

Board Meeting Minutes

DATE: Monday, June 3, 2013

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

MEMBERS PRESENT: Ted Postula Michael Herbst
Dennis Robinson Jack Kibble

MEMBERS ABSENT: Frank Sasso

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

**ADMINISTRATIVE
STAFF ABSENT:** James Dunn, Attorney

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 Vice-Chairman Jack Kibble. All Directors were present with the exception of Chairman Sasso.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES –May 6, 2013

With regard to Minutes for May 6, 2013; **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Herbst to approve said minutes. **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT-P.E.-April 30, 2013

BUSSING

Finance Director Gordon reported YTD rural bus passengers are down 13%; with Chippewa down 12% and Luce down 23%. Expenses were down 9.61% but our revenue is down 9.09% so we're not gaining anything.

FERRIES

Gordon reported for the month of April overall ferries are down 11% in vehicles and 12% in passengers. Drummond was down 16% in vehicles and 13% in passengers. Sugar was down 7% in vehicles and 9% in passengers. Neebish was down 25% in vehicles and 25% in passengers.

April fares were down \$23,000 from a year ago. We have a \$238,000 loss to make up in 5 months.

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VI. DIRECTOR'S REPORT

FERRIES

Moser reported last fall he took the opportunity to show Laura Mester, who is the CAO of MDOT, to spend some time learning about our operations. We toured our Sugar Island Ferry operations, the MCM Dry-dock facility and the Coast Guard Base, where then Capt. McGuiness spent about a half hour with us. At this time Moser asked if she would be willing to spend more time with us so that he could show her the rest of our ferry operations. Earlier this month he held her to her word and she came to Drummond Island for a tour of the ferry there. He was able to more fully explain in greater detail especially in regard to the critical importance our ferry service is to the three islands.

Last week we moved Drummond III into service at Neebish. Lyn and Brandon did a great job in facilitating the move. In fact the Captain and crew of both the Drummond III and Neebish II did a wonderful job in making this happen. This is the first time that we have our own spare that is capable of providing service other than the Neebish II (which really needs a lot of capital upgrades).

Moser reported with regard to new funding available; FHWA funding for ferries has changed some. A formula funding program has been put in place of the Ferry Boat Discretionary program. The formula was devised based on a percentage of passengers and vehicles carried and route miles served. Based on the information that we have provided we should be eligible for \$286,000. The funding needs to be obligated by August of this year. Also, it appears that the funding is for projects that are ready to be implemented. One project that is very close to being ready is the work that already had the design, but was not included for the Stimulus project that we are just completing.

Moser reported the appraisal review pointed out a few things that need to be corrected related to the potential "Fogcutter" purchase. The initial appraiser has resubmitted his appraisal for review, and we should be getting the results anytime.

BUSSING

Moser reported with regard to HBH and NTI; the downward trend in contract ridership to NTI (which is funded through HBH) is really a problem. We have been in touch with both NTI and HBH in regards to finding solutions. There are no easy answers. Moser reported he has pretty much exhausted any options in regard to help financially from the state. If the state opts for the Medicaid expansion there could be possible help. MPTA has hired a full time staff person whose main focus will be on Non-emergency Medical Transportation that could open up some

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possibilities. All of this does nothing though for our immediate problems. In Luce County we have the same type of situation with unfulfilled needs and our financial inability to provide services as requested. Moser asked Mike Herbst if the Luce County Board would consider running a small millage to contract with us for service. Moser reported he recently met with Senator Tom Casperson, current chairman of the transportation committee in the Senate, along with Clark Harder and included this issue in their meeting.

VII. ATTORNEY'S REPORT

There was no report given.

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Robinson; **SUPPORTED** by Director Postula to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 4:46pm. The next regular board meeting is scheduled for Monday, July 1, 2013 at 4PM.

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder