

Eastern Upper Peninsula Transportation Authority
Board Meeting Minutes
11/4/2025

I. Call to Order:

Board Chair, John Waltman, called the November 4, 2025 meeting of the Eastern Upper Peninsula Transportation Authority Board to order at 10:30 a.m.

II. Roll Call was taken:

MEMBERS PRESENT: John Waltman, Lynda Garlitz, Jeff Middlestead, Brandon Wheeler, and Joe Henne

MEMBERS ABSENT: None

III. Pledge of Allegiance:

Those in attendance stood for the Pledge of Allegiance to the Flag of the United States of America.

IV. Agenda: It was moved and carried by unanimous vote:

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| MOTION: Joe Henne SECOND: Lynda Garlitz | Approve agenda with additions to New Business 1. 2026 Board Meeting Dates 2. Succession Planning 3. Closed Session for an employee issue |
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V. Public Comment:

- None

VI. Minutes: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Lynda Garlitz SECOND: Joe Henne | Approve the October 7, 2025 Regular Meeting Minutes as presented. |
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VII. Finance Director Report:

- Ms. Gordon fielded questions on the A/P and EFT transfers for September 2025. A draft of year end reports was provided to the board. The annual audit will take place first week of December
- Ms. Gordon reviewed the financials and once the audit is completed there will be some adjustments. State budget final % of reimbursement for bussing for FY2026 is 34.8%. Ms. Gordon reviewed financials for FY2026 YTD for bussing. These are not the final numbers, but are very close. There was a \$20,500 increase in revenue from prior year. The contract line item is different due to NEMT dealing directly with agencies. There was a 7.44% increase in expenses. The insurance increase is twofold; 1. We share the risk for the insurance pool. We didn't have to pay in more, but didn't get a refund.

2. We have more vehicles to insure. Overall, even with increase of expenses, there was \$94,600 surpluses in bussing. Ms. Gordon reviewed YTD graphs for Bussing.

- Ferries: Ms. Gordon reviewed the ferry financials. She reported that vehicles, passengers, and fares are slightly down from the prior year. The wage and fringes have increased, with the addition of the Neebish Island Ferry Crew. Sick and annual leave expenses are up due to a couple of things; 1. The new ESTA law went into effect in February for part time employees. Crews balance was up due to the fact we don't have the backups for the crew and vacation time is building up. Fuel prices have been stable all year. The travel line item increased due to hazmat training. All ferry employees are required to take this training every three years. The training was held at the office. Ms. Gordon explained the administrative overhead line item. The cost is distributed across bussing and ferries to run the operations. Depreciation was discussed and there is a \$219,000 surplus before depreciation. The graphs for each ferry were reviewed. Ms. Gordon is pleased that we have operated with a surplus without the ARPA funding for FY2025.
- Ms. Gordon discussed opening some CDs with the cash available. We utilize Nicolet Bank in Newberry for Dial and Ride and we deposit funds there. Ms. Gordon would like to move funds into CD at Nicolet Bank. The CD rate is 3.71% for one year. We will assign the same signers on accounts that is now. Discussed Michigan Class account. Ms. Gordon explained on the need to spread funds to various accounts.

- Certificate of Deposit: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Lynda Garlitz SECOND: Brandon Wheeler | Approve transferring of funds from Nicolet Bank Checking to a CD at Nicolet Bank in the amount of \$200,000 at 3.7 % interest for one year. CD account signers will be Kathryn Neubert, Pete Paramski, Bonita Kaunisto. |
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- Ms. Gordon also recommended moving money from a money market at Central Savings to a two-year CD at Soo Co-Op Credit Union. This is a 3.65% for 2 years on \$300,000.

- Certificate of Deposit: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Lynda Garlitz SECOND: Brandon Wheeler | Approve to move funds of \$300,000 from Central Savings Bank money market to a CD as Soo Co-Op at 3.65%. CD account signers will be Kathryn Neubert, Pete Paramski, Bonita Kaunisto. |
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- Finance Director's Report: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Brandon Wheeler SECOND: Lynda Garlitz | Approve September A/P and EFT Transfers, September Financial statements, and Finance Director's Report as presented |
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VIII. Director's Report:

- Drummond V Naval Architect Update: Seacraft Design, Mark Pudlo will be designing the Drummond V ferry. They designed the Neebish III. They are very affordable and competent compared to other firms. They have vast experience in designing vessels in the Great Lakes Region, a successful past history, and a reputation that precedes themselves. The first formal pre-scoping meeting will take place on November 25, 2025. Mr. Pudlo, Brad, Pete, and the mechanics will discuss the needs of the boat and develop with a scoping checklist. The width of the ferry is fixed as it will need to fit in all three docks. The team will provide a wish list to Mark on 25th and discuss. He will take back notes and perform a conceptual design and the process will begin. Director Paramski Discussed various ideas for the ferry and has many discussions with experienced individuals using single vs. double ender vessels. We need to consider that fact there are various ice issues at all three islands.
- Drummond III Update: Director Paramski spoke with shipyard superintendent with MCM this morning and they are close to finalizing. They need to paint and will need the right weather conditions for the paint to stick. They need to prime the deck and then add non-skid material. They will need 3 days for it to cure. They can do other repair on rain day and then apply the surface this week. After the ferry comes out of drydock, it will need the annual USCG inspection.
- PVA Conference Update: Director Paramski stated that it was a good conference. The Government shut down impacted the conference due to USCG not being present. The networking with other ferry systems is helpful. Director Paramski reported that the EV fire issue is still big topic. Land based firefighting is very different than firefighting on the water. Director Paramski explained issues with the current use of blankets being used to suffocate fire on EVs. They create their own gases under the blankets during combustion. The blankets choke the oxygen, but create a gas under the blankets that explodes. There was a presentation from a retired USCG member on inspections. He spoke about the appeal process on 835 citations. He encourages utilizing the appeal process.
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IX. Old Business

None

X. New Business:

- Policy Review – First Reading Overdraft Collection Policy. Discussed raising the overdraft fee to \$50.00 and research what other businesses are currently charging. Discussion; It was moved and carried by unanimous vote:

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| MOTION: Lynda Garlitz SECOND: Brandon Wheeler | Table to next month. |
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- Director Paramski presented the board with 2026 Board Dates 2026 Board Meeting Dates. Discussion; It was moved and carried by unanimous vote:

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| MOTION: Brandon Wheeler SECOND: Lynda Garlitz | Approve the 2026 Board Meeting Dates as presented. <ul style="list-style-type: none"> • January 13, 2026 (Second Tuesday) • February 3, 2026 • March 3, 2026 • April 7, 2026 • May 5, 2026 • June 2, 2026 • July 7, 2026 • August 4, 2026 • September 8, 2026 (Second Tuesday) • October 6, 2026 • November 3, 2026 • December 1, 2026 |
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- EUPTA Succession Plan – Provided list of employees with dates of eligibility of when they can retire. This is for informational purposes and looking into the future of what will be needed for EUPTA. We are fortunate to have a full-time employee (career employees) pool with not much turnover. MERS retirement plan prior to 2016 is 25 years of service and age 55 for full retirement. The plan after 2016 is 60 years of age and 10 years to be vested. This information is to give the board insight of where we are at with staff and the turnover that is possible in the next few years.
- Closed Session: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Lynda Garlitz SECOND: Joe Henne | Approve to move to closed session to discuss employee issue. 11:38 |
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- Open session: Discussion; It was moved and carried by unanimous vote:

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| MOTION: Joe Henne SECOND: Lynda Garlitz | Approve to move to closed session to discuss employee issue. 12:02 |
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- Administrative: Discussion; It was moved and carried by unanimous vote:

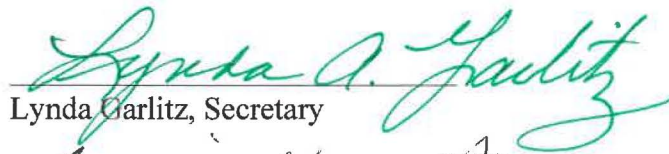
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| MOTION: Joe Henne SECOND: Brandon Wheeler | Approve administrative wage increase with effective date of January 1, 2026. |
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XI. Board Comment:

- Lynda Garlitz

XII. Adjourn: It was moved and carried by unanimous vote to:

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| MOTION: Brandon Wheeler SECOND: Joe Henne | Adjourn the meeting at 12:05 PM |
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Lynda Garlitz, Secretary



Bonnie Kaunisto, Recording Secretary

Board Approved: