local funds \$4,724,917, estimated fare box \$561,744, estimated other funds \$56,000, with total estimated expenses of \$9,029,115.

**Now, Therefore**, be it resolved that the Transportation Authority here by makes its intentions known to provide public transportation services and to apply for state financial assistance with this annual plan, in accordance with Act 51; and

**Hereby**, appoints Mallory Avis, as the "Transportation Coordinator" for all public transportation matters who is authorized to provide such information as deemed necessary by the State Transportation Commission or department for its administration of Act 51 for 2026.

**CERTIFICATE**

I, Vivian Davis, Secretary of the Transportation Authority of Calhoun County, having custody of the records and proceedings of the Transportation Authority of Calhoun County at the meeting of September 23, 2025, with the original minutes now on file and of record in the office that this resolution is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 09-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County seeks to enter into a Support Services Agreement with the City of Battle Creek, where the City would provide operational, maintenance, administrative, managerial, financial, and technical services to the TACC from October 1, 2025, through June 30, 2026

**Whereas**, under the proposed Support Services Agreement with the TACC, as set forth in the proposed agreement attached here, or one with substantially similar terms as may be approved by TACC legal counsel;

**Whereas**, the TACC agrees to pay the City for all costs incurred by the City in providing the services under this agreement;

**Whereas**, the TACC is expected to formally acquire the City's transit assets and assume full ownership and operational control of those assets pursuant to a Comprehensive Transition Agreement (CTA) anticipated to take effect on or about June 30, 2026;

**Whereas**, in advance of the anticipated CTA, the TACC will begin assuming operational responsibilities for public transportation services in the region effective October 1, 2025;

**Whereas**, this proposed Agreement facilitates a phased transition of operations and sets forth the respective rights, duties and obligations of the TACC and City with respect to the provision of support services during this interim period;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County enters into the attached Support Services Agreement with the City of Battle Creek.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**TACC-City Support Services Agreement**

**This Support Services Agreement** (this “Agreement”) is made and entered into this 1st day of October 2025 (“Effective Date”), by and between:

Transportation Authority of Calhoun County a/k/a Ride Calhoun (“TACC”) 4950 West Dickman Road, Suite B2 Battle Creek, Michigan 49037 Attn: Mallory Avis	City of Battle Creek (“City”) 10 North Division Street Battle Creek, Michigan 49014 Attn: [City Manager]
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TACC and the City may be referred to individually as a “Party” and collectively as the “Parties”.

**1. Acknowledged Facts.**

(a) The City currently operates the Battle Creek Transit (“BCT”), a public transportation system serving the Battle Creek area;

(b) TACC is a Michigan regional transportation authority created under Act 196 of 1986 to assume and expand public transportation services in Calhoun County;

(c) On September 7, 2023, the Calhoun County Board of Commissioners voted to establish TACC as the countywide public transportation authority;

(d) TACC is expected to formally acquire the City’s transit assets and assume full ownership and operational control pursuant to a Comprehensive Transition Agreement (“CTA”) anticipated to take effect on or about June 30, 2026;

(e) In advance of the CTA, TACC will begin assuming operational responsibilities for public transportation services in the region, while the City continues to own the assets and provide administrative, managerial, and operational support services to TACC;

(f) The Parties desire to enter into this Agreement to facilitate a phased transition of operations and to set forth their respective rights, duties, and obligations with respect to the provision of support services to TACC during this interim period;

(g) The services provided under this Agreement are subject to federal funding and oversight, including requirements imposed by the Federal Transit Administration (“FTA”), the Michigan Department of Transportation (“MDOT”), and other applicable federal authorities; and

(h) Accordingly, the Parties agree to comply with all applicable federal laws, regulations, and guidance, as set forth in the “Federal Contract Clauses” attached hereto as Appendix A, which is incorporated into this Agreement by reference and made a part hereof. In the event of a conflict between this Agreement and Appendix A, the provisions of Appendix A shall control.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises herein, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **2. Definitions.**

For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) “TACC Employees” shall mean individuals hired directly by TACC who are not employed by or leased from the City. TACC Employees are subject to TACC’s employment policies and payroll systems.

(b) “City Controlled Employees” shall mean individuals employed by the City and assigned to perform services for TACC under this Agreement. These employees remain under the sole control of the City for all employment-related matters, including hiring, termination, discipline, compensation, benefits, and staffing decisions. This includes managerial, administrative, operational, and maintenance personnel.

(c) “Contracted Providers” shall mean City employees assigned to perform maintenance, operations, and other transit-related services for TACC under this Agreement. These individuals remain employees of the City and are subject to the City’s sole authority with respect to hiring, termination, discipline, compensation, benefits, and staffing decisions. The City – with guidance and input from the TACC - shall determine the number and classification of Contracted Providers and shall fill vacancies, reassign personnel, or make other employment decisions as necessary to fulfill its obligations under this Agreement. Contracted Providers may include personnel currently assigned to BCT and their roles may be modified by the City in consultation with TACC.

(d) “Support Services” shall mean the administrative, managerial, operational, maintenance, financial, and technical services provided by the City to TACC under this Agreement.

## **3. Term.**

(a) This Agreement shall be effective as of October 1, 2025 and shall remain in effect through June 30, 2026, unless earlier terminated in accordance with the termination provisions set forth under this Agreement. The Parties anticipate that the CTA will take effect on or about June 30, 2026, at which time TACC will assume full ownership and operational control of the public transportation system. During the Term of this Agreement, the City shall continue to own all transit assets and shall provide Support Services to TACC. The term of this Agreement may be extended by mutual written agreement of the Parties.

## **4. City Responsibilities.**

During the Term of this Agreement, the City shall provide Support Services to TACC in a diligent, professional, and commercially reasonable manner, consistent with industry standards and all applicable federal, state, and local laws and regulations, including those set forth in Appendix A. The Support Services shall include, but are not limited to, the following:

(a) Vendor Payments. The City shall process vendor payments that involve grant funds held by the City or that are incurred by Contracted Providers in providing support services. The TACC shall process all other vendor payments. The City shall coordinate with TACC to resolve any discrepancies or delays and shall maintain records of all vendor payments for audit and compliance purposes.

(b) Pension & Retiree Health Care Management. The City shall continue to administer pension and retiree health care benefits for BCT City employees who retire on or prior to June 30, 2026 in accordance with the City's retirement plan with the Municipal Employees' Retirement System ("MERS").

(c) Annual Reporting and Audit Support. The City shall coordinate with independent auditors selected by TACC to assist in the completion of annual financial statements and the single audit of federal awards, in accordance with generally accepted accounting principles and applicable federal requirements. The City shall also assist TACC in preparing for triennial reviews conducted by the FTA and MDOT.

(d) Financial Systems and General Ledger. The City shall maintain general ledger data to support its billings to the TACC.

(e) Treasury Functions.

The City will process all eligible reimbursements from the State of Michigan and FTA for grants that are still obligated to the City of Battle Creek. The City will also timely submit property tax distributions to TACC for the 2025 tax year. The City shall not be responsible for managing TACC's investments, bank accounts, or financial assets, and shall not have signature authority over TACC funds. All treasury-related services provided under this Agreement shall be limited to administrative support functions and shall be coordinated with TACC's designated financial personnel.

(f) Information Technology. The City shall provide information technology support to the TACC as directed by the TACC's Executive Director. The City shall provision and administer user accounts for TACC personnel, respond to service requests within forty-eight (48) business hours, and support technology upgrades and migrations as mutually agreed. TACC shall comply with the City's IT security policies and procedures, unless otherwise agreed in writing.

Any new hardware or software required by TACC shall be procured through the City's IT department and billed to TACC. Additional databases, licenses, or services beyond the scope of existing systems shall be subject to separate approval and cost allocation. The City shall not be responsible for supporting third-party systems not integrated with City infrastructure unless expressly agreed.

(g) Records Management. The City Clerk shall maintain records in accordance with the City's retention and destruction schedules and provide access to TACC upon request.

(h) Human Resources. The City shall provide human resources support for City-Controlled Employees and Contracted Providers assigned to TACC under this Agreement. All employment-related decisions—including hiring, termination, discipline, compensation, benefits,

and staffing—shall remain under the sole authority of the City, however the TACC - through its Executive Director – shall provide input in all personnel decisions. HR services provided by the City shall include, but are not limited to:

- (i) Administration of payroll and employee benefits, including health insurance, retirement plans, and other applicable programs;
- (ii) Compliance with the Affordable Care Act (“ACA”), including required reporting and documentation;
- (iii) Equal Employment Opportunity (“EEO”) compliance and reporting;
- (iv) Coordination of onboarding, offboarding, and personnel transitions for employees assigned to TACC; and
- (v) Maintenance of personnel records and provision of employment-related documentation as needed for audits, federal reviews, or pending grievances.

The City shall perform HR functions in accordance with its own policies and procedures. Where TACC policies differ, the City shall make reasonable efforts to coordinate with TACC, but City policies shall control in the event of a conflict unless otherwise agreed in writing by the Parties.

(i) Purchasing & Risk Management. The City shall provide purchasing and risk management support to TACC in accordance with its internal policies and procedures and applicable federal, state, and local requirements. These services shall include:

(i) *Purchasing Support*. The City will review and approval of purchase orders, requisitions, and competitive bidding processes for goods and services procured by or for TACC. The City will provide contract management and vendor qualification, excluding fuel bids unless separately agreed upon in writing by the Parties. All assets, that are used in public transportation, including real and personal property, shall be branded as “Ride Calhoun.”

(ii) *Risk Management Services*. The City shall provide risk management support related to leased facilities and infrastructure used by TACC, including but not limited to: (a) leased buildings and maintenance facilities; and (b) environmental compliance and reporting related to City owned assets. Risk management services shall be limited to assets owned or controlled by the City. Upon transfer of ownership or control to TACC, the City’s risk management obligations shall cease with respect to those assets.

(iii) *Procurement Cards (“PCards”)*. The City may issue PCards to designated City-Controlled Employees assigned to TACC for authorized purchases related to transit operations. All PCard usage shall comply with the City’s procurement policies and shall be subject to audit and reconciliation. TACC shall reimburse the City for all approved PCard expenditures incurred on its behalf.

(j) Timeliness. City staff shall respond to TACC requests for information within forty-eight (48) business hours. Reasonable requests for expedited responses or extensions shall be honored.

(k) Managerial Services. The City shall provide Support Services to TACC under the direction of TACC's designated leadership. As of the Effective Date, TACC's management team includes:

(i) Mallory Avis, serving as TACC Executive Director employed by the City of Battle Creek. ;

(ii) A Director of Operations (to be named and designated by TACC at a later date) employed by the City of Battle Creek; and

(iii) A Director of Planning and Administration, (to be named and designated by TACC at a later date) employed by the City of Battle Creek.

These individuals (each a "Manager" and collectively the "Managers") are still employees of the City. The City shall coordinate with the Managers to ensure that all services provided under this Agreement are aligned with TACC's operational goals, priorities, and compliance obligations.

The Executive Director is responsible for the scope, timing, and execution of Support Services, including administrative, financial, operational, and technical functions. The Executive Director may request adjustments to service levels, staffing assignments, or reporting formats, which the City shall implement to the extent consistent with its policies, procedures, and available resources.

In addition to overseeing TACC operations, the Executive Director in concert with the other the Managers shall be responsible for managing the wind-down of BCT operations. The City shall support such wind-down activities as directed by the Executive Director and the Managers and approved by TACC, including coordination of staffing transitions, operational closures, and asset disposition planning.

The Parties may mutually agree to update or replace the designated Managers during the Term of this Agreement. Any changes to managerial roles or responsibilities shall be communicated in writing and incorporated into this Agreement by reference.

(l) Planning Meetings. City staff and the TACC's Executive Director shall meet regularly to review performance, address outstanding issues, and coordinate resource allocation under this Agreement.

(m) Maintenance and Operational Services. The City shall provide maintenance and operational services to TACC through the assignment of Contracted Providers. Contracted Providers shall perform services required by TACC, which are generally understood to be the same type of maintenance and operations services currently performed for BCT. The City, with direct

input from the TACC, shall determine the number and classification of Contracted Providers necessary to fulfill its obligations under this Agreement.

TACC may propose modifications to the descriptions of services or roles performed by Contracted Providers. Any such modifications shall be subject to mutual agreement between the Parties and, where applicable, shall comply with collective bargaining agreements or other employment-related obligations. The City shall make best efforts to ensure that Contracted Providers are available and adequately staffed to support TACC's transit operations during the Term of this Agreement. The City shall also coordinate with TACC to address service needs, operational adjustments, and performance expectations.

(n) Invoicing. The City shall invoice the TACC monthly for all services provided. Activities of Contracted Providers shall be invoiced on dollar-for-dollar, actual cost basis, while activities of other City Controlled Employees shall be invoiced on an estimated basis in accordance with normal City practices. Any vendor payments made on behalf of the TACC or otherwise arising out of this Agreement shall be invoiced on an actual payments-made basis, excluding any vendor payments made using transit-related grant funds held by the City.

## **5. TACC Responsibilities.**

(a) Information and Documentation. TACC agrees to provide the City with the information, approvals, and cooperation necessary for the City to perform the services and functions described in this Agreement.

(b) Financial Reporting and Reconciliation. TACC shall provide a tie-out report for quarterly Operating Assistance Reports ("OAR") to reconcile with the general ledger and to account for fixed asset additions and deletions. TACC shall also assist independent auditors with the annual audit of TACC, with support from the City as outlined in this Agreement.

(c) Policy Compliance. TACC shall follow the City's current financial policies and procedures unless otherwise agreed upon in writing. Any amendments to such policies shall be communicated to TACC as soon as reasonably practicable.

(d) Regulatory Coordination. Unless otherwise agreed to by the Parties, through their Managers and the City Manager, the TACC shall have primary responsibility for all regulatory compliance arising out of or related to this Agreement. The City shall cooperate with the TACC to ensure timely and accurate reporting, compliance with applicable laws and regulations, and coordination with federal and state oversight agencies, including the Federal Transit Administration (FTA) and the Michigan Department of Transportation (MDOT).

(e) Reimbursement and Payment of Invoices. TACC shall pay all invoices within thirty (30) days of the invoice date.

(f) Exclusion of Grant-Funded Costs. TACC shall not be responsible for reimbursing the City for any fuel costs or other expenditures that are covered by transit-related federal or state grant funds held by the City, if any.

(g) Additional Services. Any additional services not enumerated in this Agreement, including transition services and related costs, shall require prior written approval from TACC. If approved, such services shall be billed at a rate or structure mutually agreed upon by the Parties and shall be payable within thirty (30) days of invoice.

(h) Alternative Compensation Structures. The Parties may agree in writing to a fixed fee or installment-based compensation structure for certain services under this Agreement. Any such arrangement shall be documented in a written amendment or addendum to this Agreement and shall specify the payment schedule, applicable rates, and any annual adjustments.

## **6. Independent Contractor Status.**

(a) Independent Contractor Relationship. The City, in providing the services set forth in this Agreement, shall be acting as an independent contractor and not as an agent, partner, joint venture, or employee of TACC. Nothing in this Agreement shall be construed to create any employment relationship between TACC and any City employee during the term of this agreement.

(b) No Entitlement to TACC Benefits. City employees, including Contracted Providers and Managers assigned to TACC, shall not be entitled to any benefits provided by TACC to its employees, including but not limited to health insurance, retirement benefits, or paid leave.

(c) Responsibility for Employment Obligations. The City shall be solely responsible for all compensation, payroll taxes, FICA, unemployment insurance, workers' compensation, and any other employment-related obligations for its employees providing services under this Agreement.

## **7. Representations, Warranties, and Covenants.**

(a) Authority to Enter Agreement. Each Party represents that it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(b) City Obligations. The City covenants that it will perform the Services in accordance with applicable federal, state, and local laws, regulations, and ordinances, and in accordance with generally accepted governmental accounting standards.

(c) TACC Obligations. TACC covenants that it will timely remit all amounts due under this Agreement and will not direct the City to undertake any act or omission that would cause the City to violate applicable law.

## **8. Non-Discrimination.**

(a) Equal Employment Opportunity. The City agrees not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or any other matter directly or indirectly related to employment, because of sex, color, age, national origin, religion, height, weight, marital status, disability, political affiliation, sexual orientation, or gender identity.

(b) Subcontractor Compliance. The City further agrees to require compliance with this non-discrimination provision by any subcontractors providing services under this Agreement.

(c) Material Breach. A breach of this section may be regarded as a material breach of the Agreement.

### **9. No Third-Party Rights.**

(a) No Intended Third-Party Beneficiaries. This Agreement is made solely for the benefit of the Parties and is not intended to confer any rights or benefits upon any third party.

(b) Limitation on Enforcement. No third party shall have any right to enforce any provision of this Agreement or to assert any claim arising from or related to this Agreement.

### **10. Termination Rights.**

(a) Termination for Cause. This Agreement may be terminated by either Party for cause in the event of a material breach of the terms of this Agreement. The terminating Party shall provide the non-terminating Party with written notice of the default and at least fifteen (15) days to cure the same. The fifteen (15) day cure period shall begin when written notice is deemed received in accordance with the notice provisions of this Agreement. If the default is not cured within the cure period, the Agreement shall terminate.

(b) Termination Without Cause. Either Party may terminate this Agreement without cause by providing the other Party with sixty (60) days' advance written notice. The Agreement shall be deemed terminated sixty (60) days from the date notice is deemed received in accordance with the notice provisions of this Agreement.

(c) Compensation Upon Termination. If this Agreement is terminated by either Party, TACC shall have no obligation to pay the City for any work performed after the effective date of termination.

### **11. Insurance, Hold Harmless and Indemnification.**

#### **(a) Insurance**

(i) *City Responsibilities*. The City shall maintain insurance coverage for City-owned assets and Contracted Employees TACC, including general liability, property, and workers' compensation insurance, consistent with City policies and applicable law. The TACC shall be named as additional Insured on any City policy that involves TACC public transportation operations.

(ii) *TACC Responsibilities*. TACC shall be responsible for obtaining and maintaining general liability insurance coverage for itself, any assets it owns or controls and any TACC Employees. The Parties shall coordinate to ensure appropriate coverage is maintained during the transition period and shall provide evidence of coverage upon request.

(iii) *Reimbursement of City Insurance Expenses.* TACC shall reimburse the City for the cost of insurance premiums attributable to City-Controlled Employees and City-owned assets used in support of TACC operations. All such reimbursements shall be invoiced in accordance with the City's standard procedures.

(iv) *City SIR gap coverage.* TACC shall secure insurance, naming the City and its employees and officials as additional insured, sufficient to cover the City's \$1 million self-insured retention (SIR) for any and all claims arising out of the City's provision of Support Services pursuant to this agreement.

(v) *Additional Insured Status.* To the extent permitted by law and applicable insurance policies, TACC shall name the City as an additional insured on all general liability insurance policies maintained by TACC during the Term of this Agreement. Such coverage shall apply to claims arising out of or related to the services provided under this Agreement, including the use of City-owned or leased assets. TACC shall provide the City with certificates of insurance and endorsements evidencing the City's status as an additional insured upon execution of this Agreement and upon renewal of any applicable policies. The additional insured coverage shall be primary and non-contributory with respect to any insurance maintained by the City.

(b) City Indemnification of TACC. To the fullest extent permitted by law, the City shall hold harmless and indemnify TACC and its employees, officers, directors, and representatives from and against any and all claims, damages, losses, liabilities, costs, and expenses, including reasonable attorney fees, arising out of or resulting from the willful acts or negligence of the City, its agents, employees, or contractors in connection with the performance of this Agreement.

(c) TACC Indemnification of City. To the fullest extent permitted by law, TACC shall hold harmless and indemnify the City and its employees, officers, directors, and representatives from and against any and all claims, damages, losses, liabilities, costs, and expenses, including reasonable attorney fees, arising out of or resulting from the willful acts or negligence of TACC, its agents, employees, or contractors, including City employees leased to TACC under this Agreement.

(d) Limitations. Nothing in this section shall be construed to waive any governmental immunity or other legal protections available to either Party under applicable law. The Parties acknowledge that indemnification obligations are subject to the limitations imposed by Michigan law and shall be interpreted accordingly.

## **12. Confidentiality; FOIA Coordination.**

(a) Use of TACC Information. During the course of this Agreement, the City may have access to information belonging to TACC. The City agrees that such information shall be used solely for the purpose of carrying out its obligations under this Agreement and shall not be disclosed to any third party except as required by law or with TACC's prior written consent.

(b) FOIA Requests and Coordination. Both Parties are public bodies subject to the Freedom of Information Act, MCL 15.231 *et seq.* Each Party shall be solely responsible for responding to FOIA requests directed towards it in accordance with the Party's established FOIA policies. If one Party receives a FOIA request for records that it believes are held by the other

Party, the Party that receives the FOIA request shall notify the requestor that the records sought may be in the custody of the other Party. To ensure that sensitive, confidential, or exempt information is protected, both Parties shall redact or exempt records to the maximum extent permitted under MCL 15.243, unless the other Party consents to the disclosure of the protected information.

### **13. Notice.**

(i) Form of Notice. Any notice, consent, or approval required or permitted to be given under this Agreement shall be in writing.

(ii) Delivery and Addressing. Notices shall be addressed to the recipient at the address set forth on the first page of this Agreement, or to such other address as a Party may designate in writing to the other Party.

(iii) Methods of Delivery. Notices shall be deemed received as follows:

(i) upon personal delivery;

(ii) one (1) business day after being deposited with a nationally recognized overnight courier service for next-day delivery; and

(iii) two (2) business days after being deposited in the United States mail, registered or certified, postage prepaid, return receipt requested.

### **14. Miscellaneous.**

(a) Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior or contemporaneous oral or written understandings.

(b) Amendment. This Agreement may not be amended, altered, or modified except by written agreement signed by both of the Parties.

(c) Assignment. This Agreement is personal to each Party and may not be assigned or delegated without the prior written consent of the other Party. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

(d) Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties. Any invalid or unenforceable provision shall be deemed modified to the minimum extent necessary to render it valid and enforceable, consistent with the Parties' original intent.

(e) Waiver. No waiver by either Party of any breach or default shall be deemed a waiver of any subsequent breach or default.

(f) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to its conflict-of-laws principles. Any legal action arising out of or relating to this Agreement shall be brought exclusively in the state or federal courts located in Calhoun County, Michigan, and the Parties consent to such venue and jurisdiction.

(g) Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original. Signatures delivered electronically, including by PDF or other digital format, shall be deemed valid and binding.

(h) Headings. The headings used in this Agreement are for convenience only and shall not affect the interpretation or construction of any provision.

[Remainder of Page Left Intentionally Blank – Signature Page Follows.]

**IN WITNESS WHEREOF**, the Parties have caused this Support Services Agreement to be executed by their duly authorized representatives as of the Effective Date.

**TRANSPORTATION AUTHORITY OF  
CALHOUN COUNTY a/k/a RIDE CALHOUN**

**CITY OF BATTLE CREEK**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

## **Appendix A - Federal Contract Clauses**

This Appendix A sets forth the federal contract clauses applicable to the City in its role as an independent contractor providing Support Services to the TACC under the Support Services Agreement. The provisions herein are required for all federally funded contracts administered by the FTA and are incorporated into this Agreement by reference.

As part of its responsibilities under the Agreement, the City shall comply with all applicable federal laws, regulations, and guidance, including but not limited to those related to civil rights, labor standards, procurement, environmental protections, and financial management. The City shall maintain control over its own personnel, including hiring, termination, payroll, and benefits administration, and shall carry its own insurance, subject to reimbursement by TACC as provided in the Agreement.

### **1. Incorporation of FTA Master Agreement**

All applicable provisions of FTA Circular 4220.1F and the current FTA Master Agreement are incorporated by reference and shall govern this Agreement. The Parties agree to comply with all federal requirements set forth therein, including those related to procurement, compliance, oversight, and performance standards applicable to federally funded transit services.

### **2. Non-Discrimination and Equal Opportunity**

The City shall not discriminate on the basis of race, color, national origin, sex, age, or disability. It shall take affirmative action to ensure equal opportunity in employment practices, including hiring, promotion, and all other terms of employment. This includes compliance with Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, and 49 CFR Part 27. The City shall also ensure that any subcontractors comply with these requirements.

### **3. Restrictions on Lobbying**

The City certifies that no federal funds received under this Agreement will be used for lobbying activities directed toward federal officials. If non-federal funds are used for lobbying, the City shall file the required disclosure form (Standard Form-LLL) in accordance with 31 U.S.C. § 1352 and 49 CFR Part 20.

### **4. Debarment and Suspension**

The City certifies that neither it nor its key personnel are debarred, suspended, or otherwise excluded from participating in federal transactions. This certification is made pursuant to 2 CFR Part 180 and 2 CFR Part 1200 and is a material condition of this Agreement. The City shall notify TACC immediately of any change in its eligibility status.

## **5. Access to Records and Audits**

The City shall provide TACC, the FTA, the Comptroller General of the United States, and other authorized representatives access to all records pertinent to this Agreement. This includes books, documents, papers, and records for audit, examination, and inspection purposes, as required by 2 CFR 200.334 and 49 CFR Parts 18 and 19.

## **6. Compliance with Labor Standards**

The City shall comply with the Contract Work Hours and Safety Standards Act, including paying overtime at one and one-half times the regular rate for hours worked over 40 per week. The City shall also comply with employee protective arrangements under 49 U.S.C. § 5333(b), including labor protections for affected employees.

## **7. Prohibition on Charter Service**

The City shall not use FTA-funded equipment or facilities to provide charter services except as permitted under 49 CFR Part 604. Any exceptions must be documented and approved in accordance with FTA regulations.

## **8. Private Sector Participation**

The City shall support TACC's efforts to ensure fair competition and private sector participation in public transit services. This includes compliance with 49 U.S.C. §§ 5306(a), 5307(d), and 5310, and coordination with private providers where appropriate.

## **9. Buy America**

The City certifies that all steel, iron, and manufactured products used in the performance of this Agreement will be produced in the United States, unless a waiver is granted by the FTA pursuant to 49 U.S.C. § 5323(j) and 49 CFR Part 661.

## **10. Clean Air Act and Federal Water Pollution Control Act**

The City shall comply with all applicable standards under the Clean Air Act (42 U.S.C. § 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.). Any violations shall be reported to TACC and the EPA.

## **11. Termination for Convenience**

TACC may terminate this Agreement in whole or in part if it determines that such termination is in the public interest. Notice of termination shall specify the extent of termination and be delivered in accordance with FTA Circular 4220.1F.

## **12. Termination for Default**

TACC may terminate the Agreement for default if the City fails to perform its obligations or jeopardizes performance. Termination shall be effectuated by written notice and shall follow the procedures outlined in FTA Circular 4220.1F.

### **13. Government-Wide Requirements for Grantees**

The City shall comply with all applicable provisions of 2 CFR Part 200, including procurement standards, property management, and financial reporting requirements.

### **14. Civil Rights and Training**

The City shall comply with all applicable civil rights laws related to public transit services, including Title VI of the Civil Rights Act, the Americans with Disabilities Act (ADA), 49 U.S.C. § 5323(h), and 49 CFR Part 21. The City shall ensure equal access to services and benefits and shall provide civil rights and nondiscrimination training to all personnel involved in the performance of this Agreement, in accordance with 49 CFR Part 21.

### **15. Employee Protection**

The City shall comply with employee protection arrangements under 49 U.S.C. § 5333(b), as determined by the U.S. Department of Labor. This includes protections for employees affected by transit projects.

### **16. Disadvantaged Business Enterprise (DBE)**

The City shall comply with 49 CFR Part 26 and ensure that DBEs have fair and non-discriminatory access to subcontracting opportunities. The City shall report DBE participation to TACC as required.

### **17. No-Cost Extensions and Modifications**

Any extension or modification of this Agreement that does not result in additional cost must be agreed upon in writing by both Parties, in accordance with 49 CFR Part 19.

### **18. Prompt Payment**

The City shall pay subcontractors within thirty (30) days of receiving payment from TACC for work satisfactorily performed, in accordance with 49 CFR Parts 18 and 19.

### **19. Safety and Security**

The City shall comply with all applicable safety and security laws and regulations, including 49 CFR Part 659 and 49 U.S.C. Chapter 53. The City shall implement reasonable and industry-standard measures to protect employees, passengers, facilities, and the public in connection with services provided under this Agreement.

### **20. Prohibited Interests**

No City official, employee, or agent shall have any direct or indirect personal interest in this Agreement or its proceeds, in accordance with 49 CFR Parts 18 and 19 and applicable state and local ethics laws. The City shall take appropriate steps to identify and prevent conflicts of interest in all procurement and administrative activities related to this Agreement.

## **21. Reporting Requirements**

The City shall provide all required reports to TACC and FTA, including financial, operational, and performance data, in accordance with 49 U.S.C. § 5335 and 2 CFR Part 200.

## **22. Confidentiality of Data**

The City shall treat designated data as confidential and shall not disclose it without TACC's written consent, unless required by law. This includes compliance with 49 U.S.C. § 5323(a)(1) and applicable privacy laws.

## **23. Clean Fuel and Vehicles**

The City shall comply with all applicable clean fuel and vehicle standards, including those set forth in 49 U.S.C. § 5323(i) and 49 CFR Part 609. The City shall ensure that vehicles operated in support of TACC services meet federal emissions and energy efficiency requirements and shall coordinate with TACC to implement any required upgrades or reporting obligations related to clean fuel compliance.

## **24. Cargo Preference**

The City shall use U.S.-flag vessels for ocean shipments when available, in accordance with 46 U.S.C. App. § 1241.

## **25. Recycled Products**

The City shall use recycled products to the maximum extent practicable, consistent with performance and competition standards, in accordance with 42 U.S.C. § 6962.

## **26. Conflict of Interest**

No City employee shall participate in procurement decisions where a conflict of interest exists, in accordance with 2 CFR § 200.318(c).

## **27. Environmental Protections**

The City shall comply with all applicable environmental laws and regulations, including the National Environmental Policy Act (NEPA), Section 4(f) of the U.S. Department of Transportation Act, and Section 106 of the National Historic Preservation Act. The City shall ensure that no activities undertaken pursuant to this Agreement result in significant adverse environmental or historical impacts and shall coordinate with TACC and relevant agencies to address any required reviews, approvals, or mitigation measures.

## **28. Drug and Alcohol Testing**

The City shall maintain a compliant drug and alcohol testing program for safety-sensitive employees, in accordance with 49 CFR Parts 655 and 40.

## **29. Seismic Safety**

Any new construction shall meet seismic safety standards under 42 U.S.C. § 7701 and Executive Order 12699.

## **30. Reimbursement and Financial Management**

The City shall be reimbursed by TACC for eligible costs, including payroll, management, and insurance. The City retains risk for its own Self-Insured Retention and shall be reimbursed in accordance with the Support Services Agreement.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 10-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County seeks to enter into a Support Services Agreement with the City of Marshall, where the City would provide operational, maintenance, administrative, managerial, financial, and technical services to the TACC from October 1, 2025, through June 30, 2026

**Whereas**, under the proposed Support Services Agreement with the TACC, as set forth in the proposed agreement attached here, or one with substantially similar terms as may be approved by TACC legal counsel;

**Whereas**, the TACC agrees to pay the City for all costs incurred by the City in providing the services under this agreement;

**Whereas**, the TACC is expected to formally acquire the City's transit assets and assume full ownership and operational control of those assets pursuant to a Comprehensive Transition Agreement (CTA) anticipated to take effect on or about June 30, 2026;

**Whereas**, in advance of the anticipated CTA, the TACC will begin assuming operational responsibilities for public transportation services in the region effective October 1, 2025;

**Whereas**, this proposed Agreement facilitates a phased transition of operations and sets forth the respective rights, duties and obligations of the TACC and City with respect to the provision of support services during this interim period;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County enters into the attached Support Services Agreement with the City of Marshall.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## TACC-City Support Services Agreement

**This Support Services Agreement** (this “Agreement”) is made and entered into this 1st day of October 2025 (“Effective Date”), by and between:

Transportation Authority of Calhoun County a/k/a Ride Calhoun (“TACC”) 4950 West Dickman Road, Suite B2 Battle Creek, Michigan 49037 Attn: Mallory Avis	City of Marshall (“City”) 323 West Michigan Avenue Marshall, Michigan 49068 Attn: Derek N. Perry
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TACC and the City may be referred to individually as a “Party” and collectively as the “Parties”.

### **1. Acknowledged Facts.**

(a) The City currently operates the Marshall Dial-A-Ride Transit (“DART”), a public transportation system serving the City of Marshall area;

(b) TACC is a Michigan regional transportation authority created under Act 196 of 1986 to assume and expand public transportation services in Calhoun County;

(c) On September 7, 2023, the Calhoun County Board of Commissioners voted to establish TACC as the countywide public transportation authority;

(d) TACC is expected to formally acquire the City’s transit assets and assume full ownership and operational control pursuant to a Comprehensive Transition Agreement (“CTA”) anticipated to take effect on or about June 30, 2026;

(e) In advance of the CTA, TACC will begin assuming operational responsibilities for public transportation services in the region, while the City continues to own the assets and provide administrative, managerial, and operational support services to TACC;

(f) The Parties desire to enter into this Agreement to facilitate a phased transition of operations and to set forth their respective rights, duties, and obligations with respect to the provision of support services to TACC during this interim period;

(g) The services provided under this Agreement are subject to federal funding and oversight, including requirements imposed by the Federal Transit Administration (“FTA”), the Michigan Department of Transportation (“MDOT”), and other applicable federal authorities; and

(h) Accordingly, the Parties agree to comply with all applicable federal laws, regulations, and guidance, as set forth in the “Federal Contract Clauses” attached hereto as Appendix A, which is incorporated into this Agreement by reference and made a part hereof. In the event of a conflict between this Agreement and Appendix A, the provisions of Appendix A shall control.

**NOW, THEREFORE**, in consideration of the mutual covenants and promises herein, the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **2. Definitions.**

For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) “TACC Employees” shall mean individuals hired directly by TACC who are not employed by or leased from the City. TACC Employees are subject to TACC’s employment policies and payroll systems.

(b) “City Controlled Employees” shall mean individuals employed by the City and assigned to perform services for TACC under this Agreement. These employees remain under the sole control of the City for all employment-related matters, including hiring, termination, discipline, compensation, benefits, and staffing decisions. This includes managerial, administrative, operational, and maintenance personnel.

(c) “Contracted Providers” shall mean City employees assigned to perform maintenance, operations, and other transit-related services for TACC under this Agreement. These individuals remain employees of the City and are subject to the City’s sole authority with respect to hiring, termination, discipline, compensation, benefits, and staffing decisions. The City – with guidance and input from the TACC – shall determine the number and classification of Contracted Providers and shall fill vacancies, reassign personnel, or make other employment decisions as necessary to fulfill its obligations under this Agreement. Contracted Providers may include personnel currently assigned to DART and their roles may be modified by the City in consultation with TACC.

(d) “Support Services” shall mean the administrative, managerial, operational, financial, and technical services provided by the City to TACC under this Agreement.

## **3. Term.**

(a) This Agreement shall commence on Effective Date and shall remain in effect through June 30, 2026, unless earlier terminated in accordance with the termination provisions set forth under this Agreement. The Parties anticipate that the CTA will take effect on or about June 30, 2026, at which time TACC will assume full ownership and operational control of the public transportation system. During the Term of this Agreement, the City shall continue to own all transit assets and shall provide Support Services to TACC. The term of this Agreement may be extended by mutual written agreement of the Parties.

## **4. City Responsibilities.**

During the Term of this Agreement, the City shall provide Support Services to TACC in a diligent, professional, and commercially reasonable manner, consistent with industry standards and all applicable federal, state, and local laws and regulations, including those set forth in Appendix A. The Support Services shall include, but are not limited to, the following:

(a) Vendor Payments. The City shall process vendor payments that involve grant funds held by the City or that are incurred by Contracted Providers in providing support services. The TACC shall process all other vendor payments. The City shall coordinate with TACC to resolve any discrepancies or delays and shall maintain records of all vendor payments for audit and compliance purposes.

(b) Annual Reporting and Audit Support. The City shall coordinate with independent auditors selected by TACC to assist in the completion of annual financial statements and the single audit of federal awards, in accordance with generally accepted accounting principles and applicable federal requirements. The City shall also assist TACC in preparing for triennial reviews conducted by the FTA and MDOT.

(c) Financial Systems and General Ledger. The City shall maintain general ledger data to support its billings to the TACC.

(d) Treasury Functions. For the 2025 and 2026 tax years, the City shall, to the extent permitted by law and consistent with its internal policies and procedures, identify and process reimbursements from TACC to taxing units, and process all eligible reimbursements and rebates from the State of Michigan or other entities to TACC. The City shall also file all required property tax-related remittances on behalf of TACC, provided that TACC supplies all necessary documentation and approvals in a timely manner.

The City shall not be responsible for managing TACC's investments, bank accounts, or financial assets, and shall not have signature authority over TACC funds. All treasury-related services provided under this Agreement shall be limited to administrative support functions and shall be coordinated with TACC's designated financial personnel.

(e) Information Technology. The City shall provide information technology support to TACC, including access to and maintenance of core systems such as Office 365, Exchange, Active Directory, VoIP phone service, antivirus software, and network infrastructure. These services shall be provided in accordance with the City's standard IT protocols and subject to availability of resources.

The City shall provision and administer user accounts for TACC personnel, respond to service requests within forty-eight (48) business hours, and support technology upgrades and migrations as mutually agreed. TACC shall comply with the City's IT security policies and procedures, unless otherwise agreed in writing.

Any new hardware or software required by TACC shall be procured through the City's IT department and billed to TACC. Additional databases, licenses, or services beyond the scope of existing systems shall be subject to separate approval and cost allocation. The City shall not be responsible for supporting third-party systems not integrated with City infrastructure unless expressly agreed.

(f) Records Management. The City Clerk shall maintain records in accordance with the City's retention and destruction schedules and provide access to TACC upon request.

(g) Human Resources. The City shall provide human resources support for City-Controlled Employees and Contracted Providers assigned to TACC under this Agreement. All employment-related decisions—including hiring, termination, discipline, compensation, benefits, and staffing—shall remain under the sole authority of the City, however the TACC - through its Executive Director – shall provide input in all personnel decisions HR services provided by the City shall include, but are not limited to:

(i) Administration of employee benefits, including health insurance, retirement plans, and other applicable programs;

(ii) Compliance with the Affordable Care Act (“ACA”), including required reporting and documentation;

(iii) Equal Employment Opportunity (“EEO”) compliance and reporting;

(iv) Coordination of onboarding, offboarding, and personnel transitions for employees assigned to TACC; and

(v) Maintenance of personnel records and provision of employment-related documentation as needed for audits or federal reviews.

The City shall perform HR functions in accordance with its own policies and procedures. Where TACC policies differ, the City shall make reasonable efforts to coordinate with TACC to align practices, but City policies shall control in the event of a conflict unless otherwise agreed in writing by the Parties.

(h) Purchasing & Risk Management. The City shall provide purchasing and risk management support to TACC in accordance with its internal policies and procedures and applicable federal, state, and local requirements. These services shall include:

(i) *Purchasing Support*. The City will review and approval of purchase orders, requisitions, and competitive bidding processes for goods and services procured by or for TACC. The City will provide contract management and vendor qualification, excluding fuel bids unless separately agreed upon in writing by the Parties. All assets, that are used in public transportation, including real and personal property, shall be branded as “Ride Calhoun.”

(ii) *Risk Management Services*. The City shall provide risk management support related to leased facilities and infrastructure used by TACC, including but not limited to: (a) leased buildings and maintenance facilities; and (b) environmental compliance and reporting related to City owned assets. Risk management services shall be limited to assets owned or controlled by the City. Upon transfer of ownership or control to TACC, the City’s risk management obligations shall cease with respect to those assets.

(iii) *Insurance*. The City shall maintain insurance coverage for City-owned assets and City-Controlled Employees assigned to TACC, including general liability, property, and workers’ compensation insurance, consistent with City policies and applicable law. TACC shall be responsible for obtaining and maintaining insurance coverage for any assets it owns or controls, and for any TACC Employees. The Parties shall coordinate to ensure appropriate

coverage is maintained during the transition period and shall provide evidence of coverage upon request. TACC shall reimburse the City for the cost of insurance premiums attributable to City-Controlled Employees and City-owned assets used in support of TACC operations. All such reimbursements shall be invoiced in accordance with the City's standard procedures.

(iv) *Additional Insured Status.* To the extent permitted by law and applicable insurance policies, TACC shall name the City as an additional insured on all general liability insurance policies maintained by TACC during the Term of this Agreement. Such coverage shall apply to claims arising out of or related to the services provided under this Agreement, including the use of City-owned or leased assets. TACC shall provide the City with certificates of insurance and endorsements evidencing the City's status as an additional insured upon execution of this Agreement and upon renewal of any applicable policies. The additional insured coverage shall be primary and non-contributory with respect to any insurance maintained by the City.

(v) *Procurement Cards ("PCards").* The City may issue PCards to designated City-Controlled Employees assigned to TACC for authorized purchases related to transit operations. All PCard usage shall comply with the City's procurement policies and shall be subject to audit and reconciliation. TACC shall reimburse the City for all approved PCard expenditures incurred on its behalf.

(i) Timeliness. City staff shall respond to TACC requests for information within forty-eight (48) business hours. Reasonable requests for expedited responses or extensions shall be honored.

(j) Managerial Services. The City shall provide Support Services to TACC under the direction of TACC's designated leadership. As of the Effective Date, TACC's management team includes:

(i) Mallory Avis, serving as TACC Executive Director and employed directly by the City of Battle Creek and leased to the TACC ;

(ii) A Director of Operations (to be named and designated by TACC at a later date) employed by the City of Battle Creek; and

(iii) A Director of Planning and Administration, (to be named and designated by TACC at a later date) employed by the City of Battle Creek.

These individuals (each a "Manager" and collectively the "Managers") shall coordinate with the City to ensure that all services provided under this Agreement are aligned with TACC's operational goals, priorities, and compliance obligations.

The Executive Director is responsible for the scope, timing, and execution of Support Services, including administrative, financial, operational, and technical functions. The Executive Director may request adjustments to service levels, staffing assignments, or reporting formats, which the City shall implement to the extent consistent with its policies, procedures, and available resources.

In addition to overseeing TACC operations, the Executive Director in concert with the other Managers shall be responsible for managing the wind-down of DART operations. The City shall support such wind-down activities as directed by the Executive Director and the Managers and approved by TACC, including coordination of staffing transitions, operational closures, and asset disposition planning.

The Parties may mutually agree to update or replace the designated Managers during the Term of this Agreement. Any changes to managerial roles or responsibilities shall be communicated in writing and incorporated into this Agreement by reference.

(k) Planning Meetings. The City's Finance Director, TACC's Executive Director, and other designated staff or consultants shall meet regularly to review performance, address outstanding issues, and coordinate resource allocation under this Agreement.

(l) Maintenance and Operational Services. The City shall provide maintenance and operational services to TACC through the assignment of Contracted Providers. Contracted Providers shall perform services required by TACC, which are generally understood to be the same type of maintenance and operations services currently performed for DART. The City, with direct input from the TACC, shall determine the number and classification of Contracted Providers necessary to fulfill its obligations under this Agreement.

TACC may propose modifications to the descriptions of services or roles performed by Contracted Providers. Any such modifications shall be subject to mutual agreement between the Parties and, where applicable, shall comply with collective bargaining agreements or other employment-related obligations. The City shall ensure that Contracted Providers are available and adequately staffed to support TACC's transit operations during the Term of this Agreement. The City shall also coordinate with TACC to address service needs, operational adjustments, and performance expectations.

## **5. TACC Responsibilities.**

(a) Information and Documentation. TACC agrees to provide the City with the information, approvals, and cooperation necessary for the City to perform the services and functions described in this Agreement.

(b) Financial Reporting and Reconciliation. TACC shall provide a tie-out report for quarterly Operating Assistance Reports ("OAR") to reconcile with the general ledger and to account for fixed asset additions and deletions. TACC shall also assist independent auditors with the annual audit of TACC, with support from the City as outlined in this Agreement.

(c) Policy Compliance. TACC shall follow the City's current financial policies and procedures unless otherwise agreed upon in writing. Any amendments to such policies shall be communicated to TACC as soon as reasonably practicable.

(d) Regulatory Coordination. City shall cooperate with the TACC to ensure timely and accurate reporting, compliance with applicable laws and regulations, and coordination with federal and state oversight agencies, including the FTA and MDOT.

(e) Reimbursement of Non-Labor Expenditures. TACC shall reimburse the City on a dollar-for-dollar basis for all non-service and non-labor expenditures incurred by the City for or on behalf of TACC pursuant to this Agreement. All such expenditures shall be invoiced on a monthly basis and shall be payable within thirty (30) days of the invoice date.

(f) Exclusion of Grant-Funded Costs. TACC shall not be responsible for reimbursing the City for any fuel costs or other expenditures that are covered by federal or state grant funds. The City shall identify and exclude such grant-funded costs from its invoices to TACC.

(g) Additional Services. Any additional services not enumerated in this Agreement, including transition services and related costs, shall require prior written approval from TACC. If approved, such services shall be billed at a rate or structure mutually agreed upon by the Parties and shall be payable within thirty (30) days of invoice.

(h) Alternative Compensation Structures. The Parties may agree in writing to a fixed fee or installment-based compensation structure for certain services under this Agreement. Any such arrangement shall be documented in a written amendment or addendum to this Agreement and shall specify the payment schedule, applicable rates, and any annual adjustments.

## **6. Independent Contractor Status.**

(a) Independent Contractor Relationship. The City, in providing the services set forth in this Agreement, shall be acting as an independent contractor and not as an agent, partner, joint venture, or employee of TACC. Nothing in this Agreement shall be construed to create any employment relationship between TACC and any City employee during the term of this agreement.

(b) Clarification of Assigned Roles. Any City employees assigned to TACC, including designated Managers, remain under the City's employment and supervision. Their coordination with TACC leadership does not alter their employment status or create an agency relationship between TACC and the City. This includes any managerial or operational roles performed in support of TACC's services.

(c) No Entitlement to TACC Benefits. City employees, including Contracted Providers and Managers assigned to TACC, shall not be entitled to any benefits provided by TACC to its employees, including but not limited to health insurance, retirement benefits, or paid leave.

(d) Responsibility for Employment Obligations. The City shall be solely responsible for all compensation, payroll taxes, FICA, unemployment insurance, workers' compensation, and any other employment-related obligations for its employees providing services under this Agreement.

## **7. Representations, Warranties, and Covenants.**

(a) Authority to Enter Agreement. Each Party represents that it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(b) City Obligations. The City covenants that it will perform the Services in accordance with applicable federal, state, and local laws, regulations, and ordinances, and in accordance with generally accepted governmental accounting standards.

(c) TACC Obligations. TACC covenants that it will timely remit all amounts due under this Agreement and will not direct the City to undertake any act or omission that would cause the City to violate applicable law.

## **8. Non-Discrimination.**

(a) Equal Employment Opportunity. The City agrees not to discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or any other matter directly or indirectly related to employment, because of sex, color, age, national origin, religion, height, weight, marital status, disability, political affiliation, sexual orientation, or gender identity.

(b) Subcontractor Compliance. The City further agrees to require compliance with this non-discrimination provision by any subcontractors providing services under this Agreement.

(c) Material Breach. A breach of this section may be regarded as a material breach of the Agreement.

## **9. No Third-Party Rights.**

(a) No Intended Third-Party Beneficiaries. This Agreement is made solely for the benefit of the Parties and is not intended to confer any rights or benefits upon any third party.

(b) Limitation on Enforcement. No third party shall have any right to enforce any provision of this Agreement or to assert any claim arising from or related to this Agreement.

## **10. Termination Rights.**

(a) Termination for Cause. This Agreement may be terminated by either Party for cause in the event of a material breach of the terms of this Agreement. The terminating Party shall provide the non-terminating Party with written notice of the default and at least fifteen (15) days to cure the same. The fifteen (15) day cure period shall begin when written notice is deemed received in accordance with the notice provisions of this Agreement. If the default is not cured within the cure period, the Agreement shall terminate.

(b) Termination Without Cause. Either Party may terminate this Agreement without cause by providing the other Party with sixty (60) days' advance written notice. The Agreement shall be deemed terminated sixty (60) days from the date notice is deemed received in accordance with the notice provisions of this Agreement.

(c) Compensation Upon Termination. If this Agreement is terminated by either Party, TACC shall have no obligation to pay the City for any work performed after the effective date of termination.

## **11. Hold Harmless and Indemnification.**

(a) City Indemnification of TACC. To the fullest extent permitted by law, the City shall hold harmless and indemnify TACC and its employees, officers, directors, and representatives from and against any and all claims, damages, losses, liabilities, costs, and expenses, including reasonable attorney fees, arising out of or resulting from the willful acts or negligence of the City, its agents, employees, or contractors in connection with the performance of this Agreement.

(b) TACC Indemnification of City. To the fullest extent permitted by law, TACC shall hold harmless and indemnify the City and its employees, officers, directors, and representatives from and against any and all claims, damages, losses, liabilities, costs, and expenses, including reasonable attorney fees, arising out of or resulting from the willful acts or negligence of TACC, its agents, employees, or contractors, including City employees leased to TACC under this Agreement.

(c) Limitations. Nothing in this section shall be construed to waive any governmental immunity or other legal protections available to either Party under applicable law. The Parties acknowledge that indemnification obligations are subject to the limitations imposed by Michigan law and shall be interpreted accordingly.

## **12. Confidentiality; FOIA Coordination.**

(a) Use of TACC Information. During the course of this Agreement, the City may have access to information belonging to TACC. The City agrees that such information shall be used solely for the purpose of carrying out its obligations under this Agreement and shall not be disclosed to any third party except as required by law or with TACC's prior written consent.

(b) FOIA Requests and Coordination. In the event the City receives a Freedom of Information Act ("FOIA") request for any public record of TACC in the City's possession, the City shall promptly notify TACC in writing and provide a copy of the request. The City shall work collaboratively with TACC to determine whether the requested records are subject to disclosure under applicable law and to identify any applicable exemptions or redactions. The City shall not release any TACC records in response to a FOIA request without first consulting with TACC, unless required to do so by law. If disclosure is required, the City shall provide TACC with reasonable time to review the records and prepare any necessary legal or administrative response.

The Parties agree to cooperate in good faith to ensure that FOIA responses are handled in a manner that complies with applicable law while protecting sensitive, confidential, or exempt information to the fullest extent permitted.

## **13. Notice.**

(i) Form of Notice. Any notice, consent, or approval required or permitted to be given under this Agreement shall be in writing.

(ii) Delivery and Addressing. Notices shall be addressed to the recipient at the address set forth on the first page of this Agreement, or to such other address as a Party may designate in writing to the other Party.

(iii) Methods of Delivery. Notices shall be deemed received as follows:

(i) upon personal delivery;

(ii) one (1) business day after being deposited with a nationally recognized overnight courier service for next-day delivery; and

(iii) two (2) business days after being deposited in the United States mail, registered or certified, postage prepaid, return receipt requested.

#### **14. Miscellaneous.**

(a) Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior or contemporaneous oral or written understandings.

(b) Amendment. This Agreement may not be amended, altered, or modified except by written agreement signed by both Parties.

(c) Assignment. This Agreement is personal to each Party and may not be assigned or delegated without the prior written consent of the other Party. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

(d) Severability. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties. Any invalid or unenforceable provision shall be deemed modified to the minimum extent necessary to render it valid and enforceable, consistent with the Parties' original intent.

(e) Waiver. No waiver by either Party of any breach or default shall be deemed a waiver of any subsequent breach or default.

(f) Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to its conflict-of-laws principles. Any legal action arising out of or relating to this Agreement shall be brought exclusively in the state or federal courts located in Calhoun County, Michigan, and the Parties consent to such venue and jurisdiction.

(g) Counterparts and Electronic Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original. Signatures delivered electronically, including by PDF or other digital format, shall be deemed valid and binding.

(h) Headings. The headings used in this Agreement are for convenience only and shall not affect the interpretation or construction of any provision.

[Remainder of Page Left Intentionally Blank – Signature Page Follows.]



**IN WITNESS WHEREOF**, the Parties have caused this Support Services Agreement to be executed by their duly authorized representatives as of the Effective Date.

**TRANSPORTATION AUTHORITY OF  
CALHOUN COUNTY a/k/a RIDE CALHOUN**

**CITY OF MARSHALL**

By: \_\_\_\_\_  
Name: Mallory Avis  
Its: Executive Director

By: \_\_\_\_\_  
Name: Derek N. Perry  
Its: City Manager

## **Appendix A - Federal Contract Clauses**

This Appendix A sets forth the federal contract clauses applicable to the City in its role as an independent contractor providing Support Services to the TACC under the Support Services Agreement. The provisions herein are required for all federally funded contracts administered by the FTA and are incorporated into this Agreement by reference.

As part of its responsibilities under the Agreement, the City shall comply with all applicable federal laws, regulations, and guidance, including but not limited to those related to civil rights, labor standards, procurement, environmental protections, and financial management. The City shall maintain control over its own personnel, including hiring, termination, payroll, and benefits administration, and shall carry its own insurance, subject to reimbursement by TACC as provided in the Agreement.

### **1. Incorporation of FTA Master Agreement**

All applicable provisions of FTA Circular 4220.1F and the current FTA Master Agreement are incorporated by reference and shall govern this Agreement. The Parties agree to comply with all federal requirements set forth therein, including those related to procurement, compliance, oversight, and performance standards applicable to federally funded transit services.

### **2. Non-Discrimination and Equal Opportunity**

The City shall not discriminate on the basis of race, color, national origin, sex, age, or disability. It shall take affirmative action to ensure equal opportunity in employment practices, including hiring, promotion, and all other terms of employment. This includes compliance with Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, and 49 CFR Part 27. The City shall also ensure that any subcontractors comply with these requirements.

### **3. Restrictions on Lobbying**

The City certifies that no federal funds received under this Agreement will be used for lobbying activities directed toward federal officials. If non-federal funds are used for lobbying, the City shall file the required disclosure form (Standard Form-LLL) in accordance with 31 U.S.C. § 1352 and 49 CFR Part 20.

### **4. Debarment and Suspension**

The City certifies that neither it nor its key personnel are debarred, suspended, or otherwise excluded from participating in federal transactions. This certification is made pursuant to 2 CFR Part 180 and 2 CFR Part 1200 and is a material condition of this Agreement. The City shall notify TACC immediately of any change in its eligibility status.

## **5. Access to Records and Audits**

The City shall provide TACC, the FTA, the Comptroller General of the United States, and other authorized representatives access to all records pertinent to this Agreement. This includes books, documents, papers, and records for audit, examination, and inspection purposes, as required by 2 CFR 200.334 and 49 CFR Parts 18 and 19.

## **6. Compliance with Labor Standards**

The City shall comply with the Contract Work Hours and Safety Standards Act, including paying overtime at one and one-half times the regular rate for hours worked over 40 per week. The City shall also comply with employee protective arrangements under 49 U.S.C. § 5333(b), including labor protections for affected employees.

## **7. Prohibition on Charter Service**

The City shall not use FTA-funded equipment or facilities to provide charter services except as permitted under 49 CFR Part 604. Any exceptions must be documented and approved in accordance with FTA regulations.

## **8. Private Sector Participation**

The City shall support TACC's efforts to ensure fair competition and private sector participation in public transit services. This includes compliance with 49 U.S.C. §§ 5306(a), 5307(d), and 5310, and coordination with private providers where appropriate.

## **9. Buy America**

The City certifies that all steel, iron, and manufactured products used in the performance of this Agreement will be produced in the United States, unless a waiver is granted by the FTA pursuant to 49 U.S.C. § 5323(j) and 49 CFR Part 661.

## **10. Clean Air Act and Federal Water Pollution Control Act**

The City shall comply with all applicable standards under the Clean Air Act (42 U.S.C. § 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.). Any violations shall be reported to TACC and the EPA.

## **11. Termination for Convenience**

TACC may terminate this Agreement in whole or in part if it determines that such termination is in the public interest. Notice of termination shall specify the extent of termination and be delivered in accordance with FTA Circular 4220.1F.

## **12. Termination for Default**

TACC may terminate the Agreement for default if the City fails to perform its obligations or jeopardizes performance. Termination shall be effectuated by written notice and shall follow the procedures outlined in FTA Circular 4220.1F.

### **13. Government-Wide Requirements for Grantees**

The City shall comply with all applicable provisions of 2 CFR Part 200, including procurement standards, property management, and financial reporting requirements.

### **14. Civil Rights and Training**

The City shall comply with all applicable civil rights laws related to public transit services, including Title VI of the Civil Rights Act, the Americans with Disabilities Act (ADA), 49 U.S.C. § 5323(h), and 49 CFR Part 21. The City shall ensure equal access to services and benefits and shall provide civil rights and nondiscrimination training to all personnel involved in the performance of this Agreement, in accordance with 49 CFR Part 21.

### **15. Employee Protection**

The City shall comply with employee protection arrangements under 49 U.S.C. § 5333(b), as determined by the U.S. Department of Labor. This includes protections for employees affected by transit projects.

### **16. Disadvantaged Business Enterprise (DBE)**

The City shall comply with 49 CFR Part 26 and ensure that DBEs have fair and non-discriminatory access to subcontracting opportunities. The City shall report DBE participation to TACC as required.

### **17. No-Cost Extensions and Modifications**

Any extension or modification of this Agreement that does not result in additional cost must be agreed upon in writing by both Parties, in accordance with 49 CFR Part 19.

### **18. Prompt Payment**

The City shall pay subcontractors within thirty (30) days of receiving payment from TACC for work satisfactorily performed, in accordance with 49 CFR Parts 18 and 19.

### **19. Safety and Security**

The City shall comply with all applicable safety and security laws and regulations, including 49 CFR Part 659 and 49 U.S.C. Chapter 53. The City shall implement reasonable and industry-standard measures to protect employees, passengers, facilities, and the public in connection with services provided under this Agreement.

### **20. Prohibited Interests**

No City official, employee, or agent shall have any direct or indirect personal interest in this Agreement or its proceeds, in accordance with 49 CFR Parts 18 and 19 and applicable state and local ethics laws. The City shall take appropriate steps to identify and prevent conflicts of interest in all procurement and administrative activities related to this Agreement.

## **21. Reporting Requirements**

The City shall provide all required reports to TACC and FTA, including financial, operational, and performance data, in accordance with 49 U.S.C. § 5335 and 2 CFR Part 200.

## **22. Confidentiality of Data**

The City shall treat designated data as confidential and shall not disclose it without TACC's written consent, unless required by law. This includes compliance with 49 U.S.C. § 5323(a)(1) and applicable privacy laws.

## **23. Clean Fuel and Vehicles**

The City shall comply with all applicable clean fuel and vehicle standards, including those set forth in 49 U.S.C. § 5323(i) and 49 CFR Part 609. The City shall ensure that vehicles operated in support of TACC services meet federal emissions and energy efficiency requirements and shall coordinate with TACC to implement any required upgrades or reporting obligations related to clean fuel compliance.

## **24. Cargo Preference**

The City shall use U.S.-flag vessels for ocean shipments when available, in accordance with 46 U.S.C. App. § 1241.

## **25. Recycled Products**

The City shall use recycled products to the maximum extent practicable, consistent with performance and competition standards, in accordance with 42 U.S.C. § 6962.

## **26. Conflict of Interest**

No City employee shall participate in procurement decisions where a conflict of interest exists, in accordance with 2 CFR § 200.318(c).

## **27. Environmental Protections**

The City shall comply with all applicable environmental laws and regulations, including the National Environmental Policy Act (NEPA), Section 4(f) of the U.S. Department of Transportation Act, and Section 106 of the National Historic Preservation Act. The City shall ensure that no activities undertaken pursuant to this Agreement result in significant adverse environmental or historical impacts and shall coordinate with TACC and relevant agencies to address any required reviews, approvals, or mitigation measures.

## **28. Drug and Alcohol Testing**

The City shall maintain a compliant drug and alcohol testing program for safety-sensitive employees, in accordance with 49 CFR Parts 655 and 40.

## **29. Seismic Safety**

Any new construction shall meet seismic safety standards under 42 U.S.C. § 7701 and Executive Order 12699.

## **30. Reimbursement and Financial Management**

The City shall be reimbursed by TACC for eligible costs, including payroll, management, and insurance.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 11-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for a travel and expense in accordance with 2 CFR 200.474 Transportation Cost regarding allowable travel costs under federal grants; and

**Whereas**, this policy is intended to be consistent with the State of Michigan Standardized Travel Regulations (PA 431 of 1984); and

**Whereas**, it is the policy of the Transportation Authority of Calhoun County to establish a standard set of guidelines to be utilized by employees and Officers for travel while conducting TACC business and/or attending conferences and training sessions at a location other than their normal work location; and

**Whereas**, all employees and officers traveling for official business are expected to exercise the appropriate level of care when incurring expenses, recognizing the use of public funds to support these expenditures;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Travel and Expense Policy.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

**Policy Title:** Travel and Expense Policy  
**Policy Number:** Fin-005  
**Effective Date:** 10/01/2025  
**Board Approved Date:** 09/23/2025  
**Last Review Date:** 09/23/2025  
**Supersedes:** N/A  
**Version Number:** 1.0

## **TRAVEL AND EXPENSE POLICY**

*This policy is established in accordance with 2 CFR 200.474 Transportation Cost regarding allowable travel costs under federal grants and is intended to be consistent with the State of Michigan Standardized Travel Regulations (PA 431 of 1984) and the Authority's Federal Grant Management Policy. Where required by state or federal grant agreements, travel reimbursements shall not exceed applicable limits.*

### **1.0 GENERAL**

It is the policy of the Transportation Authority of Calhoun County ["TACC"] to establish a standard set of guidelines to be utilized by employees and Officers for travel while conducting TACC business and/or attending conferences and training sessions at a location other than their normal work location.

All employees and officers traveling for official business are expected to exercise the appropriate level of care when incurring expenses, recognizing the use of public funds to support these expenditures. Expenses must be charged on an actual cost basis (for meals, accommodations, fees, etc.) or in the case of mileage, on a mileage basis, provided the method used is applied to the entire trip and not to selected days of a trip if multiple days.

The regulations and procedures outlined in this policy are to apply to all TACC employees and Officers traveling for approved TACC business, seminars, conferences, and training sessions.

### **2.0 POLICY**

The overall authority to approve all policies related to travel activities is the responsibility of the TACC Board of Directors. The Board of Directors shall approve: (a) all out-of-state or

international travel, (b) this policy, and (c) any exceptions to policy limits. Annual expected travel-related costs should be requested during the annual budget process when practical. The Director of Administration and Planning (or designee) shall review and approve all routine in-state travel arrangements and related reimbursements, provided they are consistent with the approved budget and this policy.

Actual travel costs must be in accordance with and not to exceed the amounts set forth in the current State of Michigan Standardized Travel Regulations. All persons authorized to travel at TACC's expense on official business are expected to incur expenses prudently in accordance with these regulations. Each traveler is responsible for seeking reimbursement for only individual expenses unless acting in a custodial capacity.

Supervisors and other designated representatives authorized to approve travel reimbursement requests must ensure that all travel is in TACC's best economic interest and all travel expenses have been incurred in compliance with state regulations.

### **3.0 MILEAGE**

TACC employees who use a privately-owned vehicle to conduct authorized TACC business shall be reimbursed at a rate established by the IRS. Reimbursing on a mileage basis would be in lieu of actual costs incurred to a privately-owned vehicle while traveling for TACC related business (e.g., gas, repairs, etc.).

When traveling for authorized TACC business, transportation should be shared whenever possible. When traveling to out-of-state activities, economical use of TACC funds has priority over personal convenience or preference. Other means of travel will be considered by the Director of Administration and Planning (or designee) when it is in the best interest of TACC.

All mileage will be computed from the normal work location to the destination point and return except in the following situations:

- Mileage will be computed from residence to destination if the actual departure is from the residence and if the distance is less than the distance from work location to destination.
- If the distance is greater from the residence, the employee may leave from that location, however, mileage will be calculated from the work location to destination.
- Under no circumstances is mileage reimbursement allowed between residence and normal work location. This would be considered commuting.

Reimbursement for vicinity mileage incidental to conducting official business is allowed. Documentation must provide sufficient detail to justify mileage claimed.

#### **4.0 MISCELLANEOUS VEHICLE EXPENSES**

Miscellaneous vehicle expenses associated with using a vehicle for business travel are eligible for reimbursement in the following situations:

- Parking charges and metered parking are reimbursable, but receipts must be submitted when obtainable. No reimbursement is permitted for parking costs normally incurred by an employee when not traveling.
- Applicable bridge and road tolls are reimbursable, but receipts must be submitted when obtainable.
- Under no circumstances is reimbursement permitted for parking tickets, moving violations, late fees, and other fines.
- Fuel, repairs, antifreeze, towing, or other related charges incurred when using a privately-owned vehicle are not reimbursable as they are included in the mileage reimbursement rate.

If an employee incurs damages to a privately-owned vehicle while conducting official TACC business, a claim may be submitted to the TACC Board of Directors. The Board may authorize reimbursement up to the lesser of the employee's auto insurance deductible or actual damages, not to exceed \$999.99.

#### **5.0 AIR TRANSPORTATION**

Transportation by airline for a TACC employee conducting official TACC business is permitted when it is to the advantage of TACC as measured by criteria such as comparative travel costs, the time of the traveler, and other related items as considered by the Director of Administration and Planning (or designee).

Employees shall purchase the least expensive accommodations available for air travel. Employees choosing to fly first class will only be reimbursed for the cost of the coach class rate. Employees shall be responsible for the cost of any economy comfort seating option or other upgrades to the basic coach fare available. Employees shall purchase round trip tickets whenever economical and practicable.

Reimbursement of the baggage fee for one piece of personal luggage is allowed. Additional bag fees or overweight fees are not reimbursable. Baggage fees for business-related materials are reimbursable if a receipt is provided with a detailed explanation.

Out-of-state or international air travel requires prior Board approval. In-state air travel may be authorized by the Finance Director (or designee) if consistent with budget.

Air fare costs will be authorized for TACC employees only. Any costs associated with guests traveling with the TACC employee on official business will not be paid for by TACC. The guest shall be responsible for all those costs.

Reimbursement for using a privately owned aircraft is prohibited.

## **6.0 LODGING/ACCOMODATIONS**

TACC encourages travel to be planned as timely as possible and to secure a room prior to the commencement of travel. Employees with a TACC credit card are expected to use this credit card for booking approved travel. Reimbursement may be made for overnight accommodations subject to the following restrictions and limitations:

- If the destination is 50 miles or more from the normal work location.
- If the costs are furnished without charge.
- If the costs are purchased for guests, unless incurred when acting in a custodial capacity, which must be fully explained and supported by an itemized receipt for reimbursement.
- If the training, temporary assignment, meeting, conference, etc. has a duration of more than one day, the nights between such workdays may be spent in the immediate vicinity of the activity and reimbursement claimed for reasonable cost of lodging.

Lodging costs are allowed up to the applicable maximum published state rates in effect. Reservations are to be obtained near the traveler's destination or work assignment at or below the published state rates in effect. Employees choosing lodging based on personal preference are responsible for paying any additional costs incurred. Reimbursement for the actual cost of lodging cannot exceed the applicable maximum published state rate plus taxes and authorized business-related fees except when reservations are made directly through a conference site hotel and supported by program literature identifying the conference hotel and conference room rate.

All lodging costs must be supported by a receipt with the appropriate elements:

1. Date expense incurred
2. Vendor name and city
3. Itemized amounts

#### 4. General description of items and business purpose

### 7.0 MEALS

Appropriate meals in relation to authorized TACC business-related travel will be paid for by TACC up to the applicable maximum published state rates in effect. Meals may be reimbursed on either an actual cost basis or a per diem basis, but not both for the same travel period. Personal expenses, including alcoholic beverages, are not reimbursable. An employee is not eligible for meal allowances incurred in the following situations:

- When traveling within the official work location.
- When traveling within a 50-mile radius of the employee's work location.
- In the employee's official city of residence.
- When purchased for guests, unless incurred when acting in a custodial capacity, which must be fully explained and supported by an itemized receipt for reimbursement.

Meals and refreshments that are included in conference or meeting registration fees are eligible for reimbursement when all of the following conditions are met:

1. Meals and refreshments are incidental to the meeting or conference.
2. Attendance at the meal or when refreshments are provided is important to ensure the employee's full participation in the meeting or conference.
3. The meals and refreshments are part of a formal conference or meeting that includes not just the meal and refreshments and discussions or speeches that may take place when the meal and refreshments are served, but also substantial functions separate from when the food is served.
4. The meeting or conference may not be a routine meeting that involves day-to-day issues and operations.

The per diem allowance may be authorized by TACC when an employee is on an extended assignment or on TACC business-related travel. The per diem allowance will be held to include all charges for meals, lodging, and incidental expenses as defined in the published state rates in effect, which can be found [here](#). The meal allowance cannot exceed the applicable maximum published state rate, including tax and gratuities. Gratuities are reimbursable but must be reasonable and may not exceed 20% of the meal cost.

When the duration of travel includes a partial day, the following schedule determines eligibility for meals:

<b>Reimbursable Meal</b>	<b>Travel begins before</b>	<b>And travel extends past</b>
Breakfast	6:00 a.m.	8:30 a.m.
Lunch	11:30 a.m.	2:00 p.m.
Dinner	5:30 p.m.	8:00 p.m.

Itemized receipts are required for meal reimbursement and/or to support credit card charges made with TACC credit cards. Alcoholic beverages are not permitted for reimbursement. Meals will not be reimbursed for any non-TACC employee that may be traveling with an authorized TACC employee.

## **8.0 MISCELLANEOUS/INCIDENTAL EXPENSES**

TACC employees may be reimbursed for expenses incidental to authorized TACC business-related travel, including the following, if approved by the Director of Administration and Planning (or designee):

*8.1 Business Equipment.* The cost of handling, rental, setup, or shipping of equipment, displays, or other business-related items may be allowed if supported by a receipt and detailed explanation.

*8.2 Delivery Services.* The cost of delivery services may be allowed if supported by a receipt and detailed explanation.

*8.3 Miscellaneous Business Expenses.* Charges may be reimbursed for fax, scanning, phone, postage, internet, or other business services, if supported by a receipt or documentation. A detailed explanation will be required for reimbursement.

*8.4 Registration Fees.* Charges for registration fees for conventions or meetings are reimbursable with a receipt and copy of the agenda. The documentation must include whether a meal was included.

*8.5 Room Rental.* Rental of a special hotel or meeting room for business use must be pre-approved by the Director of Administration and Planning (or designee) in compliance with PA 431 of 1984. The rental expense is reimbursable if supported by a receipt.

## **9.0 GROUND TRANSPORTATION**

The cost of transportation from the TACC employee's home or work location, whichever is closer, to and from a station or terminal is reimbursable. Travelers must use the most cost-

effective option considering total costs, including employee time, mileage, parking, and tolls. Receipts are required when obtainable for all cash fares claimed as reimbursable items, including taxis, ride-shares, shuttles, ferries, buses, and other public transportation.

### **9.1 HOTEL SHUTTLES**

Travelers should contact the hotel before travel to determine if this service is offered and make necessary arrangements prior to travel.

### **9.2 TAXI, RIDE-SHARE, OR AIRPORT SHUTTLES**

If a hotel shuttle is not an option, the traveler should consider using the most cost-effective ground transportation available, including a taxi, Transportation Network Company (e.g., Uber, Lyft), or airport-operated shuttle service

### **9.3 RENTAL VEHICLE**

Reimbursement for using a rental vehicle may be authorized by the Director of Administration and Planning (or designee). Reservations should be made prior to travel. Travelers are expected to utilize the most cost-effective means of transportation and select the lowest rate rental vehicle option available. All approved rental vehicle expenses must be supported by an itemized receipt.

## **10.0 RAIL TRANSPORTATION**

Transportation by rail for a TACC employee conducting official TACC business is permitted when it is to the advantage of TACC as measured by criteria such as comparative travel costs, the time of the traveler, and other related items as considered by the Director of Administration and Planning (or designee).

Employees shall purchase the lowest available fare for rail travel. Employees shall be responsible for the cost of any business class or other upgrades to the basic fare available. Employees shall purchase round trip tickets whenever economical and practicable.

## **11.0 EXCEPTIONS TO RATES**

TACC may permit a traveler to obtain accommodations that are above the maximum published state rates in effect only when there is an extraordinary issue that requires special accommodations based on security, health, or disability.

## **12.0 BUDGET FOR TRAVEL-RELATED EXPENSES**

Anticipated annual expenses expected to be expended during the upcoming fiscal year associated with attendance at meetings, conferences, and seminars shall be submitted for approval through the Director of Administration and Planning during the annual budget preparation and adopted by the Board of Directors as part of the budget process. All travel-related expenses, including the cost of the conference, should be detailed and categorized by the appropriate budget line(s) within the general ledger.

## **13.0 PROCEDURES**

Whenever possible, a traveler should use their TACC credit card to book travel and travel-related expenses. In the event the TACC employee does not have a TACC credit card, the travel expenses will be submitted for approval by the Director of Administration and Planning (or designee) on a reimbursement basis. The following procedures are required for all travel-related expenses, including those incurred with a TACC credit card and those incurred on a reimbursement basis.

- Receipts submitted to support TACC credit card charges or for reimbursement must be itemized and must be the originals whenever possible. Receipts showing signs of erasures or alterations may be returned to the employee for a statement of facts explaining the reason for the alternations before the expense may be approved.
  - Electronic receipts are acceptable if they clearly show the vendor, date, and itemized charges.
- All expenses that reimbursement is requested must be submitted no more than 30 days after the expenses have occurred and when possible no later than the end of the fiscal year.
- All travel-related documentation submitted by the traveler must be categorized by the appropriate budget line(s) within the general ledger.
- Approval of travel-related expenses is subject to the availability of funds within the annual budget.

The Director of Administration and Planning has the authority to deny reimbursement of any travel-related expenses that do not follow the requirements outlined in the Travel and Expense Policy. Denied travel-related expenses and/or costs in violation of the Travel and Expense Policy will become the responsibility of the TACC employee.

Oversight authority for travel is the responsibility of the Director of Administration and Planning with ultimate oversight authority being the responsibility of the Director of Administration and Planning at the direction of the TACC Board. The Director of

Administration and Planning will constantly review management of travel related transactions to assure conformity with this policy.

Disciplinary measures consistent with existing law, TACC policy, and collective bargaining agreements, etc., when applicable, may be taken if there is a violation of this policy. There are also potential negative implications with Federal funding source if travel expenses are inappropriate and they are charged to a Federal grant including, but not limited to, the Federal funding source questioning costs charged to the grant which may require repayment or eliminating TACC from eligibility for future Federal grants.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 12-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for an investment policy to comply with (1) Sections 1 and 5 of "Investment and Surplus Funds of Political Subdivisions" Act No. 20 of the PA of 1943, being Section 129.91 and 129.95 of the Michigan Compiled Laws, and (2) Section 6 of "Surplus Funds in Treasury", Act No. 105 of PA 1855, being Sections 21.146 of the Michigan Compiled Laws; and

**Whereas**, this investment policy applies to all financial assets of TACC that are in cash, cash equivalents, and investments; and

**Whereas**, the primary investment policy objectives include Safety, Diversification, Liquidity, and Return on Investment;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Investment Policy.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

**Policy Title:** Investment Policy  
**Policy Number:** Fin-001  
**Effective Date:** 10/01/2025  
**Board Approved Date:** 09/23/2025  
**Last Review Date:** 09/23/2025  
**Supersedes:** N/A  
**Version Number:** 1.0

## **INVESTMENT POLICY**

*To comply with (1) Sections 1 and 5 of “Investment of Surplus Funds of Political Subdivisions”, Act No. 20 of the PA of 1943, being Sections 129.91 and 129.95 of the Michigan Compiled Laws, and (2) Section 6 of “Surplus Funds in Treasury”, Act No. 105 of PA of 1855, being Sections 21.146 of the Michigan Compiled Laws*

### **1.0 POLICY**

It is the policy of the Transportation Authority of Calhoun County [“TACC”] to invest TACC funds in a manner that will ensure the preservation of principal while providing the highest investment return with maximum security, meeting the daily cash flow needs of TACC, and complying with all federal, state, and other legal requirements governing the investment of public funds. It is the primary function of the Director of Administration and Planning of TACC to handle the investing of all applicable funds, at their sole discretion, as long as they are in compliance with the Public Acts of the State of Michigan and in the best interest of TACC.

### **2.0 SCOPE**

This investment policy applies to all financial assets of TACC that are in cash, cash equivalents, and investments.

### **3.0 OBJECTIVES**

The primary objectives, in priority order, of TACC shall be:

### **3.1 SAFETY**

Safety of principal is the foremost objective of the investment plan. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

#### **3.1a CREDIT RISK**

TACC will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer by limiting investments to types of securities listed below in this policy and allowed by law.

- Pre-Qualifying the financial institutions, broker/dealers, intermediaries, third-party custodians, and advisors with which TACC will do business with. TACC will limit custodial credit risk, which is the risk that in the event of a bank failure, TACC's deposit may not be returned or in the case of investments, if there is a failure of the counterparty, TACC will not be able to recover the value of the investments or collateral securities that are in the possession of the outside party.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

#### **3.1b INTEREST RATE RISK**

TACC will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to the changes in the market interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing normal operational funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

#### **3.1c CONCENTRATION OF CREDIT RISK**

TACC will minimize the concentration of credit risk, which is the risk of loss attributed to the magnitude of the investment in a single issuer, by diversifying the investment portfolio by security type and institution in order that potential

losses on individual securities do not exceed the income generated from the remainder of the portfolio.

### **3.1d FOREIGN CURRENCY RISK**

TACC is not authorized to invest in investments which have this type of risk.

### **3.2 DIVERSIFICATION**

The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income preservation of capital in the overall portfolio.

### **3.3 LIQUIDITY**

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

### **3.4 RETURN ON INVESTMENT**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and cash flow characteristics of the portfolio.

## **4.0 DELEGATION OF AUTHORITY**

Management responsibility for the overall investment program of TACC is hereby delegated exclusively to the Board of TACC, subject to the right of the Director of Administration and Planning of TACC to make periodic recommendations to the Board regarding investment of TACC funds. The Director of Administration and Planning shall oversee the day-to-day management of TACC investments consistent with this policy and the actions of the TACC Board. The Director of Administration and Planning shall also establish written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, cash purchase or delivery vs payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements, allocation of investment earnings/losses, and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Administration and Planning. The Director of Administration and Planning shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

#### 4.1 ETHICS AND CONFLICTS OF INTEREST

Investment officers, board members and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, impair their ability to make impartial decisions, or create the appearance of impropriety.

### 5.0 AUTHORIZED AND SUITABLE INVESTMENTS

TACC should not keep a non-interest-bearing cash balance that would exceed the amount required to sustain operations more than 30 days. Whenever the balance exceeds this limitation, the excess funds should be invested only in the following securities that have a maturity date on or before the date the funds are needed for disbursement. All investments shall conform to the requirements of Public Act 20 of 1943, as amended (MCL 129.91 et seq.), and may include only the following instruments:"

- Bonds, securities, and other direct obligations of the United States or an agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution (provided it offers no illegal discriminatory lending practices).
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- Repurchase agreements consisting of instruments listed in the first bullet.
- Bankers' acceptances of banks in the United States.
- Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- Mutual funds registered under the Investment Company Act of 1940 with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. However, a mutual fund is not disqualified as a permissible investment solely by reason of any of the following:
  - The purchase of securities on a when issued or delayed basis.
  - The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100 percent of the value of the securities loaned.
  - The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary or emergency purposes.
- Obligations described above if purchased through an interlocal agreement under the Urban Cooperation Act of 1967.
- Investment pools organized under the Surplus Funds Investment Pool Act.

- Investment pools organized under the Local Government Investment Pool Act.

Excess funds shall not be invested in a financial institution found to have engaged in an illegal, discriminatory lending practice related to a mortgage loan or home improvement loan application. Public funds may not be deposited in financial institutions located in states other than Michigan. All depositories used for the investment of TACC funds must be approved by resolution of the TACC Board of Directors.

## **6.0 SAFEKEEPING AND CUSTODY**

All security transactions, including collateral for repurchase agreements and financial institution deposits, entered into by the Director of Administration and Planning on behalf of TACC, may be on a cash basis or a delivery vs payment basis as determined by the Director of Administration and Planning. It shall be the responsibility of the Director of Administration and Planning of TACC to determine which securities will be held by a third-party custodian, with the necessity to minimize custodial credit risk by implementing appropriate safeguards, including prequalifying any third-party custodian. Securities held in safekeeping by a third-party custodian must be evidenced by a safekeeping receipt.

## **7.0 PRUDENCE**

The standard of prudence to be used by TACC's Director of Administration and Planning shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

## **8.0 REPORTING**

TACC's Director of Administration and Planning shall provide a monthly report to the TACC Board of Directors. The report shall:

- Show the book value and market value of each investment.
- Provide a breakdown by issuer, maturity, and type of investment.
- Confirm compliance with this policy and Public Act 20 of 1943.
- Provide a clear picture of the status and performance of the current investment portfolio.

This report shall be prepared in a manner that allows Board members to ascertain whether the investment activities during the reporting period have conformed to this investment policy.

## **9.0 AMENDMENTS**

This investment policy shall be reviewed on an annual basis by the TACC Board of Directors, at which time the Board may amend this policy by making appropriate changes. TACC's Director of Administration and Planning shall recommend on a periodic basis to the Board any proposed changes to the investment policy and the Board may then act on such proposed changes by amending this policy at any time.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 13-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for a credit card policy to comply with Public Act 266 of 1995 by resolution;

**Whereas**, this policy provides a convenient, efficient, and cost-effective method of purchasing and paying for minimal dollar purchases of goods and services for TACC;

**Whereas**, credit cards are to be used in conjunction and compliance with the purchasing policies and practices outlined in the TACC Purchasing Policy;

**Whereas**, oversight authority for credit card account management is the responsibility of the Director of Administration and Planning of TACC, including card issuance, accounting, monitoring, retrieval, and compliance with this credit card policy

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Credit Card Policy.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

**Policy Title:** Credit Card Policy  
**Policy Number:** Fin-002  
**Effective Date:** 10/01/2025  
**Board Approved Date:** 09/23/2025  
**Last Review Date:** 09/23/2025  
**Supersedes:** N/A  
**Version Number:** 1.0

## **CREDIT CARD POLICY**

*To comply with Public Act 266 of 1995 by resolution*

### **1.0 GENERAL**

It is the policy of the Transportation Authority of Calhoun County ["TACC"] to establish a standard set of guidelines regarding the use of credit cards, pursuant to those established under the Public Act 266 of 1995. The intent of the credit card program is to provide a convenient, efficient, and cost-effective method of purchasing and paying for minimal dollar purchases of goods and services for TACC. Credit cards are to be used in conjunction and compliance with the purchasing policies and practices outlined in the TACC Purchasing Policy.

### **2.0 OVERSIGHT AUTHORITY**

Oversight authority for credit card account management is the responsibility of the Director of Administration and Planning of TACC. This includes credit card issuance, accounting, monitoring, retrieval, and compliance with this credit card policy.

### **3.0 DEFINITIONS**

*Cardholder* means a TACC employee or Officer whose name appears on the credit account and is responsible for all charges made against that account. All cardholders must be approved by the Director of Administration and Planning. A list of approved cardholders shall be maintained by the Director of Administration and Planning's Office.

*Credit Card* means a card or device issued under a credit arrangement for the purpose of making authorized purchases on behalf of TACC.

*Credit Card Arrangement* means an unsecured extension of credit for the purchasing of goods or services from the credit issuer or any other person, that is made to the holder of a credit account. All credit card arrangements must be approved by the Director of Administration and Planning.

#### **4.0 POLICY/PROCEDURES**

This policy applies to all TACC employees who are issued a credit card, also referred to as a “Cardholder” per the definition noted in section 3.0. Applicable employees are required to read and sign this Credit Card Policy prior to use of a credit card. Use of the credit card shall be in compliance with the following. Violation of these policies and procedures may result in disciplinary action and/or revocation of credit account privileges.

1. The cardholder is responsible for protection and custody of the credit card, which must be maintained in the cardholder’s possession/control.
2. Credit cards may only be used by a TACC officer or employee to purchase goods and services that relate to the official business of TACC.
3. Each time the credit card is used, documentation must be submitted that details the goods or services purchased, cost, date of purchase, and the official business.
  - a. Itemized receipts and invoices are required to be submitted for all charges.
4. In the event the credit card is lost or stolen, the cardholder must notify the Director of Administration and Planning immediately so proper action is taken.
5. Upon termination, the cardholder must immediately surrender the credit card to the Director of Administration and Planning.
6. Personal use of the credit card is strictly prohibited.
7. Cardholders must ensure that purchases do not include sales tax by way of providing proof of TACC’s tax-exempt status to all vendors prior to payment.

#### **5.0 LIMITATIONS**

The total combined authorized credit limit of all credit cards issued by TACC shall not exceed 5 percent of the total budget of TACC for the current fiscal year.

The credit card must never be used to obtain cash or to purchase items or services for personal use or non-TACC related purposes, even if the cardholder intends to reimburse TACC. A cardholder who makes an unauthorized purchase with a credit card or uses the credit card in an inappropriate manner will be personally liable for all costs associated with such use and will be subject to loss of any authority to retain or use the credit card, disciplinary action up to and including termination, and possible criminal prosecution and restitution.

The credit limit for any credit card arrangement shall not exceed \$50,000.

The credit card may never be used to obtain cash advances, purchase gift cards, or acquire prepaid cards.

Promotional items and/or rebates obtained through the use of the credit card or obtained while serving as a TACC employee or Officer in any capacity are property of TACC and must be turned over to TACC and not be used for personal gain.

## **6.0 RETURNS AND EXCHANGES**

The cardholder is responsible for contacting the merchant/vendor when items or services purchased with the credit card are not acceptable. This includes items that are incorrect, damaged or defective, or services that were not performed as agreed upon.

If items are returned for credit, the cardholder is responsible for obtaining a credit receipt from the merchant/vendor and retaining that receipt with documentation for that purchase. Receiving cash or checks in lieu of a credit receipt is strictly prohibited.

If items must be exchanged, the cardholder is responsible for returning the items to the merchant/vendor and obtaining a replacement as soon as possible. Documentation showing the proper resolution of the exchange is to be retained with documentation for that purchase.

In the event of a dispute regarding a return, exchange, or other credit transaction, the cardholder is responsible for notifying the Director of Administration and Planning within three (3) business days of the dispute.

## **7.0 INTERNAL CONTROL PROCEDURES**

TACC will receive a monthly statement of account directly from the financial institution either in paper form or electronically, via the internet. The Director of Administration and Planning is responsible for checking all transactions against the corresponding support documentation to verify their propriety and accuracy.

Cardholders must submit to the Director of Administration and Planning all required supporting documentation as noted throughout this policy within three (3) business days of the charge. If a cardholder fails to provide the necessary documentation or if the Director

of Administration and Planning finds that the charge was inappropriate and/or not in compliance with this policy, the cardholder will be responsible for reimbursing TACC for the charge, which will be directly withheld from the cardholder's subsequent paycheck, if not reimbursed by the next pay period.

The Director of Administration and Planning will perform the following procedures at least monthly or sooner, if possible, using the on-line transaction review system and/or the financial institution's printed statement of account.

1. Confirm that supporting documentation has been provided by the cardholder for each transaction.
2. Verify that the supporting documentation includes the following:
  - a. An itemized receipt/invoice with costs matching to the charge/transaction per the financial institution.
  - b. The purchase date
  - c. A description of all goods/services purchased
  - d. The appropriate budget line(s) within the general ledger for the related charge
  - e. A description of how the charge relates to the official business purpose of TACC
3. If the Director of Administration and Planning notes any missing supporting documentation for individual transactions or finds any discrepancies within the submitted supporting documentation, the Director of Administration and Planning will immediately contact the related cardholder, at which point the cardholder has three (3) business days to respond/resolve the discrepancy.
4. Review the comprehensive credit card invoice from the financial institution for accuracy and reasonableness after comparing each charge to the supporting documentation. The Director of Administration and Planning will note the approval of this invoice for payment, either through electronic or physical signature.
5. The credit card invoice balance, including interest due, and excluding disputed transactions, shall be paid in full after all transactions have been verified/approved and within 30 days of the initial statement date.
6. The entire voucher package, including the comprehensive credit card statement with noted approval by the Director of Administration and Planning, receipts/invoices, and all supporting documentation for each transaction will be forwarded to Accounts Payable for processing/payment.
7. Upon processing the payment, Accounts Payable will attach confirmation of payment, either through means of a check stub or electronic payment confirmation, to the voucher package and return all documentation to the Director of Administration and Planning for proper filing and retention.

For oversight purposes, the Director of Administration and Planning's credit card transactions and supporting documentation will be reviewed by the Treasurer or another board member on a monthly basis. This review will be noted through electronic correspondence and shall be filed with the rest of the voucher package.

## **8.0 RECORD RETENTION/REPORTING**

TACC's Director of Administration and Planning shall provide on a monthly basis a report to the TACC Board of Directors, which summarizes the total credit card charges for the monthly financial report under discussion. The report should be used in conjunction with the corresponding monthly budget comparison. This report shall be prepared in a manner that will allow board members to ascertain the total credit card usage by TACC as a whole. Upon request by the Board of Directors, the Director of Administration and Planning will provide transactional level details regarding credit card usage.

On a quarterly basis, the Director of Administration and Planning will provide a listing of the current cardholders to the Board of Directors for review. This listing should be obtained directly from the financial institution.

The comprehensive credit card voucher package, including payment confirmation, shall be retained by the Director of Administration and Planning for a period of seven (7) years.

## **9.0 CREDIT CARD SECURITY**

It is the cardholder's responsibility to safeguard, at all times, the physical credit card, account number, and/or personal identification number (PIN).

Cardholders are not permitted to allow anyone else to use their credit card, credit card account number, and/or personal identification number (PIN).

Cardholders are not permitted to write down their credit card account number and/or personal identification number (PIN) where it can be easily seen or accessed by others.

## **10.0 LOST, STOLEN, OR DAMAGED CREDIT CARDS**

If a credit card is lost, stolen, or damaged, the cardholder must notify the Director of Administration and Planning immediately. The Director of Administration and Planning will then immediately contact the financial institution to take the following action:

1. Cancel the credit card in question.
2. Request that a replacement credit, with a new credit card account number, be issued.

3. Obtain a listing from the financial institution of the settled and pending charges on the credit card in question.
4. The cardholder will review the listing of settled and pending charges to verify that all charges are expected and none of the charges are fraudulent.
5. If any of the charges are fraudulent, the Director of Administration and Planning will contact the financial institution to dispute the charges.

If a lost, stolen, or damaged credit card is later discovered/found, the cardholder will immediately cut the card in half and provide both halves of the cancelled card to the Director of Administration and Planning.

### **11.0 CREDIT CARD ACCOUNT MAINTENANCE**

New cardholders are required to complete a credit card enrollment form and submit it to the Director of Administration and Planning for review and approval. This form must include the employee's signature that acknowledges they have received, read, and agree to all terms and requirements contained within this credit card policy.

If any information on the cardholder's enrollment form changes, a new enrollment form must be completed and resubmitted to the Director of Administration and Planning.

The Human Resources department will immediately alert the Director of Administration and Planning when a termination has occurred so the credit card can be cancelled.

The Director of Administration and Planning may, at their sole discretion at any time without prior notice, cancel the cardholder's credit card and terminate the cardholder's agreement. Upon cancellation, the credit card will be properly destroyed.

All credit card enrollment forms and signed agreements will be maintained by the Director of Administration and Planning and retained for a period of seven (7) years.

*I have read and agree to follow all terms and conditions of the credit card policy:*

*Employee Signature:* \_\_\_\_\_

*Date:* \_\_\_\_\_

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 14-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for a Federal Grant Compensation Policy to comply with the Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly known as Uniform Guidance) as set forth in 2 CFR part 200, Subpart E, including Section 200.430 (Compensation – personal services) and Section 200.431 (Compensation – fringe benefits), as well as applicable provisions of the Federal Compliance Supplement;

**Whereas**, this policy provides a standard set of guidelines pursuant to those established under Federal Uniform Guidance and 2 CFR 200 of the Federal Compliance Supplement, which sets guidance for Federal Grantees as it relates to compensation and fringe benefits charged to Federal grants;

**Whereas**, to maintain appropriate internal control over the grants and related costs charged to those applicable grants, all grant agreements must be approved by the Authority Board and compensation and fringe benefits charged to those grants must be in accordance with all applicable laws, contracts, applicable collective bargaining agreements, etc. as applicable;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Federal Grant Compensation Policy.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

**Policy Title:** Federal Grant Compensation Policy  
**Policy Number:** Fin-003  
**Effective Date:** 10/01/2025  
**Board Approved Date:** 09/23/2025  
**Last Review Date:** 09/23/2025  
**Supersedes:** N/A  
**Version Number:** 1.0

## **Federal Grant Compensation Policy**

*To comply with the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly known as Uniform Guidance), as set forth in 2 CFR Part 200, Subpart E, including §200.430 (Compensation – personal services) and §200.431 (Compensation – fringe benefits), as well as applicable provisions of the Federal Compliance Supplement*

### **1.0 GENERAL**

The purpose of this policy is to establish a standard set of guidelines pursuant to those established under Federal Uniform Guidance and 2 CFR 200 of the Federal Compliance Supplement, which set guidance for Federal Grantees as it relates to compensation and fringe benefits charged to Federal grants. In order to assist in maintaining appropriate internal control over the grants and the related costs charged to those applicable grants that the Transportation Authority of Calhoun County (TACC) has been awarded, all grant agreements must be approved by the Authority Board and compensation and fringe benefits charged to those grants must be in accordance with all applicable laws, contracts, applicable collective bargaining agreements, etc. as applicable. Federal Uniform Guidance should be considered also if the compensation and fringe benefits will be charged to Federal grants.

### **2.0 DEFINITIONS**

*Uniform Guidance* means the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

*Federal Grantees* means a non-Federal agency that has received a Federal grant either directly from the Federal Government or as a pass-through grantee with grant funds coming through the State, other local government, or any other properly authorized entity.

### **3.0 POLICY/PROCEDURES**

For Federal grants where compensation and fringe benefits are allowable costs to be charged to the specific grant, the Authority will assure these types of charges are in compliance with OMB

Guidance, 2 CFR 200; §200.430 and §200.431. In general, compensation charged to Federal grants will be for personal services including all remuneration paid for services an employee rendered during the period of performance under the Federal Award. All compensation and fringe benefits that are charged must be reasonable for the services rendered and will conform to the established written policies of the Authority. These charges will be consistently applied for both Federal and non-Federal activities and will meet the requirements of Federal statute, where applicable.

Charges to Federal awards for compensation and fringes benefits must be based on records that accurately reflect the work performed. These records will be supported by the Authority's system of internal control which provides reasonable assurance that the charges are accurate, allowable, properly allocated, and incorporated into the official records of the Authority. The records will reasonably reflect the total activity for which the employee is compensated by the Authority not to exceed 100% of compensated activities. These records will also comply with the established accounting policies and practices of the Authority and support the allocation of the employee's compensation and fringe benefits among specific activities or cost objectives if the employee works on multiple Federal Awards.

For further clarification of the requirements the Authority will comply with see 2 CFR 200; §200.430 and §200.431.

#### **4.0 OVERSIGHT AUTHORITY**

Oversight authority for grants management is the responsibility of the Director of Administration and Planning with ultimate oversight authority being the responsibility of the Executive Director at the direction of the Authority Board. The Director of Administration and Planning will constantly review management of compensation and fringe benefits charged to grants to assure conformity with this policy.

#### **5.0 DISCIPLINARY MEASURES**

Disciplinary measures consistent with existing law, Authority policy, collective bargaining agreements, etc., when applicable, may be taken if Authority grant funding is used in violation of this policy. There are also potential negative implications with the Federal funding source including, but not limited to, the Federal funding source questioning costs charged to the grant for compensation and fringe benefits which may require repayment or eliminating the Authority from eligibility for future Federal grants.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 15-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County recognizes the need for a Federal Grant Management Policy to comply with the Office of Management and Budget’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and

**Whereas**, this policy establishes a standard set of guidelines pursuant to those established under Federal Uniform Guidance and 2 CFR 200 of the Federal Compliance Supplement, which sets guidance for Federal Grantees; and

**Whereas**, in order to maintain appropriate internal control over the Grants that the Authority has been awarded, all grant agreements must be approved by the Authority Board;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts version 1.0 of the Federal Grant Management Policy.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Transportation Authority of Calhoun County

**Policy Title:** Federal Grant Management Policy  
**Policy Number:** Fin-004  
**Effective Date:** 10/01/2025  
**Board Approved Date:** 09/23/2025  
**Last Review Date:** 09/23/2025  
**Supersedes:** N/A  
**Version Number:** 1.0

## **Federal Grant Management Policy**

*To comply with the Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as set forth in 2 CFR Part 200, including Subpart E (Cost Principles), Appendix V (Central Services Cost Allocation Plans), Appendix VII (Indirect Cost Proposals), and §200.305 (Cash Management), together with the applicable provisions of the Federal Compliance Supplement.*

### **1.0 GENERAL**

The purpose of this policy is to establish a standard set of guidelines pursuant to those established under Federal Uniform Guidance and 2 CFR 200 of the Federal Compliance Supplement, which set guidance for Federal Grantees. In order to maintain appropriate internal control over the Grants that the Authority has been awarded, all grant agreements must be approved by the Authority Board.

### **2.0 DEFINITIONS**

***Uniform Guidance*** means the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

***Federal Grantees*** means a non-Federal agency that has received a Federal grant either directly from the Federal Government or as a pass-through grantee with grant funds coming through the State, other local government, or any other properly authorized entity.

### **3.0 POLICY/PROCEDURES**

#### **Activities Allowed/Unallowed and Allowable Costs/Cost Principles**

The requirements for activities allowed or unallowed under any Federal grant award are contained in program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

The requirements for allowable costs/cost principles are contained in 2 CFR 200, subpart E, program legislation, Federal awarding agency regulations, and the terms and conditions of the award. The requirements for the development and submission of cost allocation plans (CAPs) and indirect cost rate proposals are contained in 2 CFR part 200 Appendix V and VII, respectively.

In order to ensure compliance with these requirements, the Authority has implemented the following policies and procedures:

- A. All grant expenditures will be in compliance with the Uniform Guidance, State law, and Authority policy. The provisions of the grant award agreement will also be considered in determining allowability. Grant funds will only be used for expenditures that are considered reasonable and necessary as defined by 2 CFR 200.404 “Reasonable Costs” for the administration of the program.
- B. The Director of Administration and Planning or their designee is responsible for program compliance related to the Federal grant and must have a strong working knowledge of Subpart E - Cost Principles of the Code of Federal Regulations (CFR) prior to and for the duration the Authority is in receipt of the Federal grant funding.
- C. Grant expenses will be approved by the Director of Administration and Planning or designee initially through the budget and procurement processes as applicable. All bills or invoices must be received and approved by Administration prior to Administration processing the payment. This will be evidenced by approval noted on the invoice or maintained within the accounting software. Accounts payable disbursements will not be processed for payment until necessary approval has been obtained.
- D. Payroll costs will be documented in accordance with the Uniform Guidance with timesheets, and any other payroll records being approved at the appropriate level within the Authority prior to payroll disbursements being processed by Administration.
- E. The Authority will be permitted to charge indirect costs to federal grants, if permitted, in various ways such as (1) the federally negotiated indirect cost rate (if one exists), (2) through the Central Services Cost Allocation Plan as prepared in accordance with 2 CFR Part 200 Appendix V, or (3) the de minimis rate of 15 percent. These costs will be charged on a systematic and rational basis.
- F. For grants that are not expenditure reimbursement based, such as grants that reimburse on a “per unit basis” i.e., number of residents served, number of miles driven, etc., the Authority is still required to document costs related to the grant. In addition, program related data should be maintained at the Authority to support the number of units provided to support the amount of the grant reimbursement.

## **Cash Management**

The requirements for cash management are contained in 2 CFR §200.305, program legislation, Federal awarding agency regulations, and the terms and conditions of the grant award.

In order to ensure compliance with these requirements, the Authority has implemented the following policies and procedures:

- A. Most Authority's Federal grants are awarded on a reimbursement basis. As such, program costs will be expended and disbursed prior to requesting reimbursement from the grantor agency. For grants that are awarded based on lost revenue or an other basis, the Authority will maintain all grant related supporting documentation for reporting purposes as requested.
- B. Grant reimbursements will be initiated by Director of Administration and Planning where the determination will be made as to the appropriate reimbursement amount to request. Documentation of how this amount was determined will be prepared by the Director of Administration and Planning. Administration will maintain copies of said documentation for retention for audit purposes.
- C. Each reimbursement request will be reviewed/approved by the Director of Administration and Planning or their designee for the Authority and provided to the Authority Board as requested. This request will be signed, as required and the request will be transmitted as required to the applicable funding source for reimbursement.

## **Allowable Costs/Cost Principles**

For Federal grants where compensation and fringe benefits are allowable costs to be charged to a specific grant, the Authority will assure these types of charges are in compliance with OMB Guidance, 2 CFR 200; §200.430 and §200.431. In general, compensation charged to Federal grants will be for personal services including all remuneration paid for services an employee rendered during the period of performance under the Federal Award. All compensation and fringe benefits that are charged must be reasonable for the services rendered and will conform to the established written policies of the Authority. These charges will be consistently applied for both Federal and non-Federal activities and will meet the requirements of Federal statute, where applicable.

Charges to Federal awards for compensation and fringes benefits must be based on records that accurately reflect the work performed. These records will be supported by the Authority's system of internal control which provides reasonable assurance that the charges are accurate, allowable, properly allocated, and incorporated into the official records of the Authority. The records will reasonably reflect the total activity for which the employee is compensated by the Authority not to exceed 100% of compensated activities. These records will also comply with the established accounting policies and practices of the

Authority and support the allocation of the employees' compensation and fringe benefits among specific activities or cost objectives if the employee works on multiple Federal Awards.

For further clarification of the requirements the Authority will comply with see 2 CFR 200; §200.430 and §200.431.

#### **4.0 OVERSIGHT AUTHORITY**

Oversight authority for grants management is the responsibility of the Director of Administration and Planning with ultimate oversight authority by the responsibility of Authority Executive Director as required by the Authority Board. The Director of Administration and Planning will constantly review management of grants to ensure conformity with this policy.

#### **5.0 DISCIPLINARY MEASURES**

Disciplinary measures consistent with existing law, Authority policy, collective bargaining agreements, etc., when applicable, may be taken if Authority grant funding is used in violation of this policy. There are also potential negative implications with the Federal funding source including, but not limited to, the Federal funding source questioning costs charged to the grant which may require repayment or eliminating the Authority from eligibility for future Federal grants.

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 16-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County is a participating member of the Battle Creek Area Transportation Study (BCATS), the designated Metropolitan Planning Organization (MPO); and

**Whereas**, the TACC is an active participant and voting member of the BCATS Technical Committee; and

**Whereas**, the TACC is an active participant and voting member of the BCATS Policy Committee; and

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County appoints Executive Director, Mallory Avis, to the BCATS Policy Committee, Director of Administration and Planning, Kristy Grestini, to the BCATS Technical Committee, and Director of Operations, Brendan Pizzala, as a permanent alternate to both aforementioned appointments.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 17-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County must approve and adopt a budget for Fiscal Year 2026 at the September board meeting; and

**Whereas**, this budget was prepared using assumptions provided by the State of Michigan, the Federal Transit Administration, and Calhoun County Government; and

**Whereas**, the budget assumes state reimbursement rates of 28% (Local Bus Operating), 18% (5311), and other miscellaneous grants; and

**Whereas**, the budget assumes federal reimbursement rates of up to 50% (5307) based on FY2024 apportionments;

**Whereas**, the budget assumes local millage capture of \$4,724,917 based on voter approved millage rate of 2.66mills levied annually in Winter tax collections;

**Whereas**, the budget complies with the Board approved policies and procedures including the Net Position Policy;

**Now, Therefore**, be it resolved that the Transportation Authority of Calhoun County formally adopts the FY2026 budget as proposed.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Transportation Authority of Calhoun County  
 FY 2026 Budget 9/23/25

Urban 60.71%  
 Rural 39.29%

<b>Expense Schedule</b>						
<u>Code</u>	<u>Description</u>		<u>Urban</u>		<u>Rural</u>	<u>Total</u>
50101	Operators Salaries & Wages	\$	1,276,731	\$	826,269	\$ 2,103,000
50102	Other Salaries & Wages	\$	1,157,133	\$	748,867	\$ 1,906,000
50103	Dispatchers' Salaries & Wages	\$	100,779	\$	65,221	\$ 166,000
50200	Fringe Benefits	\$	369,866.57	\$	239,368	\$ 609,235
50210	DC Pensions	\$	127,673	\$	82,627	\$ 210,300
50220	DB Pensions	\$	266,140.50	\$	172,240	\$ 438,380
50302	Advertising Fees	\$	3,035.50	\$	1,965	\$ 5,000
50305	Audit Costs	\$	13,356	\$	8,644	\$ 22,000
50399	Other Services	\$	431,648	\$	279,352	\$ 711,000
50401	Fuel & Lubricants	\$	303,550	\$	196,450	\$ 500,000
50402	Tires & Tubes	\$	45,533	\$	29,468	\$ 75,000
50404	Major Purchases	\$	151,775	\$	98,225	\$ 250,000
50499	Other Materials & Supplies	\$	371,849	\$	240,651	\$ 612,500
50500	Utilities	\$	30,355	\$	19,645	\$ 50,000
50603	Liability Insurance	\$	121,420	\$	78,580	\$ 200,000
50699	Other Insurance	\$	60,710	\$	39,290	\$ 100,000
50700	Taxes & Fees	\$	-	\$	-	\$ -
50902	Travel, Meetings & Training	\$	21,249	\$	13,752	\$ 35,000
50903	Association Dues & Subscript.	\$	9,107	\$	5,894	\$ 15,000
51200	Operating Leases & Rentals	\$	10,017	\$	6,483	\$ 16,500
51300	Depreciation	\$	224,627	\$	145,373	\$ 370,000
55007	Ineligible Depreciation	\$	(224,627)	\$	(145,373)	\$ (370,000)
55009	Ineligible Association Dues	\$	2,550	\$	1,650	\$ 4,200
55010	Other Ineligible Expense	\$	607,100	\$	392,900	\$ 1,000,000
	<b>Total Expenses</b>	\$	<b>5,481,576</b>	\$	<b>3,547,539</b>	\$ <b>9,029,115</b>
	Total Eligible Expenses	\$	4,871,926	\$	3,152,989	\$ 8,024,915

<b>Revenue Schedule</b>						
<u>Code</u>	<u>Description</u>		<u>Urban</u>		<u>Rural</u>	<u>Total</u>
40100	Passenger Fares	\$	341,035	\$	220,709	\$ 561,744
41101	State Operating Assistance	\$	1,411,592	\$	913,547	\$ 2,325,139
41399	5311	\$	-	\$	567,538	\$ 567,538
40615	Advertising	\$	27,927	\$	18,073	\$ 46,000
40799	Other NonTrans Revenue	\$	6,071	\$	3,929	\$ 10,000
40910	Local Operating Assistance	\$	2,868,497	\$	1,856,420	\$ 4,724,917
41302	Federal Section 5307	\$	2,009,147	\$	-	\$ 2,009,147
	<b>Total Revenue</b>	\$	<b>6,664,268</b>	\$	<b>3,580,217</b>	\$ <b>10,244,485</b>



**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY  
BOARD OF DIRECTORS**

**Resolution 18-2025**

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, September 23, 2025, with Chair Erick Stewart presiding, the following action was taken:

**Whereas**, the Transportation Authority of Calhoun County has the authority to contract with the Michigan Department of Transportation for state and/or federal funds for passenger transportation related services; and,

**Now, Therefore**, be it resolved that the Executive Director of the Transportation Authority of Calhoun County, be authorized and directed to execute said agreement 2026-0004 for and on behalf of the Transportation Authority of Calhoun County.

**CERTIFICATE**

The undersigned duly qualified Board Secretary of the Transportation Authority of Calhoun County certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Transportation Authority of Calhoun County held on September 23, 2025.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date