

Board Meeting Minutes

DATE: Wednesday February 1, 2017

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

MEMBERS PRESENT: Conner Egan, Frank Sasso, Jack Kibble and John Waltman

MEMBERS ABSENT: Phyllis French

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

ADMINISTRATIVE STAFF ABSENT: None

OTHERS PRESENT: See attached sheet

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I. CALL TO ORDER

The meeting was called to order at 3:04 p.m. by Chairman Sasso. All trustees were present with the exception of Luce County board member Phyllis French. (weather related).

II. PUBLIC COMMENTS

Lori Miller from Neebish Island presented Executive Director Paramski a request under the Freedom of Information Act as well as a letter.

Ms. Miller stated that the ferry schedule changes January 16th-April 1st and that they did not receive notice regarding this change. She stated it was not posted on the board like it has been in previous years and it was not on EUPTA's website until this week. Ms. Miller stated that she has a Neebish Island Face Book page that she created and she posted the changes on there. This created a lot of discussion amongst Island residents. Some people posted that they thought there should be a change in the Ferry schedule and wondered why they lost the 7pm ferry and some thought they should have a later ferry. Ms. Miller stated that a memo went around the Island regarding rumors and she decided to respond to Mr. Pringle's memo and stated it is not a complaint and is information. She stated that the memo also asked that residents try and get to the ferry 10 minutes early in case the ferry needed to leave early.

Ms. Miller stated that there is a petition going around the Island stating that everyone is happy with Jamie's service. Ms. Miller stated that Jamie is the best at driving the ferry and compares him to anyone in the state. She stated that the petition and the memo only went to certain people.

Ms. Miller stated that a lot of residents asked why they lost 2 trips. Ms. Miller asked should they lose two trips if the contract is a 365 day contract.

Ms. Miller stated that people have a right to ask questions and she feels like there have been games played when they ask questions and it borders on discrimination. She made it clear that it was not the EUPTA board that treated her this way.

Dorrie France-Winegard from Neebish Island stated she is married to James Winegard and he has lived on the Island for years and she has lived there for about 3-4 years. She stated she has a 16 year old daughter and that there are two kids on the Island that go to school who have mandated events for their grades. She stated that some kids are also in sports. Ms. France-Winegard stated that she has an office in Pickford and her board is very lenient letting her stay above that office when needed. She stated that when the ferry schedule is changed and she is not told that it is 6PM it makes it difficult as she is on and off the ferry several times during the day to go to work and pick up her daughter. She stated that her daughter either has basketball, track, or band practice and that all of the games and practices do not get done with until after the 6pm ferry. She stated this week she has to stay above her office four nights. She stated her daughter has horses and that is what she is going to do for a living is train and raise horses. She stated that this puts a strain on her husband to care for

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the horses. She stated her daughter has high functioning autism. She stated that she is not able to connect with the horses when she is not home. She stated that the ferry schedule change to 6pm has put a strain on her family. She stated that she knows it was her choice to move to the Island but stated she doesn't think they should be kept hostage and that is how her daughter feels. She stated her family can't attend her daughter's events because it costs too much to go home requiring a special trip. She stated that they are going to end up with all the people on the Island dead someday and two kids that will probably say they don't want to be there anymore.

She stated her child has to do her grades and her IEP states she needs to be fully involved with her age appropriate peers to be productive in the community. Ms. France-Winegard suggested a later ferry time might be helpful.

Bill Kutz of Neebish Island stated he has to take time off of work when he needs to get errands done because he works until 4:30 and that doesn't leave him enough time to get his errands done and then catch the 6 pm ferry. He asked if it was possible to switch the 6pm ferry to 7pm. Mr. Kutz also spoke about an ice bridge and an airboat. He stated when there was an ice bridge you could still get across to the Island.

Jamie Pringle stated that the runs they have scheduled now are schedule for a reason. He stated the 6:45 am ferry is to get the kids to school. The 9am is for the people on the Island ,the noon run is for the mail and the 3pm is for the mail truck to come off the Island. He stated that 4:15 pm ferry is for the school kids and the 6pm is to get the rest of the people home.

Dorrie France-Winegard asked there could be an 8pm ferry as it is difficult if you have to go into town to make it back for the 6pm ferry especially if there are bad roads. She stated that she is not paying \$100.00 for a special run.

Lori Miller asked for clarification of the special trips as she was told they were for emergencies.

There are 79 full time residents on Neebish Island. Chairman Sasso suggested they all get together to see what the rest of the residents would like to see and present EUPTA with a plan.

Trustee Conner Egan suggested the Neebish residents contact their County representative Don McLean and see if he will set up a meeting on the Island.

Lori Miller stated that she thought businesses should be notified if there was going to be a meeting. Executive Director Paramski stated that the meeting could be advertised as a public meeting stating what the topic is going to be.

Lori Miller stated she still had a question regarding the ferry contract and if it was a 365 day contract. Executive Director Paramski stated that it is a 365 day contract but there is an Appendix G that has

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all three schedules attached to it. If a time was added or changed, the contractor could ask to renegotiate.

Lori Miller asked about the 1 year extension of the contract. Executive Director Paramski stated that the one year extension is every year. It is a 3 year contract that expires 3/31/17 and contract can be extended year to year and renegotiated.

III. APPROVAL OF BOARD MINUTES

With regard to the Board Meeting Minutes for January 4, 2017 ; **IT WAS MOVED** by Trustee Kibble; **SUPPORTED** by Trustee Waltman to approve said minutes. **UNANIMOUS**. Motion carried

IV. FINANCIAL REPORT

IN GENERAL

Finance Director Gordon passed out a listing of the bills that were paid electronically.

Gordon had two resolutions that needed board approval. They are both "Resolutions of Intent" to apply for FYE 2018 state formula operating assistance for both the busing and ferries. EUPTA has three applications that are due February 15, 2017. This is the process where EUPTA will apply for not only operating assistance but all of our capital needs.

In regards to the resolution for bussing, **IT WAS MOVED** by Trustee Kibble; **SUPPORTED** by Trustee Egan to sign said resolution. Motion carried.

In regards to the resolution for the ferries, **IT WAS MOVED** by Trustee Kibble; **SUPPORTED** by Trustee Egan to sign said resolution. Motion carried.

Gordon stated that a "public notice" will be published in the paper showing all of the operating and capital needs that EUPTA is applying for.

Gordon reported that the audit is almost been finalized and Anderson Tackman and Co. will be presenting the report at the March board meeting. In speaking with them, they felt it would be a good idea to designate a portion of our cash specifically for the accrued compensated absences which is around \$180,000. This would be identical to the designation we currently do for our ferry capital match. The amount would change from year to year and we will change it as needed. Anderson Tackman is waiting on EUPTA's decision on this so they can finalize this in the audit report. Gordon

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encouraged the board to designate the \$180,000 retro back to 9/30/16 so it can be in the footnotes of the audit.

IT WAS MOVED by Trustee Waltman; **SUPPORTED** by Trustee Kibble to designate a portion of our cash specifically for the accrued compensated absences retroactive to 9/30/16. Motion carried.

Gordon stated that since Ted Postula was not reappointed and EUPTA just updated all of the signature cards, the board needs to make a motion to remove Ted from all accounts in the Authority's name. EUPTA will keep Chairman Sasso and Trustee Kibble on the cards as well as Executive Director Paramski and not add anyone new at this time.

IT WAS MOVED by Trustee Waltman; **SUPPORTED** by Trustee Kibble to remove Ted Postula from all accounts in the Authority's name. Motion carried.

Gordon also stated that a new secretary needs to be appointed. **IT WAS MOVED** by Trustee Kibble to nominate Trustee Waltman; **SUPPORTED** by Trustee Egan. Motion carried.

BUS SYSTEM

Gordon reported that EUPTA's fare revenue is down 4% for the month of December and passengers are down by 321. December is a slow month for the bussing due to Northern Transitions and other programs being closed for 2 weeks. Total revenue is up by 3.41% and expenses increased almost 19%. Wages are up due to the increase that took place in December and the administrative line item is up for staff overlap and 2 retirements which included sick and annual leave payouts. You will see this increase in the ferries as well.

FERRY SYSTEM

The ferries had a slight decrease in fare revenue in December with both vehicles and passengers down as well. YTD fare revenue has increased 4%, vehicles are up 2% and passengers are up 3% for all three ferries combined.

Gordon reported that like most winters ,the ferry operations often operate with a deficit during these months. During the busy summer months, EUPTA puts aside cash to offset the reduced fare revenue in the winter.

Gordon stated that page 18 is a running balance showing the amount of capital match EUPTA has set aside for the marine capital match that is required for grants. She stated that the next page shows the amount of cash EUPTA has designated for this match. In addition to audit report footnotes, this is where the \$180,000 designation for accrued compensated absences will be shown.

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V. EXECUTIVE DIRECTOR'S REPORT

FERRIES:

Executive Director Paramski reported that the Sugar Islander II experienced a problem with the main engine. The Drummond Islander III was brought up over the week-end with a Coast Guard escort. The engine was pulled and the spare will be put in. He stated that if all goes well the Sugar Islander II will be in the water doing Sea Trials Friday afternoon. Paramski reported that the engine that was pulled out will now have to be sent in for a rebuild which is money that EUPTA did not plan on spending. Paramski and Gordon met with Chuck Lindstrom, Project Manager and Paramski reports that they did identify funding for the engine rebuild. Paramski has been in contact with the Coast Guard in regards to getting the Drummond III back to Drummond Island.

Paramski reported that the consultant that is designing the new Sugar III boat called earlier in the week and reported they are at the point where they are ready to start writing the specifications and that they are on schedule for the 3/20/17 deadline on the design. Delivery of the boat was also discussed.

Paramski reported that the Drummond IV inspection came to a conclusion and EUPTA was certified for another year.

BUSSES:

Paramski stated that EUPTA continues to have difficulties hiring bus drivers. He stated that he has talked with other transit companies however they have a millage and we don't therefore they can offer a higher wage and benefits. Paramski noted that EUPTA went from full time drivers to part time drivers about 10 years ago. Paramski stated it was a good business decision at the time. He feels that it was a short term fix as the retired bus drivers could come back as part time. Paramski stated that at some point we will lose our current bussing supervisor. He stated that EUPTA will not be able to replace him with all of his knowledge for the wage we are offering. Paramski stated if it wasn't for our bussing supervisor we would not have a bussing system as he is covering shifts, doing special runs and plowing so the busses can get out in the mornings. Paramski stated that we could do extra things to generate revenue if we had the drivers to do so.

Paramski stated that his recommendation is that at a minimum EUPTA will need to hire at least one full time person.

Paramski stated that the Director of the International Bridge has requested a meeting regarding transportation.

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General:

Paramski stated that at the last meeting the Board mistakenly approved and ratified a contract with a two percent increase the first year, a two percent the second year and a wage reopener the third year.

Paramski stated that he had two sets of notes and mistakenly presented the wrong notes to the Board. Paramski stated that it should have been a 3% increase in year one, a reopener in the second and third year.

IT WAS MOVED by Trustee Kibble; **SUPPORTED** by Trustee Waltman to ratify the Union contract with the above changes regarding wages..

VII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Trustee Waltman; **SUPPORTED** by Trustee Kibble to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 5:05 pm. The next regular board meeting is scheduled for **Wednesday** March 1st at 3:00 p.m.

John Waltman, Sec. /Treas.

Prepared By: Kathy Neubert