



SAULT STE. MARIE BRIDGE AUTHORITY

SAULT STE. MARIE, MICHIGAN

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

SAULT STE. MARIE, ONTARIO

NATALIE KINLOCH, VICE CHAIR
WARREN ASKEW, MEMBER
THYE LEE, MEMBER
ANTHONY PICKETT, MEMBER

**Sault Ste. Marie Bridge Authority
Minutes
August 20, 2020
James McIntyre Board Room
Sault Ste. Marie, Michigan**

Present: Linda Hoath, Chair
Natalie Kinloch, Vice Chair
Thomas Buckingham, Sr., Member
Scott Shackleton, Member
Nicholas White, Member
Warren Askew, Member
Thye Lee, Member
Anthony Pickett, Member

Also Present: Laura Mester, Chief Administrative Officer, MDOT
Michael Dittenber, Attorney General's Office, MDOT
Sara Moore, International Border Crossing & Trade Specialist, MDOT
Peter Petäinen, General Manager, IBA
Emily Jacques, 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
Holly Bishop, Calculations Assistant, IBA
Dan Weingarten, MDOT Communications Representative
Matt Woodhouse, WSP Michigan, Inc.
Scott Shogan, WSP Michigan, Inc.
Carlos Campo, WSP Michigan, Inc.
Satish Chidura, Michigan Department of Technology, Management, and Budget
Pam Feldpausch, Michigan Department of Technology, Management, and Budget
Robert Fuehr, Michigan Department of Technology, Management, and Budget
Jim Normandin, Michigan Department of Technology, Management, and Budget
Joe Seckelman, Michigan Department of Technology, Management, and Budget
Dave Work, Michigan Department of Technology, Management, and Budget

REPLY TO: PETER M. PETAINEN, GENERAL MANAGER

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

I. Approval of Minutes

A motion was made by Vice Chair Kinloch to approve the May 14, 2020 Sault Ste. Marie Bridge Authority regular meeting minutes as written. The motion was seconded by Member Buckingham. A roll call vote was taken by all members present. All present voted aye. Motion carried unanimously.

II. General Manager Comments

- Peter stated the IBA's operational status is unchanged since the May meeting with U.S. and Canadian staff continuing to work on their respective plaza and only critical staff having to cross the border. Administrative staff continue to work remotely from home with November 1st being the earliest possible return to office date.
- Peter discussed multiple requests received by Canada Border Services Agency (CBSA) that are beyond Section 6 requirements. CBSA has agreed to fund an annual \$160k enhanced cleaning services contract in which an outside cleaning company has been secured to provide extra cleaning services within the CBSA facilities; the contract is one year in duration with four one-year renewal options. CBSA has also agreed to fund the engineering services needed to install Variable Message Signs that will replace the red/green lights over their inspection lanes.
- Peter introduced Matthew Woodhouse, Project Manager for WSP Michigan, Inc. Mr. Woodhouse provided an overview of the toll study process which consists of the following four main activities: 1) Lean Process Improvement; 2) Toll Technology White Paper; 3) Technical Specifications for a new toll collection system; and 4) Final Business Case which includes a cost estimate and final recommendation. WSP's final report is on schedule to be submitted on November 5, 2020.

III. Financial Operations

A. Traffic, Revenue, and Operations

Emily reported as of June 30, 2020 traffic reflects a total decrease of 57.2% compared to 6/30/2019. Emily stated border crossings from March 21, 2020 through August 10, 2020 consisted only of essential traffic and are down 92.1% compared to the same time period last year. To help keep staff costs down, 44% of all toll collection has been done electronically.

B. Second Quarter Financial Report

Emily reported as of June 30, 2020 total assets (excluding capital fixed assets) were \$6.7M; total liabilities were \$3.6M; total fund balances were at \$3M; and total expenditures were \$3.5M. Toll revenue as of 6/30 was at \$2M which is 31% of the total revenue in 2019 and total revenues as of 6/30 were \$2.2M which is 26% of total budgeted amount for 2020. Peter stated that though budgets are currently at approximately 50%, the IBA does forecast a total savings of approximately \$500k by year end, which equals 8% of the total budgeted amount.

C. Draft 2021-2025 Business Plan

A copy of the draft 2021-2025 Business Plan was included in the board meeting packet. Emily stated the plan was prepared assuming a continued “closed border” which is a very conservative approach with minimal traffic crossings. The IBA has been able to continue operating using current cash reserves and have not yet had to dip into the \$2.2M capital reserves; it is anticipated this can continue until approximately February 2021. Member White asked when the IBA anticipates running out of funds without any stimulus money or dollars coming from any outside sources; Peter stated current projections indicate all funds would be exhausted come January 2022 if traffic remains flat with a closed border.

Emily asked if there are any comments or recommended changes for the draft business plan to please submit them to her by the end of September so they can be incorporated into the final plan which will be presented for Board approval at the November SSMBA meeting.

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. Marcus addressed a couple of line items which reveal a decrease:

- Landscaping and mowing costs show a decrease of 51%; with a lack of ability to fill part-time seasonal positions the IBA has contracted out minimal landscaping services for both plazas at an approximate cost of \$13k which would equal the cost of one seasonal employee.
- Overall project labor costs are down 4.7% which reflects the savings realized from staff layoff days in May-July.

B. Maintenance Projects

Marcus stated that the maintenance crew is making slow but steady progress on planned projects. The crew is on track to be at or near a completion rate of 85% for all routine maintenance items with 53% being completed to date. Installation of bearing stiffeners at pier 19 was completed last week and repair of the pier cap at pier 19 is currently underway. If time and weather allow, the crew will begin zone painting on the lower portion of the U.S. arch in the near future.

Vice Chair Kinloch congratulated the maintenance team on their efforts this year stating she is very impressed with what they have been able to accomplish this year given all the obstacles they have faced.

V. **Capital Project Update**

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

Bridge Engineer Karl Hansen reported he recently spoke with the project manager for the locks project; the project manager stated the contractor has begun removing overburden on the bottom of the channel using a piece of equipment called a ripper along with a standard clam shell bucket. The contractor believes that this same equipment can be used to break the bedrock which would eliminate the need to blast. The project manager also stated they are looking at potentially building coffer dams which will allow the water to be pumped out

allowing them to work in a dry environment. Overall the project is on schedule and the design phase for the new lock construction is currently at 70% completion. Karl stated there is a project meeting scheduled for next week and he will provide an update to the board at the November meeting.

B. 2020 Port Security Grant Update

Peter stated the announcement of the port security grant recipients has been delayed due to the COVID pandemic. The IBA will continue to watch for an announcement and will update the board at the November meeting.

C. 2020 Fracture Critical Inspection

Karl stated the 2020 Fracture Critical Member Inspection began on August 3, 2020 and a preliminary findings meeting was held on August 17th which revealed no major findings. Hardesty & Hanover will present their final report at the November SSMBA meeting.

VI. **Public Comment**

There was no public comment.

VII. **Adjournment**

Member Buckingham made a motion to adjourn. The motion was seconded by Member Askew. A roll call vote was taken by all members present. All present voted aye. Motion carried unanimously and the meeting was adjourned at 10:06 a.m.

Respectfully Submitted,
International Bridge Administration



Peter M. Petäinen
General Manager