

EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

Regular Board Meeting Minutes

DATE: Monday, August 3, 2009

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

MEMBERS PRESENT: Rodney Richards Frank Sasso Ted Postula
Dennis Robinson Jack Kibble

MEMBERS ABSENT: None absent

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

ADMINISTRATIVE None absent

STAFF ABSENT:

OTHERS PRESENT: See attached sign in sheet.

I. - II. CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:00p.m. by Chairman Sasso. All directors were present.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES –June 1, 2009

With regard to Regular Board Meeting Minutes for July 6, 2009; **IT WAS MOVED** by Director Richards; **SUPPORTED** by Director Postula to approve said minutes. **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT-P.E.-June 30, 2009

BUSSING

Finance Director Gordon reported the 2010 “Draft” budget for the bussing includes the following:

The fare box revenue is budgeted with current rider ship numbers and current fare prices. The federal operating is calculated @ 16%, which is what we are currently receiving. The state operating is again budgeted using our “floor”. EUPTA applied for JARC funding again for the Curtis run. We had requested additional funding in order to provide service for 5 days rather than the current 3 days. Gordon budgeted for 3 days of service because more than likely, we won’t get the additional funding we requested.

Rider ship so far this year is down 19% or 1,751 passengers. This is most likely because at this time last year fuel was between \$4.25 & \$4.50 per gallon and we had more people riding our bus because of this. Our rider ship counts are more in line with 2007.

FERRIES

The months of April, May and June the ferry system had slight increases in traffic but we are still over 10,000 vehicles down from last year. The months of Nov, Dec and February we had significantly low numbers. Passengers are down almost 6,000.

Through the end of June our deficit is around \$15,000.

The “draft” budget for the ferry system is based on current traffic flows and fare prices. Gordon budgeted \$3.00 a gallon for fuel. Gordon also budgeted slight increases in some of the line items that are somewhat predictable. If no other surprises or spikes in expenses occur, Gordon is anticipating we may be able to operate with a slight surplus. As Gordon mentioned in prior meetings, EUPTA needs to start building the retained earnings at a healthy level. The auditors recommend we have at least 10% of our budgeted expenses in retained earnings. EUPTA’s retained earnings are currently around 1%.

VI. DIRECTOR'S REPORT

Director Moser informed the Board that John Drury, our project manager's father passed away after a lengthy illness. A card was passed around so board members could express their condolences.

Moser presented and recommended approval of Resolution 2007-0204/Z16 FY 2009 Section 5309 Earmarks; information required by MDOT in order to record agreement of utilization of funds provided by the Federal Transit Administration, US Department of Transportation and MDOT for the purpose of ferry dock/ramp improvements (859) and A & E (881) total being \$70,538; \$56,430 being Federal and \$14,108 being State. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to approve said resolution. **UNANIMOUS.** Motion carried.

FERRIES

Moser reported currently motor homes are being charged for "trailer Rates" when towing an auxiliary vehicle such as a small car or jeep. Rich Maury, Drummond Island resident, recently reported that his wife has to get out and drive the vehicle onboard to get the lesser amount. There was a short discussion on this issue.

Moser gave an evaluation for ARRA project/Ferry Dock work and recommended AECOM contingent upon successfully negotiating an acceptable contract. There was some discussion. **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to approve AECOM contingent upon acceptable agreement with contract and change orders. **UNANIMOUS.** Motion carried.

Moser reported generator problems on Drummond IV. Lyn Rairigh reported the generator man from Fabco should be here tomorrow around noon.

BUSSING

Moser reported Matt Hirsch from Three Lakes Academy in Curtis contacted him in regards to student transportation for their new charter school. They are looking for buses and Moser told him he would try to help. Matt reported they have certified drivers available.

Moser reported last week EUPTA had a risk management audit. It was conducted by an outside contractor by the name of the Moran Group for the Michigan Transit Pool. The procedure was extremely thorough and required us to produce a lot of documentation and involved a rather lengthy interview process as well as a facility and bus inspection. Most transit systems have passed official policies which prohibit bus drivers from using cell phones while in the act of driving a bus. EUPTA has not done this yet, but we will prepare a policy in regards to this issue and present it with a recommendation for adoption. Right now Moser is waiting to hear if there might be other recommendations in the audit report and if there are other policy issues that we need to focus on we can address them at the same time. Before leaving the auditors remarked that we run a very good operation.

VII. ATTORNEY REPORT

Attorney Dunn reported working with Senator Allen regarding legislation.

Attorney Dunn reported there is nothing new with the Budget to date.

Dunn spoke briefly on the Public Service Commission.

Dunn reported with regard to current lawsuit; information will be sent to board members with a decision to be made at the next meeting if board members agree with what is in writing.

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Robinson to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 5:00 pm. The next regular board meeting is scheduled for Wednesday, September 9, 2009, at 4:00p.m

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder