



SAULT STE. MARIE BRIDGE AUTHORITY

SAULT STE. MARIE, ONTARIO

NATALIE KINLOCH, CHAIR
WARREN ASKEW, MEMBER
THYE LEE, MEMBER
RÉMI PAQUETTE, MEMBER

SAULT STE. MARIE, MICHIGAN

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

**Sault Ste. Marie Bridge Authority
Minutes
May 18, 2023
James McIntyre Board Room
Sault Ste. Marie, Michigan**

Present: Natalie Kinloch, Chair
Thomas Buckingham, Sr., Vice Chair
Warren Askew, Member (via zoom)
Thye Lee, Member
Rémi Paquette, Member
Linda Hoath, Member
Scott Shackleton, Member
Nicholas White, Member

Also Present: Peter Petäinen, Bridge Director, IBA
Michael Dittenber, Attorney General's Office, MDOT
Kathleen Gleeson, Attorney General's Office, MDOT (via Zoom)
Emily Jacques, Chief Financial Officer, IBA
Karl Hansen, Bridge Engineer, IBA
Marcus Eidenier, Asset Manager, IBA
Fiore Cappelli, Operations Manager, IBA
Cheryn Sanford, Departmental Analyst, IBA
Dan Weingarten, MDOT Communications Representative (via zoom)
Ken Talsma, Principal, Anderson Tackman & Company
Mike Grentz, Partner, Anderson Tackman & Company

Chair Kinloch called the meeting to order at 9:01 a.m.

I. **Approval of Minutes**

A motion was made by Member Hoath to approve the February 23, 2023, Sault Ste. Marie Bridge Authority regular meeting minutes as written. The motion was seconded by Member Lee. Motion carried unanimously.

REPLY TO: PETER M. PETAINEN, BRIDGE DIRECTOR

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II. **Bridge Director's Comments**

- The peregrine falcons have returned and there are currently four eggs in the nest. The falcons have moved their nest to the north to the Canadian nest box; this is the first time they have nested in this box since its installation 13 years ago. The IBA is working with the Michigan Department of Natural Resources and the Ontario Ministry of Natural Resources and Forestry to get the new birds banded.
- The annual Bridge Walk will be held on June 24, 2023; this year there will be no bike parade. We anticipate a full bridge closure for approximately one hour beginning at 9:00 a.m.
- Those who attended the Sault Locks Tour yesterday enjoyed the tour; there will be more opportunities in the future to tour again for anyone interested.
- The audit committee reviewed the draft toll rate proposal in depth at yesterday's audit committee meeting. Per the audit committee's request, the escort fee portion of the proposal is being removed; the IBA will further review this part of the proposal and if deemed necessary, will bring fee recommendations to the board at a future meeting. The business plan does include a toll increase in 2024, if the board chooses to move forward with the recommended increase, public hearings will be required. Peter recommended holding these public hearings between now and the August SSMBA meeting. Any public comment received during the course of the hearings, will be presented to the board in August at which time the board can take action on the proposed increase.

A motion was made by Vice Chair Buckingham to approve the IBA to conduct toll rate public hearings in accordance with the terms of the Intergovernmental Agreement. The motion was seconded by member Paquette. Motion carried unanimously.

III. **Finance and Operations**

A. December 31, 2022 Audit Report

CFO Emily Jacques introduced Ken Talsma and Mike Grentz of Anderson, Tackman & Company. Mr. Talsma stated the IBA received the best possible independent audit result, an "Unmodified Opinion" which means everything was fairly and accurately reported in accordance with auditing principles.

A motion was made by Vice-Chair Buckingham to approve the December 31, 2022 Sault Ste. Marie Bridge Authority Basic Financial Statements and Independent Audit Report. The motion was seconded by Member Lee. Motion carried unanimously.

B. Independent Auditor Renewal

Per the Intergovernmental Agreement the board must approve the auditor for each fiscal year. Peter requested board approval to renew the contract with Anderson Tackman & Company for the fiscal year ending December 31, 2023.

A motion was made by Member Shackleton to exercise the option to renew the contract with Anderson Tackman & Company as the Sault Ste. Marie Bridge Authority's independent auditor for the fiscal year ending December 31, 2023. The motion was seconded by Member Hoath. Motion carried unanimously.

C. Traffic and Revenue

CFO Emily Jacques reported traffic during the first quarter increased by 199.9% compared to the first quarter of 2022 with 64,441 in total crossings. Commercial traffic saw a 2.8% increase.

D. First Quarter Financial Report

Emily reported total combined balance sheet assets were at \$7.6M as of March 31, 2023, and total liabilities were at \$1M. Total fund balances ended the year at \$4.2M, total revenue was \$1.5M, and total expenditures were at \$1.4M. All departments were at or under budget as of March 31, 2023.

As a follow-up to discussions held at the November SSMBA meeting regarding insurance coverage for fraudulent invoices/payments, Emily stated she reached out to our insurance carrier. Currently, our e-crime/cyber policy would cover up to \$250K for any loss incurred due to a fraudulent invoice/payment if the invoice was received electronically and was paid via EFT. The current policy does not cover losses for fraudulent invoices/payments made via invoices received in the mail and paid with a check. Emily stated she has requested a quote for a social engineering rider which would cover this type of loss; she will present the cost for this type of coverage at a future SSMBA meeting for board consideration. Member Shackleton asked if the IBA is covered for embezzlement; Emily stated yes, this would fall under our current crime policy. Chair Kinloch requested Emily reach out to other CFO's within the BTOA to have a collective discussion on what types of coverage other crossings have.

IV. **Bridge Engineering and Maintenance**

A. Activity and Project Tracking

Asset Manager, Marcus Eidenier reported labor and benefits were up 44% during the first quarter, which is a result of hiring three limited-term employees to assist with snow removal. Equipment repair expenses were up 91% which is not unexpected with the current fleet of equipment in aging condition.

B. Maintenance Projects

Marcus stated the third phase of the Pier 19 concrete repairs were initiated May 5, 2023, with excellent progress being made. In the past, the IBA had to rent a manlift in order to work on this project; however, this year the Blue Water Bridge has loaned the IBA a 135' manlift at no cost; this will result in a savings of approximately \$20,000.

Other projects the maintenance staff will be working on are:

- The two remaining items from the 2022 Fracture Critical Member Inspection
- Outstanding routine maintenance items from the 2021 routine detailed inspection
- Removal and repair of bridge deck expansion joints
- Electrical junction boxes on the Canadian arch
- U.S. arch structural handrail
- Applying silane sealer on bridge super/substructure concrete

C. 2023 Routine Detailed Inspection

Bridge Engineer Hansen reported the hands-on portion of the detailed inspection will take place during the week of August 7, 2023. Preliminary findings will be presented to the board at the August meeting.

D. Capital Plan Update

Karl reported that the final capital plan update has been completed and the updates are being fed into the next business plan update, which will be presented in draft form to the board in August.

V. Public Comment

There was no public comment.

VI. Adjournment

A motion was made by Member Hoath to adjourn. The motion was seconded by Member Lee. Motion carried unanimously and the meeting was adjourned at 10:22 a.m.

Respectfully Submitted,
International Bridge Administration



Peter M. Petäinen
Bridge Director