

Board Meeting Minutes

DATE: Monday, August 5, 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 absent

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

III. PUBLIC COMMENTS

Pam Kildal (Neebish Island) asked for an update on the weight status for the Neebish Island Ferry. Director Moser reported we have been keeping a close watch on heavy vehicles on the Neebish II. As he mentioned last month we would reassess what kind of heavy loads she can safely continue to carry. We have been limiting trucks to no more than 50,000 lbs (was 75,000). This obviously has a negative impact on several classifications of vehicles including rock haulers, log haulers and cement trucks. Moser has talked with Robert Wilhelm who has been hauling rocks off the island for several years now, Bob Edwards who is a significant timber buyer in the U.P. and has a call in to Rob Laitinen to get an accurate idea of when the next paving project may happen on the island. Moser has also talked with Fred Schock who has been doing most of the logging on the island.

IV. APPROVAL OF BOARD MINUTES –July 1, 2013

With regard to Minutes for July 1, 2013; **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to approve said minutes. **UNANIMOUS.** Motion carried.

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

IN GENERAL

Finance Director Gordon presented MERS Officer Delegate form. MERS annual meeting in Traverse City is the beginning of October. **IT WAS MOVED** by Director Robinson; **SUPPORTED** by Director Postula to appoint Gordon as the officer delegate for this meeting. **UNANIMOUS.** Motion carried. Travel and meeting expenses are covered by our RTAP grant (no expense to EUPTA).

Gordon gave an update on post-retirement health plan. A lengthy discussion ensued. Following much discussion **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Herbst to stop funding the Post Retirement Health Care Fund. A vote was taken:

Sasso; yes Kibble: yes Herbst; yes Postula: yes Robinson: opposed

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BUSSING

Finance Director Gordon reported YTD we have a 14% decrease in passengers and a 12% decrease in fare box revenue. Chippewa County and Luce County are showing a continual decrease in both contract and regular riders.

FERRIES

Gordon reported fares for June were down 3.5% and for the year our fares were down almost \$18,000. Drummond Island fares are down \$8,400 for the year; vehicles decreased 866 and passengers increased 930. Sugar Island fares are down \$761; vehicles have increased 2,018 and passengers increased 1,510. Those numbers show we are selling more discounted tickets than people paying full fare. Nebish Island fares are down \$8,663; vehicles decreased 1,018 and passengers decreased 1,456. Our loss through the end of June is \$171,556. Gordon went over 4th of July traffic.

VI. DIRECTOR'S REPORT

FERRIES

Regarding the St. Mary's River Dock Upgrades; Moser reported a site visit on July 30, 2013. Placing rip-rap, minor ground work, electrical (lighting). Final punch list.

Regarding the PVA Legislative Committee Meeting; Moser reported a call-in meeting last week. There were 2 potential action items. The first concerns the JOLT Act which stands for Jobs Originating through Launching Travel. While international travel worldwide grew by 40 percent in the first ten years since the year 2000, America's share of that market has dropped 5 percent. The sponsors claim that the JOLT Act could attract as many as 98 million more visitors to the U.S. and create up to 1 million American jobs. One of the members from Chicago is a member of the U.S. Travel and Tourism Advisory Board and is strongly in favor of the legislation. We had a unanimous vote to recommend that the PVA Board formally support this legislation. The other potential action item concerns the Water Resources Development Act. This piece of legislation has passed the Senate but has not yet been taken up in the House. In regard to dredging, we are working hard to have Passenger vessels be considered when funds for dredging are allocated. Historically tugs and barges have been included but not passenger vessels. We have not made a recommendation as yet on this, but will look at it again this fall at our in-person meeting.

Moser reported he and Finance Director Gordon will be attending the MPTA Annual Meeting later this month.

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BUSSING

Moser reported we have received a notice from Luce County that our funding may be decreased. Moser asked Director Herbst to elaborate on this as it will have a big effect on us. Herbst reported as is the case everywhere; money is tight there as well.

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 5:20pm. The next regular board meeting is scheduled for Wednesday, September 4, 2013 at 4PM.

Ted Postula, Sec. /Treas.

Prepared By: Lynda Schexnayder