



SAULT STE. MARIE BRIDGE AUTHORITY

SAULT STE. MARIE, ONTARIO

NATALIE KINLOCH, CHAIR
MICHELINE DUBÉ, MEMBER
ANTHONY PICKETT, MEMBER
ANDRÉ GIRARD, MEMBER

SAULT STE. MARIE, MICHIGAN

LINDA HOATH, VICE CHAIR
THOMAS BUCKINGHAM SR., MEMBER
SCOTT SHACKLETON, MEMBER
NICHOLAS WHITE, MEMBER

**Sault Ste. Marie Bridge Authority
Minutes
May 16, 2019
James McIntyre Board Room
Sault Ste. Marie, Michigan**

Present: Natalie Kinloch, Chair
Linda Hoath, Vice Chair
Micheline Dubé – Member
André Girard - Member
Anthony Pickett, Member
Thomas Buckingham, Sr., Member
Scott Shackleton, Member
Nicholas White, Member

Also Present: Laura Mester, Chief Administrative Officer, MDOT
Michael Dittenber – Attorney General’s Office, MDOT
Sara Moore – International Border & Trade Crossing Specialist, MDOT
Peter Petäinen – General Manager, IBA
Crystal Knutsen – Chief Financial Officer, IBA
Karl Hansen – Bridge Engineer, IBA
Marcus Eidenier – Facilities & Asset Manager, IBA
Fiore Cappelli – Operations Manager, IBA
Cheryn Sanford – Departmental Analyst, IBA
Suzanne Moreau – Account Technician, IBA
Holly Bishop – Calculations Assistant, IBA
Miles Munro – Student Assistant, IBA
Ken Talsma - Principal, Anderson Tackman & Company

Chair Kinloch called the meeting to order at 9:00 a.m.

Chair Kinloch asked for declaration of conflict involving any agenda item; no conflicts were declared.

I. **Approval of Minutes**

A motion was made by Member Buckingham to approve the February 7, 2019 regular meeting minutes as written. The motion was seconded by Member Girard. Motion carried unanimously.

II. **General Manager**

- Peter regretfully reported Sault Ste. Marie Michigan City Manager, Oliver Turner, has accepted a position in Ohio and will be leaving the Sault. Oliver has been an excellent partner and a great influence for Sault Ste. Marie; we wish him all the best.

- Peter announced IBA CFO Crystal Knutsen has submitted her resignation; Peter thanked Crystal for her 2 ½ years of service to the IBA and wished her all the best in her future career endeavors.
- Peter requested board approval to update the authorized signatories for the IBA Soo Co-op Credit Union U.S. dollar cash clearing account to himself and Karl Hansen. Member Buckingham made a motion to approve designation of Peter Petainen and Karl Hansen as the authorized signatories for the IBA's Soo Co-op Credit Union U.S. dollar cash clearing account. Member Dubé seconded the motion. Motion carried unanimously.
- Progress is being made on updating the lease agreement for the purchase of the "Parcel C" property from the City of Sault, Michigan. Peter anticipates the updates being final in the next three months.
- MDOT is working to transfer the title from the Blue Water Bridge reach-all to the IBA, the IBA hopes to have possession of the reach-all soon.
- The last approved toll increase from the 2013 public hearings was successfully implemented on April 1, 2019.
- The IBA once again received a very good rating from the General Services Administration for snow plowing services at U.S. Customs and Border Protection; the IBA will continue to provide these services for the 2019/20 season.
- Peter reported we are into the last and only extension of the toll software contract with Conduent, the current contract extension is set to expire in three years. A study phase has begun to evaluate what the best direction will be for new software. Peter is proposing for the IBA to act as the lead project manager and contracting authority for the toll study which will evaluate toll software needs specific to international crossings between Canada and the United States. The Federal Bridge Corporation, Limited and the MDOT Blue Water Bridge will participate in the study. Vice Chair Hoath made a motion to approve the IBA, subject to approvals from FBCL, MDOT, and DTMB to act as the project lead and contracting authority for a toll study to evaluate toll software needs specific to international crossings between Canada and the United States on behalf of SSMBA, FBCL, and the MDOT BWB. Member Shackleton seconded the motion. Motion carried unanimously.
- There are currently four peregrine falcon eggs in the nest located on one of the bridge piers; the falcon cam is live and available for public viewing at www.saultbridge.com/falcam.

III. **Financial Operations**

A. December 31, 2018 Audit Report

CFO Crystal Knutsen introduced Ken Talsma of Anderson, Tackman & Company thanking him for a smooth audit and for all the assistance he provided her with year-end closing.

Mr. Talsma gave an overview of the audit process from start to finish and reviewed the audit report letter with the board members. He stated the IBA received the best possible independent audit result, which is an "Unqualified Opinion" which means everything was fairly and accurately reported in accordance with auditing principles.

Member Buckingham made a motion to approve the December 31, 2018 Sault Ste. Marie Bridge Authority basic financial statements and independent audit report, subject to any formatting changes recommended by the MDOT Auditor General's Office and/or the Independent Auditor. Member Pickett seconded the motion. Motion carried unanimously.

B. Traffic and Revenue

CFO Crystal Knutsen reported total traffic for the first quarter is down 10% compared to 2018. She stated the IBA is keeping a very close eye on traffic and revenue and continues to monitor finances very close.

General Manager Petainen stated he monitors crossing statistics from the International Bridges and Tunnel Operators Association and traffic declines are being experienced across the board.

Chair Kinloch stated she recently read Sault Ste. Marie, Ontario was recently chosen for a new smelter processing plant with plans for construction in 2025. The project may be positive for bridge traffic once construction begins and when resources begin to be exported.

C. First Quarter Financial Activity

Expenditures were at or under budget for each department as of March 31, 2019. CFO Knutsen stated the IBA continues to monitor and adjust expenditures as necessary based on the reduced traffic and resulting cash flow.

IV. **Maintenance Operations**

A. Activity and Project Tracking Report

Asset Manager Marcus Eidenier stated current activity and project tracking reports were included in the board packet for review. He reported there was an unexpected staff departure which lead to a slight increase in labor and benefit expenditures due to overtime generated by the vacancy. Winter plowing activities also saw an increase during the first quarter due to heavy snow fall.

B. Canada Border Services Agency (CBSA) Spring Building Walk Through Inspection

Marcus reported the annual spring walk through of the CBSA facilities showed overall the buildings are in good condition.

C. Maintenance Projects for 2019

Asset Manager Marcus Eidenier reviewed the main projects the maintenance staff will be tasked with for 2019 which include:

- Cleaning and Coating of the Ivory Curb Rail
- Spot painting areas of both the superstructure and substructure steel in the U.S. Arch
- Cleaning and coating of the green pedestrian rail
- Flood coating the bridge deck between piers 18R – 22
- Complete the Arch handrail on the southeastern portion of the U.S. Arch
- Expansion joint repairs

V. **Capital Project Update**

A. HVAC Retrofit Update

Bridge Engineer Karl Hansen reported the HVAC retrofit project is 85% complete. All new equipment is in place and the noise issues have been resolved. System balancing still needs to be complete; however, is on hold as the sheet metal workers union is currently on strike.

Peter stated the IBA will work with Henderson Metal to seek additional services to the current contract. As part of the CBSA plaza reconstruction project, all the CBSA facilities and the IBA Canadian maintenance garage building automation systems (BAS) are connected via one fiber. The goal of the additional services will be to tie those BAS systems into one central location located within the IBA administration building. This will allow for easy monitoring of all locations; an update will be provided at the August SSMBA meeting.

B. Underwater Inspection

Karl reported Great Lakes Engineering Group (GLEG) will be conducting the underwater inspection during the week of June 2, 2019. This is the first time GLEG has done an underwater inspection at our bridge; however, they have a lot of experience at other locations such as the Mackinac Bridge. Karl stated he will have a full report of the inspection to present at the August SSMBA meeting.

C. U.S. Army Corps Engineers (USACE) North Channel Blasting Project

Karl reported this is a lead-in project to the construction of the new Sault Lock. Before construction on the new lock can begin, 315,000 cubic yards of sandstone will need to be excavated from the bottom of the channel. Removal of the sandstone will be done via underwater blasting near two of the bridge piers. Karl stated the IBA will be working with MDOT's Construction and Technology (C&T) group to install seismic instrumentation on the affected Piers 20 and 21. MDOT's Bureau of Bridges and Structures has allocated \$50,000 for the purchase of remote monitoring stations (RMS) which will be placed on the two piers. The RMS's will be placed in August and will be remotely analyzed by MDOT staff in Lansing. These devices will establish normal limits which will allow us to monitor for any changes during the blasting period. The IBA will also be issuing an authorization to Hardesty & Hanover to provide review services during the monitoring period. No board action is needed at this time.

VI. **Public Comment**

There was no public comment.

VII. **Adjournment**

Vice Chair Hoath made a motion to adjourn. The motion was seconded by Member Dubé. The motion carried unanimously, and the meeting was adjourned at 10:12 a.m.

Respectfully Submitted,
International Bridge Administration



Peter M. Petäinen
General Manager