

Regular Board Meeting Minutes

DATE: Monday, August 2, 2010

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

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

MEMBERS ABSENT: None absent

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

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

OTHERS PRESENT: See attached sign in sheet.

BOARD MEETING

Page 2

August 2, 2010

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 was a question regarding what is happening with the cells on Sugar Ferry site. Director Moser responded that this will be going out for bids soon.

There was a question regarding when the painting will be finished n the Sugar Islander. There was a short discussion regarding painting and/or power washing on this vessel.

IV. APPROVAL OF BOARD MINUTES –July 7, 2010

With regard to Regular Board Meeting Minutes for July 7, 2010; **IT WAS MOVED** by Director Richards; **SUPPORTED** by Director Kibble to approve said minutes. **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT-P.E.-June 30, 2010

Finance Director Gordon went over June financial statements.

Gordon also went over "Draft" budgets. Action will be taken at the next Regular Board Meeting.

BUSSING

Gordon reported budgeting a slight cost of living increase for our JARC grant. Even though Gordon always applies for more assistance to increase service hours, we've always only been able to get a slight increase for inflation.

County appropriations are budgeted the same as the current year.

Federal Operating Assistance is based on 16% of eligible expenses.

State Operating Assistance is based on the floor. We will not receive anything less than that amount as long as we keep up our local revenue.

BOARD MEETING

Page 3

August 2, 2010

Fare revenue is based on most recent 12 months.

All expenses are based on most recent 12 months as well, with a slight increase for inflation.

Chippewa passengers are down 5,154; Luce passengers are up 1,033.

Gordon reported Indian Trails has been picking up and is very busy at times.

Director Richards questioned the outcome of the proposed "ride the bus free" day discussed at the last meeting. Director Moser responded this has been put on hold as he is working on another way to increase ridership.

FERRIES

Gordon reported the budget for the ferries; revenue based on most recent 12 months of traffic. Operating assistance is 50% of eligible expenses. Fuel is based on most recent 12 months as well. All other expenses were averaged out with a 3% increase. Based on those factors, we should be able to operate with a surplus.

Vehicle and passengers were down from a year ago. All 3 ferry systems had decreased.

VI. DIRECTOR'S REPORT

Director Moser presented and recommended approval of Resolution #2007-0204/Z8/R1 for various Marine Capital projects in the amount of \$222,222. Revised Project Authorization for the purpose of extending the authorization term by one year to allow the AGENCY sufficient time to complete the project. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to approve said resolution. **UNANIMOUS**. Motion carried.

BUSSING

Moser reported working well with new MDOT Project Manager, Chuck Lindstrom who replaced John Drury.

Moser reported the MPTA is starting to do some endorsements; Senator Allen and Representative McDowell in our district have both been endorsed for their respective parties' primary election.

BOARD MEETING

Page 4

August 2, 2010

FERRIES

Director Moser updated the board on the insurance claim at the Neebish Island site. We still have not heard from the other insurance company.

Moser reported meeting with the new Captain of the Port; Captain Joe McInnis.

Moser gave an update on recent legislation with regard to what happens on cruise lines. Thanks to PVA this won't impact our vessels.

Moser went over mechanical issues on Drummond III (shaft); and Sugar II (electric throttles).

Moser reported there has been no movement on the State Transportation Budget to date.

Moser reported Galen Terry wrote a letter to editor of the Evening News with regard to there being no regular 3:10am boat from Drummond Island in order for him to catch a 6am airline flight at Chippewa County International Airport. There was short discussion regarding cost of running vessel, etc.

VIII. ATTORNEY REPORT

No report given.

IX. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Richards; **SUPPORTED** by Director Robinson to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 4:35 pm. The next regular board meeting is scheduled for Wednesday, September 8, 2010 at 4:00p.m.

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder