

EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

4001 I-75 Business Spur

Sault Ste. Marie, MI 49783

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Board Meeting Minutes

DATE: Wednesday April 5, 2017

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

MEMBERS PRESENT Jack Kibble, John Waltman, Frank Sasso,
Conor Egan (arrived at 3:40 p.m.)

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 3:01 p.m. by Chairman Sasso.

II. ROLL CALL OF TRUSTEES

All trustees were present with the exception of Trustee French. Trustee Egan arrived at 3:40 p.m.

III. PUBLIC COMMENT

None

IV. APPROVAL OF BOARD MINUTES

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

V. FINANCIAL REPORT:

IN GENERAL:

Finance Director Gordon presented the Electronic funds transfer report.

BUS SYSTEM:

Passenger counts for February were down 139 or 5% for both Chippewa and Luce County combined. The total revenue is fairly consistent with last year and expenses have increased almost 9.5%. A couple of line items that stand out are wages, fuel is up slightly, general liability and fleet insurance (we had a refund last year) and admin. Overall we're still operating with a surplus of around \$7,300.

FERRY SYSTEM:

Fares, vehicles and passengers were down on all three ferries in February. In 2016 there were 29 days in February as opposed to 28 this year. That would account for a portion of that decrease. Year to date fare revenue is up slightly by \$2,500. Expenses have increased 9.7%.

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ONLINE TICKET SALES/TICKET BOOKS:

Effective May 1st, online ticket sales will be available. Ralph Diehl set everything up and he'll be working with EUPTA'S web designer. The 3rd party credit card processor will be Shopify. In order to cover the credit card fees and postage, Ralph had recommended a 4% handling fee on all online orders. This is not an uncommon charge when ordering anything online.

Gordon discussed eliminating the 10 trip commuter tickets on all ferries. All books will be 20 trip. EUPTA would like to phase this out by April 30th and beginning May 1st all books will be the 20 trip. This will be announced on our website as well as the Drummond and Sugar facebook pages. Word of mouth from the deckhands will serve as a great way to get the word out.

IT WAS MOVED by Trustee Waltman; **SUPPORTED** by Trustee Kibble to eliminate all 10 trip ticket books and to adopt an online ticket sale system. **UNANIMOUS.** Motion carried.

VI. EXECUTIVE DIRECTOR'S REPORT

FERRIES:

Director Paramski reported that the Sugar III design is 95% complete and that the final plans should be here within a month. Paramski stated he would ask the designer if he would do a presentation on the design. **UPDATE:** Navel Architect tentatively agreed to attend May Board Meeting to give presentation.

Paramski gave an update on the 2 Sugar Generators, the Drummond III dry docking and the Drummond IV repowering and dry docking

Paramski discussed the Pringle Maritime contract. He stated that the 3 year contract is up and that EUPTA has opted to utilize the one year extension clause. The extension renegotiation can be considered based on performance and ridership. Paramski stated that Pringle has asked for a small increase so he can give his deckhands a raise and hire a part time Captain for 40 days per year. There will also be a change under the "extent of services" section of the contract which states that 70% of the computed daily contract amount shall be refunded back to EUPTA for any more than a 10 day seasonal shutdown and that these days do not need to be consecutive. In the event that the seasonal shutdown exceeds 10 days, the refund shall be retroactive back to the first day of shutdown for purposes of assessing the days of refund. The refund per day would be \$306.00 per day. Pringle also asked for a small schedule change which would eliminate the 5pm run, as well as a 9am, 12pm, 3pm and 6 pm schedule for Thanksgiving, Christmas and New Year's Day when these holidays don't fall on a Sunday.

A public meeting will be held on Neebish Island for comment.

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IT WAS MOVED by Trustee Waltman; **SUPPORTED** by Trustee Kibble to approve a one year contract extension between Eastern Upper Peninsula Transportation Authority and Pringle Maritime Services, LLC. **UNANIMOUS.** Motion carried.

BUSSES:

There was no new information to report on the bussing system.

GENERAL:

Director Paramski reported that he and Finance Director Gordon attended the MPTA meeting in Mt. Pleasant last week and received a legislative update.. He reported that there is a line item in the Governors budget that could increase transportation funds.

Paramski also reported that he and Gordon would be meeting with Senator Wayne Schmidt on 4/6/17 to discuss funding.

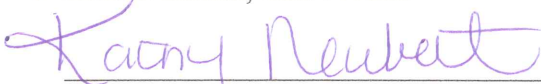
Paramski stated that he would like to attend the PVA meeting in Washington D.C. Chuck Moser will also be attending. Chuck would like 20 hours paid at his old rate to attend with Paramski. The flights will be booked using points on the Credit Card. The purpose of attending will be to try and obtain monies for a new ferry. The Board encouraged the trip.

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 4:00 pm. The next regular board meeting is scheduled for **Wednesday** May 3rd at 3:00 p.m.



John Waltman, Sec. /Treas.



Prepared By: Kathy Neubert