



EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

4001 I-75 Business Spur

Sault Ste. Marie, MI 49783

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Board Meeting Minutes

DATE: Tuesday, December 3rd 2019

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

MEMBERS PRESENT: John Waltman, Phyllis French
Jennifer McLeod- Tyson, Conor Egan and Rob Laitinen

MEMBERS ABSENT: None

ADMINISTRATIVE STAFF PRESENT: Pete Paramski, Akemi Gordon and Kathy Neubert

ADMINISTRATIVE STAFF ABSENT: None

OTHERS PRESENT: See Attached

I. CALL TO ORDER:

The meeting was called to order at 10:30 a.m. by Trustee Waltman.

II. ROLL CALL OF TRUSTEES:

All trustees were present.

III. ADDITIONS/DELETIONS TO AGENDA:

Trustee McLeod-Tyson stated she has an action item to add to the agenda, an alternative fare proposal and would like to discuss it after the 2020 meeting schedule under the Directors report.

Trustee McLeod-Tyson also stated that she would like to add two closed sessions to the agenda after the additional public comment. McLeod-Tyson stated that in regards to the closed sessions, one would be with Mr. Paramski and one without.

IT WAS MOVED by Trustee McLeod-Tyson; **SUPPORTED** by French to amend the agenda as discussed. **UNANIMOUS.** Motion carried

IV. PUBLIC COMMENT:

Tim Moher- spoke about the fare restructure and stated it is illegal in regards to Title VI, ADA and the FTA and that EUPTA will receive Civil Rights complaints.

Mike Pine – Talked about the employee and spouse ticket discounts and stated that he felt 1 20 trip ticket per month would be sufficient. He stated he does not feel it is right that they have to pay for employees to get a free ride when he can't get a free ride.

Patrick Moher – Asked if the fare increase goes into effect, can EUPTA put more pressure on the Coast Guard to keep the lane open.

Mark Eitrem – Asked if a traffic analysis has been done as to how the rate increase will affect traffic.

Bud Willis – Stated that it is very unconstitutional to charge the same rate for all Islands. Mr. Willis told the board that they are appointed by the county and that they don't have the right to raise his rates without his vote.

John Willis – Stated that the raise percentage wise isn't the same across the board. He stated if you need 5% more, raise all the fares that percentage. He also asked if the Sugar Island ferry was making a profit or loss and asked if this increase was going to make Sugar Island profitable.

Chairman Waltman told him that the Sugar Island ferry was losing money and that all three Islands are operated as a system.

Kristy Beyer – Drummond Island Tourist Association- stated that she gathered economic information from Drummond and Sugar Island (she is still trying to get information on Neebish Island) and it costs 2% less to live on Sugar Island. Beyer stated that this isn't a huge difference. She also stated that they plan events on the Island and if the rates aren't set by January, DITA won't be able to set the rates for these events.

Lori Miller- stated that it has been years since she has heard about abuse with the disabled tickets. Miller stated there is a solution for this as EUPTA issues a card to people with disabilities. Miller also stated that disabled people are being discriminated against with the proposed rates. She stated that there is a working person on the Island who is disabled and this will affect her budget.

V. APPROVAL OF BOARD MEETING MINUTES:

With regard to the regular Board Meeting Minutes and the Closed session Meeting minutes for November 5th, 2019 **IT WAS MOVED** by Trustee McLeod-Tyson; **SUPPORTED** by Trustee Laitinen to approve said minutes **UNANIMOUS**. Motion carried.

VI: FINANCIAL REPORT:

IN GENERAL:

Finance Director Gordon present the Electronic Transfer report.

Gordon stated that the audit fieldwork is complete. EUPTA will probably have a draft sometime in January with an audit presentation at the February Board meeting.

BUSSING:

Gordon reported that EUPTA has been working with WMH and Superior Health Foundation regarding a grant that was awarded through Michigan Public transit Association for the Upper Peninsula. WMH received a grant to work with local transit agencies, EUPTA and Dial-a ride to provide non-emergency medical transportation in the Detour, Goetzville, Pickford, Raber and Kinross area in getting people to medical appointments. Kathy Neubert has been meeting with representatives from different medical service providers on coordinating whether EUPTA is able to provide the additional transportation. This would all be written into a contract that would be 100% covered by the grant. EUPTA is looking at a start date of January 2020 to start this service.

Trustee French asked if the grant included Luce County as they are more remote than Chippewa County. Director Paramski stated that this Grant is for the entire Upper Peninsula.

Trustee McLeod-Tyson asked how long Anderson-Tackman has been doing EUPTA's audit and has this service been bid out and if so when is the last time it was bid out. Gordon stated Anderson-Tackman has been doing the Audit for several years and the last time it was bid out was about five years ago.

Trustee McLeod-Tyson stated EUPTA should apply to the Tribe for two percent monies to help with transportation. She suggested contacting Wendy Hoffman, Robert Shultz and Dr. Leo Chagunov at the Tribal Health Department. The deadline for apply for the monies is March 31st and September 30th each year.

FERRIES:

Gordon stated that vehicle traffic was up overall in the month of October and passenger traffic declined.

VII: DIRECTORS REPORT

IN GENERAL:

Director Paramski stated that EUPTA needs to set dates and times for the 2020 board meeting dates.

With regard to the Board Meeting dates for 2020; **IT WAS MOVED** by Trustee Egan; **SUPPORTED** by Trustee McLeod-Tyson to approve said minutes **UNANIMOUS**. Motion carried.

FERRY SYSTEM:

Paramski gave an update on the Drummond Islander III stating that it was brought into the dry-dock this fall and that the engines have been pulled and sent out for overhauling\re-building. Paramski stated that it will take about 12 weeks to rebuild the engines and put new gears in.

Trustee McLeod-Tyson asked if a letter was sent to MCM thanking them regarding the repair to the Drummond IV. Paramski stated he spoke to MCM regarding this as he was worried about how sending a letter would look to other vendors. McLeod-Tyson stated that this was beyond good service and reiterated that this was per board directive and not the first time it was brought up.

Paramski stated that two weeks ago he and several of the ferry crew met with the Coast Guard for their 2nd annual best practice meetings. They went to all three Islands and talked about what went

well and what can be improved upon.

VIII: ALTERNATIVE FARE RESTURCTURE PROPOSAL:

Trustee McLeod-Tyson stated that she received a letter from Senator Wayne Schmidt who stated he was able to change the formula in state funding. Senator Schmidt's letter stated that instead of splitting funding 50% with Beaver Island, EUPTA will receive 60% and Beaver Island will receive 40% of the funding. The letter went on to state that Senator Wayne Schmidt also added a \$1 million increase to the funding. The additional funding was vetoed by the Governor, however Senator Schmidt's letter stated that there are talks taking place that could reverse some of the Governor's budget vetoes.

Trustee McLeod-Tyson stated that she does not think the current fare proposal is good for communities or EUPTA and she thinks that all work on the current proposal should be discontinued and ~~give these things a chance to work out~~ as time is needed to develop a proper plan. McLeod-Tyson stated that it is harmful and Senator Schmidt sees it as harmful.

Board Discussion:

Trustee Egan stated that there was a lot of time and effort into the current proposal so Drummond Island isn't subsidizing all of the Islands. He stated that EUPTA should have legal counsel look at the proposal per board policy. Egan also stated that he is not comfortable asking his constituents to pay more when they have been ~~bearing all of the cost~~ generating the most revenue.

Trustee McLeod-Tyson stated that her efforts aren't for any specific Island but for all of EUPTA. McLeod-Tyson also stated that overall this is harmful.

Trustee Laitinen stated there needs to be verification from Senator Schmidt if the 60% and the million dollars state funding is for marine capital or operating expenses. Laitinen also stated that he does not wish to set aside the current proposal. For several years as Sugar Island has run at a loss. Laitinen stated that he is more than willing to endure a delay; however, he hates to see a 10% increase to Drummond Island residents.

With regard to the Alternative fare restore proposal; **IT WAS MOVED** by Trustee McLeod-Tyson; **SUPPORTED** by Trustee French to increase all current fares 10% to allow time to explore all options. **ROLL CALL VOTE:** Trustee McLeod-Tyson – **YES**; Trustee Egan – **NO**; Trustee French – **YES**; Trustee Laitinen – **NO**; Chairman Waltman; **NO**; Motion Failed.

IT WAS MOVED by Chairman Waltman; **SUPPORTED** by Trustee Egan to postpone fare restructure pending legal advice, with at least one board member on selection committee and an

economic analysis. **UNANIMOUS.** Motion carried

Discussion:

Trustee McLeod-Tyson stated that failing to do anything is a disservice to EUPTA.

Trustee Egan stated that this is a failure on us and that the board needs to draft a policy to find a better way to do this. The board needs to look at cleaning up all polices. None of the board members been in the room to see how you got to these numbers. There needs to be board members, business owners, etc to ensure all aspects are represented. Egan feels an expert needs to be brought in.

Trustee Laitinen stated that he feels staff did a very good job on the proposal as it bears out the financial statement. Laitinen stated that he is unwilling to raise Drummonds fares 10%. He also stated that we need to keep this urgent, and not let this go on for another year.

Trustee French stated that this proposal had no board input and was all of a sudden ~~present~~ in place. She feels that at least one board member needs to be on the task force.

IV: 2ND PUBLIC COMMENT:

Ron Papin – If EUPTA is getting additional money can this be used for operating costs. EUPTA will get clarification if this money is for marine capital or operating costs.

Linda Garlitz – Asked Trustee Egan when his board term was up.

Lori Miller – Stated she has been coming to meetings on and off for 6 years. If you had an electronic system you could have started the increase tomorrow. She also asked who was on the task force. Director Paramski stated he would email her the members.

Bud Willis – Asked if any of the proposed increase was going towards bussing. Mr. Willis was told no as they are two separate systems.

Kristy Beyer- It would be easier to do a cashless system if you reduce the number of products.

IT WAS MOVED by Trustee McLeod-Tyson; **SUPPORTED** by Trustee French to go into closed session. **UNANIMOUS.** Motion carried.

X. BOARD COMMENT

Trustee French stated she wasn't sure if the logger was present that called her when she was in Lansing but wanted to apologize for not getting back to him.

IT WAS MOVED by Trustee French; **SUPPORTED** by Trustee McLeod-Tyson to go into closed session. A roll call vote was taken at 12:28 p.m.

Trustee McLeod Tyson – yes, Trustee French – yes, Trustee Laitinen – yes, Chairman Waltman - yes

IT WAS MOVED by Trustee French; **SUPPORTED** by Trustee Laitinen to return to open session at 12:44 p.m. **UNANIMOUS**. Motion carried.

Trustee French asked that all board members be respectful when there are disagreements.

XI. ADJOURNMENT:

Being no further business to come before the Board, **IT WAS MOVED** by Trustee McLeod-Tyson; **SUPPORTED** by Trustee French to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 1:05 pm. **The next regular board meeting will be Tuesday January 7th 2020 at 10:30 a.m.**



John Waltman
Board Chair



Prepared By: Kathy Neubert
Administrative Assistant