

Regular Board Meeting Minutes

DATE: Monday, August 4, 2008

PLACE: 4001 I-75 Business Spur
Sault Ste. Marie, MI 49783

MEMBERS PRESENT: Rodney Richards Frank Sasso Aaron Hopper
Dennis Robinson

MEMBERS ABSENT: Ted Postula

ADMINISTRATIVE STAFF PRESENT: Chuck Moser Akemi Gordon James Dunn, Attorney
Lynda Schexnayder Lyn Rairigh

ADMINISTRATIVE STAFF ABSENT: None absent

OTHERS PRESENT: See attached sign in sheet.

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I. - II. CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:00p.m. by Chairman Sasso. All directors were present with the exception of Ted Postula.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES –July 7, 2008

With regard to Regular Board Meeting Minutes for July 7, 2008; IT **WAS MOVED** by Director Hopper; **SUPPORTED** by Director Richards to approve said minutes with correction to Section V; Paragraph 1 adding **"MERS"** as the 62nd annual meeting scheduled for the end of September . **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT - P.E. June 30, 2008

IN GENERAL

Gordon distributed to board members and briefly went over "Drafts" of Fraud and Fixed Asset Policies. Board members will review before September board meeting. Also included are "Draft" budgets for the bussing.

BUSSING

Gordon reported the 2009 Bus budget contains two different scenarios for Luce County. One is budgeted at 25 hours per week for the Curtis run and the other is 15 hours per week. With the continued reduction in passengers on that particular run it is not financially feasible to continue at the current level of service. The rider ship has continued to decline and we are currently looking at an 18% reduction in passengers so far this year. Even with the JARC grant we are currently receiving, it is not enough to cover the costs of the current service level.

Chippewa County bus is showing a 6% increase or 2,070 passengers so far this year. This is the most passengers we have carried in the last five years.

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FERRIES

Gordon reported ferry traffic for the months of June and July is down from a year ago. YTD traffic is down 15,660 vehicles/units and 23,594 passengers. Through June the ferries are still carrying a \$163,000 deficit. We were able to make up about \$40,000 of that from May when our deficit was around \$205,000.

Gordon distributed to board members "Draft" 2009 budget for the ferries. Gordon reported as of right now, unless we can find ways to cut our expenses, we are possibly looking at close to a \$100,000 deficit. A couple of things to consider is fuel was budgeted at \$5 per gallon. Our fuel consumption for the ferries is anywhere from 130,000 to 150,000 gallons a year. Gordon also used current traffic flow to determine revenue.

In closing Gordon went over 3rd Quarter Year To Date graphs.

VI. DIRECTOR'S REPORT

Director Moser presented and recommended approval of Resolution 2007-0204/Z11 FY 2008 Section 5309 Earmarks/High Priority Project for the purpose of utilizing funds provided by the Federal Transit Administration, US Department of Transportation and MDOT in the amount of \$215,317; \$201,732 being Federal and \$13,585 being State. **IT WAS MOVED** by Director Hopper; **SUPPORTED** by Director Robinson to approve said resolution. **UNANIMOUS**. Motion carried.

BUS SYSTEM

Moser reported John Drury was here to do his tri-annual review. He spent most of one day and part of another day with Lyn. Everything went well and Moser got some good comments back from John.

Moser reported on July 31st there was a 4-H vehicle stranded out by Soo Junction. Peggy called for permission to go out and help them. Moser okayed this.

Moser reported Annual MPTA Meeting is set for the week after next and also Moser was able to convince the MPTA Board of Directors to hold their September board meeting up north, so we will host that on September 11th.

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Moser reported he will be following up on a conversation he had with the Community Transportation Association regarding fuel purchasing with Fleetcor.

FERRY SYSTEM

Moser reported the Drummond Island Tourism Association asked if we would do a support letter regarding the ORV Trail Issues over there. Moser made letter available to board members for viewing.

Moser reported as a way to help control traffic, especially for first-time visitors to Drummond Island, a painting project with MDOT and the private contractor that does highway striping has been coordinated. They will paint 45 degree "hash marks" to the left hand side of the traffic lane and a broad white mark at the front of the line to help alleviate the problem that we have been having with driver's double parking at the front of the line.

Moser reported the county commission approved a measure that would provide our ferry operations with \$25,000; however, before the issue was voted on Commissioner Shackleton offered an amendment which called for certain conditions to be met to qualify for receiving any funds. Generally the amendment would require EUPTA to waive certain fares for specific county vehicles and that in order to receive the funds that we would charge all other vehicles/passengers. The amended version of the request passed, which left us with a question in regards to the existing arrangements with County Road Commission vehicles, recycle vehicles and other local forms of government. After the issue was approved, Moser asked the County Administrator in a letter if we could get the issue clarified before we accept any funds. Subsequently, Mr. German asked Moser to come to a meeting with Commissioners Kay, Timmer, Shackleton, and himself so that they could work on the specifics. They did meet last Thursday, and Moser has another meeting scheduled with Mr. German tomorrow to hopefully finalize clarifying the issue. Moser expressed his concern to the commissioners that we certainly have no desire to abruptly turn our backs on the County Road Commission and that maybe a phased in approach with a goal of recovering costs from the Road Commission would be an idea that everyone concerned could live with. In short, the county commission wants significant reductions in free passes (including our ferry employees and anyone else working on behalf of EUPTA) and clarification of what individuals/entities receive in terms of free passes as well as the number of free passes as a condition of receiving their assistance.

VII. ATTORNEY REPORT

Attorney Dunn spoke briefly on the Fraud Policy.

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Dunn spoke briefly on a recent FOIA case that involves basically keeping information private that has up to the last few months been public.

In closing Dunn reported the Transportation Budget has not yet been adopted. A brief explanation was given.

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Robinson; **SUPPORTED** by Director Richards to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 4:47pm. The next regular board meeting is scheduled for Wednesday, September 3, 2008, at 4:00p.m.

Mr. Aaron Hopper, Sec. /Treas.

Prepared By: Lynda Schexnayder