

Regular Board Meeting Minutes

DATE: Monday, April 4, 2011

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

MEMBERS PRESENT: Ted Postula Jack Kibble Frank Sasso
Dennis Robinson Michael Herbst

MEMBERS ABSENT: None absent

**ADMINISTRATIVE
STAFF PRESENT:** Chuck Moser Akemi Gordon
Lynda Schexnayder

**ADMINISTRATIVE
STAFF ABSENT:** Attorney Dunn 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 4:10p.m. by Chairman Sasso. All Directors were present. Attorney Dunn was absent.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES –March 7, 2011

With regard to Regular Board Meeting Minutes for March 7, 2011; **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Robinson to approve said minutes. **UNANIMOUS**. Motion carried.

V. AUDITOR'S REPORT-Bob Haske/Anderson Tackman

Bob Haske thanked the Board for the opportunity to work with EUPTA. Bob gave a brief description of what an "audit" is and went over the report and recommendations. EUPTA received an "unqualified opinion" which is the highest opinion possible. Bob reported the audit went very well.

VI. FINANCIAL REPORT-P.E.-February 28, 2011

BUSSING

Finance Director Akemi Gordon reported we are up 100 passengers from a year ago with Chippewa showing a decrease of 278 and Luce County up 378. We've been able to keep expenses to less than 1% difference from last year. The fuel line item has increased but with decreases in some of the other expense line items, it net out to .45%.

FERRIES

Gordon reported fares, vehicles and passengers for the Sugar and Neebish Island ferries are down from a year ago, while Drummond is experiencing slight increases in all three categories.

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Gordon went over capital match fund.

Gordon reported Maritime Escort LLC, our new operators for the Neebish Island Ferry system has requested an electronic payment rather than a check each month. The business account he has had for many years is with an out of town bank. With Chuck's approval of the payment every month we can send this electronically. It was suggested that payment and detail be presented at each monthly meeting to get board approval.

VII. DIRECTOR'S REPORT

Director Moser updated the board on MDOT; with the last round of retirements, where 300 employees met the eligibility and decided to retire. MDOT is at the lowest staffing levels since the 1950's. The State Transportation Committee approved the MDOT Five-year plan last Thursday. All eyes are on Washington waiting to see what happens with Re-authorization. The last transportation authorization act expired last September, and the Department of Transportation has been operating on continuing resolutions since then.

Moser reported MDOT would be able to match federal aid if the state legislature approves the New International Trade Crossing (bridge) expenditures as match for federal funds. The \$550 million the Canadians originally offered as a loan under Granholm is now being offered as a contribution that could be used for work on the Michigan side while still allowing the overall amount to leverage over \$2Billion in federal capital for Michigan. This will require legislative action and there is a lot of arm-twisting going on in Lansing over the issue.

Moser reported Governor Snyder has indicated that he will be willing to discuss state transportation revenue issues this fall. It is possible that the State Transportation Commission will schedule the monthly meetings in various locations around the state to take testimony on the subject of revenue.

FERRIES

Moser reported we are using Drummond III beginning today as new heads are being installed on the starboard engine on Drummond IV.

Moser reported sometime after 7:00p.m. on March 29th, a large ice flow caused a significant amount of damage to the new piling cluster at the Barbeau dock. USCG is still in the process of reviewing their cctv footage to see if they can determine whether their ice breaker or a steamboat pushed the ice flow into the piling. Steve Kildal had reported the huge flow and the Neah Bay was responding as he

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was going off duty on the evening of the 29th. Moser made Matt Drewek from AECOM aware of the incident, so that he can take this into consideration. We may want to consider extending sheet piling out further instead of simply running the risk of driving more piling.

Moser gave an update on the dock construction project; permit applications have been submitted and we anticipate that as soon as we get approval we will prioritize replacing the damaged piling at Sugar Island as soon as we have a successful bidder awarded.

Moser reported the Drummond Island Ferry operations have submitted a new work schedule request, consisting of a 12 hour day. There was some discussion regarding this change. A copy of proposed change was given to all board members to review. This will be brought back to the next board meeting for discussion and approval.

BUSSING

Moser reported one new bus has been ordered through Mobility Transportation, which is a new vendor with MDOT.

Moser reported the correctional facilities have been talking about changing work schedules to a 12 hour day. EUPTA has contacted them and asked that we be kept in the loop so that we don't experience any sudden surprises in regard to scheduling.

Moser reported with higher fuel prices we seem to be seeing quite a few new riders.

Moser reported Mackinac County is currently doing a needs study. Corridino who is performing the work has contacted him recently to ask if we would be willing to discuss providing service down there in the future. Moser told them that we would be willing to discuss contractual service depending on the need and our resources.

Director Moser presented and recommended approval of Resolution for MDOT revised Project Authorization FY 2008 Section 5311 Capital/Surface Transportation Program, Agreement No. 2007-0204/Z9/R1 for the purpose of changing the line item from facility renovation to ferry and ferry facility upgrades. Total amount being \$50,000; with \$40,000 Federal and \$10,000 State. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to approve said resolution. **UNANIMOUS.** Motion carried.

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VIII. ATTORNEY'S REPORT

Attorney Dunn was absent. No report given.

IX. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 4:50 pm. The next regular board meeting is scheduled for Monday, May 2, 2011 at 4PM.

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder