

Board Meeting Minutes

DATE: Monday December 2, 2013

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

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

MEMBERS ABSENT: None

**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 Chairman Sasso. All Directors were present. Attorney Dunn was absent.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES –November 4, 2013

With regard to Minutes for November 4, 2013; **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to approve said minutes. **UNANIMOUS.** Motion carried.

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

IN GENERAL

Finance Director Gordon reported we received all of the enrollment forms back for the HCSP. At last month's meeting, the board approved a 1/1/14 or day after because of the holiday transfer date for the funds in the RHFV to the individual accounts. If the board approves, Gordon recommended the transfer takes place once all of the enrollments are complete in the system so that the retirees can use their accounts to pay for their January premiums which are due this month. **IT WAS MOVED** by Director Robinson; **SUPPORTED** by Director Kibble to change the date of transfer of funds ASAP. **UNANIMOUS.** Motion carried.

Gordon reported the auditors will be here the week of December 16 for our year-end audit.

BUSSING

Gordon reported we started October with an 11% decrease in ridership, but looking back to 2010 and 2011, we are up from those years and down from 2012 and 2013.

Gordon reported we are testing 10 additional service hours through the JARC grant for the Newberry Dial-A-Ride. The extra hours will be two evenings a week and on Saturday.

FERRIES

Gordon reported the ferries started the year out with a 3% increase in vehicles and 7% increase in passengers.

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VI. DIRECTOR'S REPORT

IN GENERAL

Director Moser recommended going ahead with purchase agreement as discussed at last meeting. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to make an offer; price in Agreement. **UNANIMOUS**. Motion carried.

FERRIES

Director Moser reported because our costs of operating ferry service have been exceeding our revenues we have been getting ready to bring forward a recommendation in regard to revenues (or lack thereof). We should schedule a public hearing very soon. We have been soliciting input from our captains and deckhands in regard to potential ways to increase revenues as well as any additional ways to cut costs further. In hopes to minimize the negative impacts of fare increases, we submitted a request for tribal 2% funds. Moser received word last week that our request was not granted due to existing "long term commitments with units of government, as well as limited discretionary funds available and a high volume of requests". Although this is disappointing, at least we will be able to set a more accurate target to aim for. It is way easier to raise all fare classifications across the board by a certain percentage than to target certain classifications. However, after saying that, all of our crewmembers seem to agree that semi-trucks and trailers should pay more than what they are currently. This is especially true at Drummond with so many log trucks all the time. They take up a lot of space and cause a lot of extra trips. Not to sound like a broken record, but the deep discounts for senior/handicap fares is a huge problem in regard to what it costs to what little revenue it brings in. Moser noted he understands that it is a difficult issue, but it continues to be a significant problem.

BUSSING

Moser reported he and Finance Director Gordon attended the Counties budget hearing a couple of weeks ago.

Moser reported we have received the executed JARC contract back from MDOT for Luce bus.

Moser reported it looks like we either have to replace head gaskets or install a used engine in one of our two vans in Newberry. It is the older of the vehicles and has 140,000 miles.

Board meeting dates for 2014 were presented to the board. **IT WAS MOVED** by Director Herbst; **SUPPORTED** by Director Postula to accept these dates as presented. **UNANIMOUS**. Motion carried.

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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 Herbst; **SUPPORTED** by Director Postula to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 4:30pm. The next regular board meeting is scheduled for Monday, January 6, 2014 at 4PM.

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder