

Board Meeting Minutes

DATE: Monday November 7, 2016

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

MEMBERS PRESENT: Ted Postula, Frank Sasso, Jack Kibble

MEMBERS ABSENT: Greg Schultz, John Waltman

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

**ADMINISTRATIVE
STAFF ABSENT:** James Dunn and Lynda Schexnayder

OTHERS PRESENT: See attached sheet

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I.-II CALL TO ORDER

The meeting was called to order at 4:04 p.m. by Chairman Sasso. All directors were present with the exception of Luce County board member Greg Schultz.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES

With regard to Minutes for the Special Board Meeting on August 31, 2016 and Board Meeting minutes for September 7, 2016 ; IT WAS MOVED by Director Postula; SUPPORTED by Director Kibble to approve said minutes. UNANIMOUS. Motion carried

V. FINANCIAL REPORT

IN GENERAL

Finance Director Gordon went over the electronic funds transfer report.

BUS SYSTEM

Overall revenue is down 1.22% and expenses are almost \$49,000 less than a year ago or 11.3%. A big portion of this is the reallocation of the mechanics wages from bussing to ferries. A majority of their time is spent on the ferries and wages are reallocated based on actual hours spent at each of the locations. This will change from year to year. The other line item is fuel where costs were down \$20,000 from a year ago. The parts and materials line item is up as some of the busses are beyond their useful lives with a lot of miles on them. One of the busses needed a new transmission this year. The good news is that EUPTA just received a contract for 2 new busses from the State.

Ferry System

The Ferry's had just over an 8% increase in fare for August and a 12% increase YTD. Expenses are up a total of 3%. Some of the line items will change when the year gets closed out with the

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September financials.

Finance Director Gordon also pointed out that page 18 of the financials is the amount of local capital funds that have been accumulating since the Drummond IV was built. These funds have been used to match the capital contracts for marine projects. Most of the time there is a 10% match on these projects.

Finance Director Gordon also discussed that page 19 shows the cash and equivalents in which a portion of the cash is reserved for capital match projects.

VI. DIRECTOR'S REPORT

Director Sasso introduced Pete Paramski and recommended the Board hire him effective 10/10/16. It was **MOVED** by Director Waltman and **SUPPORTED** by Director Kibble to hire Mr. Paramski. **UNANIMOUS**. Motion carried. Mr. Paramski stated he was happy to be here and looking forward to working with everyone.

FERRIES:

Director Moser reported on the completion of the Detour ferry dock repaving project. Also discussed were the problems with the hydraulics at Neebish Island. In regards to Sugar Island and the causeway project; it is expected that the concrete pour will be completed tonight. Director Moser also gave an update on the Sugar Islander II Dry-dock/Hull inspection.

Moser explained the need for an operations manager specifically for ferry operations. Moser reported that he has created a "draft" job description for the position and strongly encouraged the board to give the issue positive consideration.

Busses:

Director Moser reported that the new Transit Van for Luce County should be delivered soon. He also reported that EUPTA just received a new contract for two replacement buses as the fleet is getting run down.

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VII. ATTORNEY'S REPORT

Attorney Dunn was present and discussed purged files as well as Director and Officer insurance.

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Director Waltman; **SUPPORTED** by Director Postula to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 5:08 pm. The next regular board meeting is scheduled for Monday November 7th at 4:00 p.m.

Ted Postula, Sec. /Treas.

Prepared By: Kathy Neubert