

# Board Meeting Minutes

**DATE:** Wednesday, September 5, 2012

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

**MEMBERS PRESENT:** Jack Kibble                      Michael Herbst                      Ted Postula  
Frank Sasso

**MEMBERS ABSENT:** Dennis Robinson

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

**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 Director Robinson.

### **III. PUBLIC COMMENTS**

Don Harrod (Neebish Island) inquired whether or not putting an expiration date on commuter tickets is in violation of the law. A short discussion ensued. Attorney Dunn will send him a letter with an explanation.

### **IV. APPROVAL OF BOARD MINUTES –August 6, 2012**

With regard to Minutes for August 6, 2012; **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to approve said minutes. **UNANIMOUS**. Motion carried.

### **V. FINANCIAL REPORT-P.E.-July 31, 2012**

#### **GENERAL**

Finance Director Gordon went over Maritime Escort invoice.

Gordon presented and recommended approval of the FYE 2013 Budgets for ferries and bussing. The budgets were based on past actual amounts as well as estimates on fuel and other items. Following a short discussion **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst to approve said budgets. **UNANIMOUS**. Motion carried.

#### **BUSSING**

Gordon reported we have an 8% increase in passengers so far this year. We have almost a 1% increase in total revenue and our expenses before YE adjustments are right in line with last year.

#### **FERRIES**

Gordon reported through the end of July, the ferries are still carrying a little over \$30,500 loss. The July vehicle and passenger traffic was down from the year before. It could be partly because the 4th landed in the middle of the week as opposed to closer to the weekend. The July fares reflect almost a \$13,000 decrease than July 2011.

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### VI. DIRECTOR'S REPORT

Director Moser presented and recommended approval of resolution for MDOT Contract 2012-0077/P2/R1 for the purposes of increasing federal operating assistance an additional \$15,883.00. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to approve said resolution. **UNANIMOUS.** Motion carried.

Moser presented and recommended approval of resolution for MDOT Contract 2012-0077/P4 that will allow us to procure a 30 foot replacement bus. \$56,000 Federal; \$14,000 State. **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst to approve said resolution. **UNANIMOUS.** Motion carried.

Director Moser gave an update on St. Mary's River Dock Upgrade Project. We're making progress on project, in the process of driving pilings, slab for hydraulic building being poured today. MDOT has been pretty good about paying direct to general contractor. First pay request was just inside the 45 day anticipated turn-a-round. Second pay request is being processed and Moser just received notice of the third request. Requests are being handled electronically and hard copy and funds are being transferred electronically direct. There have been quite a few glitches that have had to be straightened out. One required a change order that was approved by MDOT. Other glitches have pretty much been dealt with by AECOM/MCM (and their subs) and us. We just had to reposition where the slab will go for the hydraulic building. And with the electrical supply upgrade project which is tying into the dock work, we have had great cooperation with CCRC, Cloverland, and Mr. Keeley in solving problems there. By the end of next week Moser is hoping that we'll pretty much have the infrastructure issues taken care of in regard to the electric, and the building, and that we can focus more on the actual dock work. On September 11th FHWA and MDOT will be onsite to see how the project is going.

Moser reported recently speaking with Mark Gill USCG, who is in charge of the St. Mary's River operations. He explained that the camera project at our DeTour dock is nearing completion, that they are working out a few bugs with the routers before they can activate the internet connection. He is predicting 2-4 weeks before that will happen. Moser also asked about the old ferry vessel still sitting there and he said that the owner has put forward a plan to remove the remaining pollutants, and as soon as that is done he will be approved to move the vessel. Mark also reported that he believed that the prosecutor is still involved in the issue. On a somewhat related issue Moser reported he is awaiting the initial appraisal on the fogcutter property. Upon receipt of that, Moser will then be required to get an independent review of the appraisal from a qualified list of firms. Other than that Moser is awaiting further direction from MDOT on how to proceed with the procurement.

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Moser gave an update on the recent MPTA Annual Meeting and election of officers. The Nominating Committee recommended re-electing the same slate of officers. MPTA's most recent past president was nominated from the floor and won by rather large margin.

Moser reported receiving word a week or two before the annual meeting that the distribution of bus operating funds will likely be changed due to service cuts at DDOT and SMART the two largest transit systems in the state. This immediately had many of the rural systems throughout the state excited as with less money being utilized by the large systems should impact positively on the smaller transit systems as there would be more funding to draw from.

Moser gave an update on the Drummond IV Dry-dock plans. We were all set to haul Drummond IV out today, but learned last week that USCG inspectors are insisting on extensive repairs to a vessel currently on MCM's dry-dock. This will push us back obviously and the longer we wait the more likely that weather becomes more and more of an issue.

### **VII. ELECTION OF OFFICERS**

**IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst that Frank Sasso be nominated as Chairman. **UNANIMOUS.** Motion carried.

**IT WAS MOVED** by Director Herbst; **SUPPORTED** by Director Postula that Jack Kibble be nominated as Vice-Chairman. **UNANIMOUS.** Motion carried.

**IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst that Ted Postula be nominated as Secretary/Treasurer. **UNANIMOUS.** Motion carried.

### **VIII. ATTORNEY'S REPORT**

Attorney Dunn reported with regard to CTF Formula; approach does not appear legal. Dunn gave a brief explanation.

Dunn reiterated discussion last fall regarding handicap transportation; noting that we are a deviated route system.

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**IX. ADJOURNMENT**

Being no further business to come before the Board, **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 5:00pm. The next regular board meeting is scheduled for Monday, October 1, 2012 at 4PM; Luce County Courthouse (small courtroom) in Newberry.

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Ted Postula, Sec. /Treas.

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Prepared By: Lynda Schexnayder