

EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

4001 I-75 Business Spur

Sault Ste. Marie, MI 49783

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Board Meeting Minutes

DATE: Tuesday September 5, 2017

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

MEMBERS PRESENT Jack Kibble, John Waltman, Frank Sasso,
Phyllis French, Connor Egan (arrived at 2:35 p.m.)

MEMBERS ABSENT: None

**ADMINISTRATIVE
STAFF PRESENT:** Pete Paramski, Akemi Gordon 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 2:30 p.m. by Chairman Sasso.

II. ROLL CALL OF TRUSTEES

All trustees were present.

III. PUBLIC COMMENT

None

IV. APPROVAL OF BOARD MINUTES

With regard to the Board Meeting Minutes for August 1, 2017; **IT WAS MOVED** by Trustee French; **SUPPORTED** by Trustee Kibble to approve said minutes. **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT:

IN GENERAL:

Finance Director Gordon presented the electronic funds report.

Finance Director Gordon reported that once a year EUPTA has to adopt the PA 152 Publicly Funded Health Insurance Act. EUPTA can choose between the 80/20 cost sharing or the hard caps. Since the inception in 2011, EUPTA has always opted for the 80/20 cost sharing. The cost of EUPTA's health insurance always far exceeds the caps and therefore would be more costly to the employees.

IT WAS MOVED by Trustee Waltman **SUPPORTED** by Trustee Kibble to adopt the 80/20 cost sharing. **UNANIMOUS**. Motion carried.

Gordon stated that EUPTA is still waiting on BC/BS renewal rates however would like the Board to adopt the budgets for YE 2018 and make any necessary amendments at a later time.

IT WAS MOVED by Trustee Kibble **SUPPORTED** by Trustee French to approve the budget for FYE 2018. **UNANIMOUS**. Motion carried.

Gordon stated that a Procurement Policy amendment to the EUPTA Procurement Policy for change in dollar amounts needs to be made.

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IT WAS MOVED by Trustee Waltman **SUPPORTED** by Trustee Kibble to amend the EUPTA Procurement Policy for change in dollar amount. **UNANIMOUS.** Motion carried.

BUS SYSTEM:

EUPTA's overall revenue is up 1.66% with most of it stemming from our JARC grant and the Federal operating assistance. Our expenses are up 6.3%. Wages, fuel, liability insurance and advertising are line items that reflect increases.

FERRY SYSTEM:

July fares were pretty comparable to last year with the exception of Sugar Island because of the bridge project. Overall our fares are down 4% or almost \$48,000. EUPTA estimated the fares associated with the bridge project to be around \$50,000 so this would explain the YTD decrease. Vehicles are down 2,830 with passengers down 1,645.

The ferry system has recovered from its winter deficit. We still have August and September numbers yet to be recorded.

VII. EXECUTIVE DIRECTOR'S REPORT

FERRIES:

Executive Directed Paramski reported that EUPTA has received the award for the dry docking and repowering of the Drummond IV. Paramski reported that EUPTA also got a bid protest from Great Lakes Towing Company and that he has been working with an Attorney out of the Detroit area who has Marine experience and has handled bid protests. Paramski also stated that Trustee Egan and Head Captain Brad Kuusinen spoke to several Island residents and business owners regarding Fall Fest. The consensus was to get the Drummond IV done as quickly as possible even though this means only having one boat for Fall Fest.

Head Captain Brad Kuusinen is bringing the Drummond IV to the dry-dock today and work will begin tomorrow.

Fabric CAT brought back the 3412 swing engine and took the 3508 swing engine. They are in the process of procuring the parts for the Drummond IV 3508 engine rebuild.

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Paramski stated that a pre-construction meeting was held on 8/28/17 regarding the Drummond IV project. Paramski noted that there may be an issue getting the non skid paint as it comes from Houston and at this time they are dealing with flooding. Paramski stated that this would not hold the project up. Paramski stated that he will be scheduling weekly progress meetings on this project.

Paramski stated that the Annual Inspection was done on the Drummond III on 8/30/17. Paramski reported that it couldn't have gone better and they even received some nice compliments in regards to our training logs.

BUSSING:

Paramski stated that EUPTA has hired one new bus driver who is retired from the Military. He has recently received his CDL license and "P" endorsement. EUPTA continues to struggle hiring drivers and are still down one driver.

Paramski has met with Rosemary Smith from Eagle Radio regarding advertisement. Eagle Radio will place their logo on our bus and in return EUPTA will receive \$1000 a month radio advertising. Rosemary is currently working on some radio ads for Paramski's review.

GENERAL:

Paramski and Gordon attended the 3 day annual MPTA conference at Crystal Mountain. While there they met with Clark Harder the Director of the Michigan Public Transit Association. Clark has offered to come to EUPTA and provide some Board Training regarding the history of transit, funding, role of the board/director etc. It would be about a 2 hour session and he is looking at 9/18/17 in the afternoon or 9/19/17 in the morning. **UPDATE:** Training scheduled for 9/19/17 10am-noon.

At this time Chairman Sasso called for a motion to go into Closed Session for an update to the board on the bid protest. **IT WAS MOVED** by Trustee Egan; **SUPPORTED** by Trustee French to go into Closed Session. A Roll Call vote was taken at 2:56 pm.

Trustee Kibble: yes Trustee Waltman: yes Trustee Egan: yes Trustee French: yes
Chairman Sasso: yes

IT WAS MOVED by Trustee Kibble; **SUPPORTED** by Trustee Waltman to return to Open Session. A Roll Call vote was taken at 3:22 pm.

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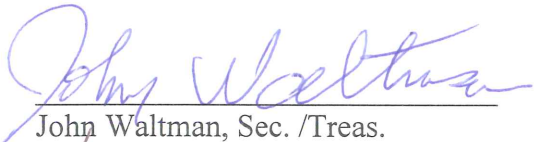
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Trustee Kibble: yes Trustee Waltman: yes Trustee Egan: yes Trustee French: yes
Chairman Sasso: yes

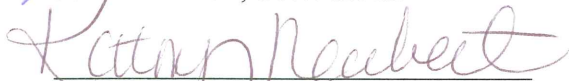
At 3:22 pm Chairman Sasso called the meeting back to order in "Open Session".

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Trustee French **SUPPORTED** by Trustee Kibble to adjourn. **UNANIMOUS.** Motion carried. Meeting was adjourned at 3:23 pm.



John Waltman, Sec. /Treas.



Prepared By: Kathy Neubert