



EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

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Board Meeting Minutes

DATE: Tuesday May 5th, 2020

PLACE: Zoom Electronic Meeting

MEMBERS PRESENT: John Waltman, Phyllis French, Lynda Garlitz, Jim German and Joe Henne

MEMBERS ABSENT: None

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

ADMINISTRATIVE STAFF ABSENT: None

OTHERS PRESENT: See Attached

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I. CALL TO ORDER:

The meeting was called to order at 10:33 a.m. by Trustee Waltman.

II. ROLL CALL OF TRUSTEES:

Trustee French – present
Chairman Waltman – present
Trustee Garlitz – present
Trustee German – present
Trustee Henne – present.

III. ADDITIONS/DELETIONS TO AGENDA:

Chairman Waltman asked that the Hazard Pay Policy be added under the policy review section.

IT WAS MOVED by Chairman Waltman; **SUPPORTED** by Trustee Henne to add the Hazard Pay policy to the agenda under the policy review section and move the presentation by IBI group to the beginning of the agenda. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz – Yes, Trustee German – Yes, Trustee Henne - Yes. Motion carried.

Executive Director Paramski introduced and welcomed the two new EUPTA board members. Jim German is from the Sault and is the County Administrator. Jim Henne is Audiologist of over forty years and is from Drummond Island.

Paramski stated that IBI group would be doing a brief presentation on the electronic fare system, Mark Koerner, our attorney from Foster Swift will be joining the meeting, Amber Mack from Anderson Tackman will be presenting the Audit Report and Chuck Lindstrom, EUPTA's project manager from MDOT will also be joining the meeting.

IV. PRESENTATION BY IBI GROUP:

IBI Group gave a brief presentation to the board. They have worked with several ferry systems as well as transit agencies. IBI Group would focus on how EUPTA does things today and what makes sense to use in the short term and then present different options for the board to review for long term usage.

IT WAS MOVED by Trustee German; **SUPPORTED** by Trustee French to initiate the IBI proposal to move forward once the sole source from MDOT is approved. A roll call vote was taken:

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Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz – Yes, Trustee German – Yes, Trustee Henne - Yes. Motion carried.

V: AUDIT REPORT:

Amber Mack from Anderson Tackman presented the audit report.

VI. PUBLIC COMMENTS:

None

VII. APPROVAL OF BOARD MEETING MINUTES

In regards to the April 7th 2020 Board Meeting minutes **IT WAS MOVED** by Trustee French; **SUPPORTED** by Trustee Garlitz to approve said minutes. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz – Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

VIII. FINANCIAL REPORT

IN GENERAL

Finance Director Gordon presented the Electronic Funds Report.

Gordon stated that with the change of the board EUPTA needs to update who we have as signers on our accounts at all of the various financial institutions. Currently, Pete Paramski, John Waltman and Jennifer McLeod are on the accounts. Gordon stated that EUPTA's checks require two signatures, the director and one board member. Since Jennifer McLeod resigned, EUPTA will need to add one and preferably two board members to our accounts. Gordon stated that it helps if the board members are close to the office for convenience. Normally checks are printed every two weeks as that coincides with payroll. Gordon would recommend Lynda Garlitz and Jim German be added as signers in addition to John Waltman and Pete Paramski as signers to EUPTA's accounts and remove Jennifer McLeod.

IT WAS MOVED by Trustee Henne; **SUPPORTED** by Chairman Waltman to remove Jennifer Lynn McLeod-Tyson from all EUPTA accounts that she was on and add Jim German and Lynda Garlitz to those accounts. John Waltman and Pete Paramski will remain on accounts as well. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

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Gordon reported that with the onset of COVID-19, The Office of Passenger Transportation has sent an email to all transit agencies requesting a Resolution for Electronic Signatures where signatures are needed. This will expedite the process of getting contracts and various other documents that would normally require an original signature to be binding.

IT WAS MOVED by Trustee Henne; **SUPPORTED** by Chairman Waltman to approve Executive Director Pete Paramski and Finance Director Akemi Gordon be authorized to sign electronically on behalf of the Eastern Upper Peninsula Transportation Authority. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

BUSSING:

Gordon reported that fares for the month of March were down 3% with passengers down 20%. EUPTA didn't start feeling the effects of COVID-19 until the Executive Order went into effect on March 24th 2020. As Gordon had mentioned last month, bussing really started taking off with the Rides to Wellness program. Revenue from that program alone was a little over \$2,500. It would have been double that amount had we not had to cancel the rest of the rides we had scheduled. HBH and NTI cancelled all of their programs which brought in a majority of our income as well. Gordon stated that EUPTA still has the loyal corrections officers using the bus service.

Gordon stated that April is where EUPTA will see the biggest drop in revenue and passengers. Although we don't have all the numbers in yet, it appears that passengers are down approximately 57%.

FERRY SYSTEM:

The ferry system had a 14% decline in fare revenue, a 21% decline in vehicles and 23% decline in passengers for the month of March. Again, this is a partial month of when the Executive Order went into effect.

COVID-19 AND CARES ACT FUNDING:

Gordon stated that last month EUPTA was just beginning to hear of any relief funding regarding the CARES ACT. Gordon stated she had reported that the Office of Passenger Transportation would be awarded just over \$73,000,000 for Rural Transit agencies. Of that amount a little over \$53,000,000 will be distributed to 5311 providers to cover COVID-19 operating expenses and lost revenues. Eligible operating expenses include Hazard pay, PPE, cleaning/sanitizing supplies and services and equipment to allow people to work from home (within reason). As mentioned in the Executive Order, transportation is considered an essential service so all of EUPTA's employees have been working as usual with the exception of one bus driver that was temporarily laid off.

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Gordon stated that last month she had reported that the bus system qualified for 5311 funds but she was unsure if the ferry system would since EUPTA does not currently receive this funding for the ferries. Gordon reported that she has since learned that the ferries will receive the 5311 CARES ACT funding as well.

Gordon stated that the current distribution is as follows:

2020:

The CARES ACT will provide 18% of budgeted eligible operating expenses to each eligible agency including the ferry systems.

2021:

The CARES ACT will also provide 18% of budgeted eligible operating expenses based on the revised FY 2021 budgets that will be due in August.

After funding the operating assistance, there will be approximately \$9 million in aide to cover the lost revenues caused by COVID-19. The formula for distribution has not yet been established.

Since they anticipate the recovery systems will take until at least the end of FY 2021, the funds will be spread over two fiscal years.

Gordon stated that for the EUPTA bus system, 18% of our budgeted eligible expenses will provide approximately \$93,000 over two years to cover 100% of COVID-19 related expenses.

For the ferry system 18% of our budgeted eligible expenses will provide approximately \$561,852 over two years to cover 100% of COVID-19 related expenses.

Gordon reiterated that these funds will NOT cover regular operating expenses not related to COVID-19.

Gordon stated that as of the end of April, EUPTA's COVID-19 related expenses amount to a little over \$10,000 not including any hazard pay that may be approved dating back to March 24th when the Executive Order went into effect. A hazard pay policy was sent to the board yesterday to review and comment.

Lost in revenue is estimated to be approximately \$12,000 through March 24th-31st. The reimbursement for this is yet to be determined by the Office of Passenger Transportation from the \$9 million allocated from the CARES Act.

IX. DIRECTORS REPORT

Director Paramski spoke about the IBI proposal that was approved by the board. He stated that there is a two-part approval needed before IBI can be given the notice to proceed. The board approved their part and Paramski stated that EUPTA is working on the procurement process with MDOT. Paramski stated that process is about 90% complete and stated he should know more by the end of the week. Paramski stated that phase one is for the study and a possible short-term solution to eliminate some cash handling while they are working on a final solution. Paramski stated that once possible solutions are identified, IBI group will come back to the board and present what they have found and what their recommendations are. Phase two will be procuring the devices and technology to implement the solution which Paramski stated this will be a larger cost but does know what the cost will be as it is dependent on what is purchased. Paramski stated that EUPTA does have the anticipated funding for this project.

Paramski stated that EUPTA has started writing the specifications for surveillance camera systems for the ferries. Paramski stated that this will be a lengthy process and will have to go through the MDOT procurement process. Paramski stated he is hopeful this will be ready for MDOT review in the next two weeks.

Paramski stated that there may be some additional changes to the ferry schedules. Traffic is increasing due to some relaxation of the Executive Order and we are looking at possibly going back to a regular schedule during day time hours seven days a week but still keeping the night schedule someone limered as traffic volume is still low during this time.

Paramski gave an update on the Neebish III.

Paramski reported that the Drummond Islander III drydocking project is presently at a stand still with the Stay at Home Order. MCM Marine is hoping to have some of their staff back soon.

X. POLICY REVIEW

IT WAS MOVED by Trustee German; **SUPPORTED** by Trustee Garlitz to update and approve the advertising policy to include no marijuana or paint on item 7 page 2 and approve the weather policy with the following changes: add EUPTA website, Facebook sites and telephone information line to procedure number 2. The Code of Ethics policy was tabled until the next meeting. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

In regards to the public comment policy, **IT WAS MOVED** by Trustee German; **SUPPORTED** by Trustee Garlitz to approve the advertising policy with the following change: Board members will not engage in dialogue with the public. If a member of the board of directors' choses to comment,

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they shall do so under the Board Comment portion of the agenda. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

In regards to the hazard pay policy, **IT WAS MOVED** by Trustee German; **SUPPORTED** by Trustee Henne to adopt said policy. A discussion was had that this money is Federal money through the CARES Act and hazard pay will be at no cost to EUPTA. All employees will be paid a total of time and a half for regular time worked excluding any paid leave or holidays retroactive to when the Executive Order was signed on March 24th 2020. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

XI. ELECTION OF OFFICERS DISCUSSION:

Chairman Waltman opened discussion regarding election of officers.

IT WAS MOVED by Trustee German; **SUPPORTED** by Trustee Garlitz to have John Waltman remain in the position of chairman.

Discussion: Trustee French nominated Lynda Garlitz as chairperson, Trustee Garlitz declined. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

Chairman Waltman opened the nominations for vice chair and secretary/treasurer.

IT WAS MOVED by Trustee French; **SUPPORTED** by Trustee German to nominate Lynda Garlitz for secretary/treasurer. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

IT WAS MOVED by Trustee Garlitz; **SUPPORTED** by Trustee Henne to nominate Jim German for vice chair. A roll call vote was taken: Trustee French-Yes, Chairman Waltman – Yes, Trustee Garlitz -Yes, Trustee German – Yes, Trustee Henne - Yes. Motion Carried.

XII. ADDITIONAL PUBLIC COMMENT

None

XIII. NEW BUSINESS

Chairman Waltman discussed adding the Pledge of Allegiance to the agenda. It was agreed that the Pledge of Allegiance will be added to the monthly agenda after call to order.

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Chairman Waltman discussed the Oath of Office requirement as a board member. Chairman Waltman stated that he will get his Oath of Office taken before the next board meeting.

XIV. BOARD COMMENT

Trustee Henne stated that he would like it reflected in the minutes that he and Trustee German completed the board orientation on 4/21/20. Trustee German and Trustee Henne both stated it was a well-run orientation.

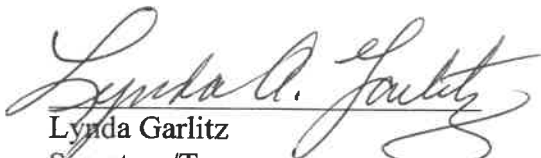
Trustee Henne also asked about the new property that EUPTA is looking at. He asked if Director Paramski could give an update on this each month.

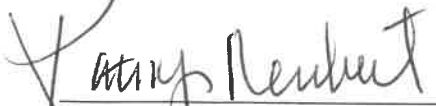
Trustee French voice frustration regarding what has been going on at EUPTA.

Trustee German stated that he feels if a board member wants to confront administration on issues, you need to ask the chair to go into closed session.

XV. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Trustee German; **SUPPORTED** by Trustee French to adjourn. A roll call vote was taken: Trustee French – Yes, Chairman Waltman – Yes, Trustee Garlitz – Yes, Trustee German – Yes, Trustee Henne - Yes. **UNANIMOUS**. Motion carried. Meeting was adjourned at 12:52 pm. **The next regular board meeting will be Tuesday June 2nd at 10:30 a.m.**


Lynda Garlitz
Secretary/Treasurer


Prepared By: Kathy Neubert
Administrative Assistant