

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 4:00 p.m. by Chairman Sasso. All directors were present with the exception of Luce County board members Greg Schultz and John Waltman.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF BOARD MINUTES

With regard to the Board Meeting Minutes for October 3, 2016 ; **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to approve said minutes. **UNANIMOUS**. Motion carried

V. FINANCIAL REPORT

IN GENERAL

Director Gordon discussed two Master Agreement resolutions between MDOT and EUPTA. The first agreement is for 2012 which covers current contracts that EUPTA has in place and the second agreement is for 2017 and will cover the next 5 years. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to sign the 2012 and 2017 agreements with Director Paramski's name on them allowing him to be the authorizing agent on behalf of EUPTA. **UNANIMOUS**. Motion Carried.

Director Gordon reported that Director Paramski needs to be added as a signer on all accounts in the Authority's name and remove Director Moser from all accounts. This will include all checking, savings and CD's. **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to add Director Paramski's name to all accounts in the Authority's name and remove Director Moser from all accounts. **UNANIMOUS**. Motion Carried.

Director Gordon reported that the company credit card will need to be changed by removing Director Moser's name and adding Director Paramski. **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to make the above changes. **UNANIMOUS**. Motion Carried.

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Director Gordon reported that EUPTA has an office account that is used to make very small purchases without delay. Director Moser, Administrative Assistant Lynda Schexnader and Director Gordon are the current authorized signers on the account. Moser and Schexnader will need to be removed from the account and Director Paramski and Administrative Assistant Kathy Neubert will need to be added to the account. **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to make the above changes to the office checking account. **UNANIMOUS.** Motion Carried.

Director Gordon reported that the consolidated income statement shows that EUPTA had a surplus. This will have to be reduced when the auditor does the audit. The biggest adjustment will be for GASB 68. Gordon reported that EUPTA has to wait for the year end Statement of Fiduciary Net Position from MERS. Gordon spoke with Anderson Tackman and the adjustment will be close to last years adjustment. Gordon reported the surplus will be reduced by approximately \$161,000 which is the difference in the MERS line item from last year. In addition, the increase in revenue with the Sugar Island bridge project was a one-time boost in revenue and shouldn't be relied upon for the upcoming years.

BUS SYSTEM

Director Gordon reported that overall revenue was up slightly and expenses were down 4%. This was mainly because of low fuel prices and EUPTA's liability insurance through the MTP. This year EUPTA received a refund. This is a shared risk program and depending on the number of incidents throughout the pool EUPTA might receive a refund one year but there have been other years where additional premiums had to be paid.

FERRY SYSTEM

EUPTA has had an 11.6% increase in fares this fiscal year and a decrease of 5.67% in expenses. The expense number will be adjusted for GASB 68. Drummond had a 7.5% increase in fare revenue, Sugar had a 17.4% increase (bridge project), and Neebish had a 14.22% increase. Drummond and Sugar operated with a surplus and Neebish with a deficit.

Traffic increased on the ferries with 43,898 more vehicles and 57,988 more passengers.

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VI. DIRECTOR'S REPORT

FERRIES:

Director Moser reported that Director Paramski has done a lot of introductions the last few weeks. Paramski has gone to Sugar Island and Drummond Island and has met with the Head Captain at Neebish Island

Moser and Paramski reported that EUPTA will be approximately \$25,000 over contract amount on the Sugar Islander II dry dock project. There were a number of things that had to be addressed including hull problems. Paramski reported that he is working with MDOT and our Project Manager to secure additional funding. He also reported that the ferry should be back in the water in the next few days.

Paramski has had a phone conference with Gilbert and Associates in regards to the new vessel design for Sugar Island. Their contract was extended to 3/20/17 for final deliverables. The USCG and Army Corp of Engineers were invited to attend a meeting at EUPTA to discuss the new vessel design. The Coast Guard attended the meeting regarding the preliminary design.

Director Moser and Paramski attended the PVA Regional meeting in Traverse City. Paramski met a lot of people and did a lot of networking. Paramski had a discussion about electronic payment/record keeping system install which sounds promising.

Busses:

Director Paramski reported that two new buses have been ordered and should be in around April 2017. The busses are 80% Federally funded and 20% State funded. He also reported that the new lift van for Newberry should be in before the end of the Calendar year.

Paramski also discussed driver replacement issues. Discussed that other agencies pay for a drivers CDL license and Passenger endorsement.

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General:

Paramski discussed the Request for Qualifications for facility upgrades. A voluntary walk through was conducted and there were four interested consultants. This will include a boundary survey, title search, environmental clearance, feasibility and a detailed report when completed. Qualification proposals are due November 25, 2016.

Paramski stated that six solicitations have been made to replace one of the Authorities trucks. Three bids are needed and they are due back 11/11/16.

Paramski reported that he met the UPTP members in Marquette and attended the RTP symposium with Project Manager Chuck Lindstrom and Andy Brush as well as other MDOT officials in Marquette as well as a subsequent meeting with Chippewa, Mackinac and Luce Counties.

Parmanski reported that the USCG would be doing an audit of EUPTA's drug and alcohol program on 11/9/16.

VII. ATTORNEY'S REPORT

None

VIII. ADJOURNMENT

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

Ted Postula, Sec. /Treas.

Prepared By: Kathy Neubert