

**Minutes of the Meeting  
of the Board of Commissioners  
of the Fishers Island Ferry District**

A meeting of the Board of Commissioners of the Fishers Island Ferry District was called to order on **Tuesday, December 20, 2011** at 4:40 pm by Commissioner Brooks at the Community Center.

Present were Commissioners: Brooks, Edwards and Rafferty.

Absent were Commissioners: Burnham and Herrick

Present were Randy A. Wyrofsky, Interim CEO/Manager and Nina Schmid, Assistant Manager.

Two members of the public were present.

Commissioner Brooks opened the meeting and declared a quorum present.

Minutes of the meeting held on October 24, 2011 were tabled.

Minutes of the meeting held on December 6, 2011 were tabled pending verification from the digital recording of Correspondence and New Business item #h.

A list of outstanding obligations of the District were reviewed and discussed. A resolution was made to pay the outstanding obligation of: **\$48,343.24** as represented in vouchers **#1950 through #1985** dated December 20, 2011 by:

Moved by Commissioner Rafferty

Seconded by Commissioner Edwards

Ayes: all

Nays: none

Mark Easter informed the Board that the amounts paid to Schultz Lubricants for Signum Oil analysis will now be billed on a regular basis - in the past there was no charge for the test kits, but now the Ferry District must pay for the test. Commissioner Brooks questioned the reimbursement to Steve Burke – it was a reimbursement for mileage throughout the year. The reimbursement charge for mileage is 51 cents per mile. Commissioner Edwards asked if everyone was happy with the line painting job in the New London parking lot – Commissioners Brooks and Rafferty are pleased. Commissioner Brooks asked Nina if her reimbursement for mileage was for her trip to Long Island to see the Police Detective. Mr. Wyrofsky verified the validity of the payment. Commissioner Brooks also asked about Ms. Schmid being reimbursed for her time – she was already reimbursed.

**Correspondence**

- a. The Commissioners reviewed Rick Barrett's retirement letter which is effective January 31, 2012. Mr. Wyrofsky is to verify the requested sick leave and vacation days as requested by Mr. Barrett. Commissioner Brooks wishes Mr. Barrett all the best. Mr. Barrett's retirement was accepted.

Moved by Commissioner Edwards

Seconded by Commissioner Rafferty

Ayes: all

Nays: none

- b. The Board reviewed a request from Ryan Rodd for a year-round resident card. Commissioner Brooks asked if Mr. Rodd was on the Island on a permanent basis – Ms. Schmid knows him from church and seeing him around. Commissioner Edwards stated that Mr. Rodd had not been on the Island for the past two (2) months. Commissioner Brooks requested that Ms. Schmid ask Mr. Rodd to attend the next Ferry District meeting.
- c. Robert Dumouchel – Medical Insurance Compensation – Commissioner Brooks stated that the Ferry District had received an e-mail from Captain Robert Dumouchel inquiring if he would be compensated by an increase in his base pay if he were not on the Ferry District’s health insurance. Commissioner Brooks stated that another employee, Nick Espinosa, had recently been denied a base pay increase if he turned down the health insurance. Commissioner Brooks remembers making a policy at that time in which employees are offered health insurance and they may accept or deny it but that there is not compensation if they turn it down. Commissioner Rafferty stated that he did not remember the policy. Mr. Wyrofsky gave his opinion in stating that health insurance is based in two different ways: 1 – self-insured risk pool which have little effect on ultimate insurance cost whether a person is on the insurance or not and 2 – a small pool like the Ferry District in which each individual is assigned a separate dollar amount and is like an individual insurance policy. Mr. Wyrofsky stated that as of April 1, 2012, Empire is actually firing the Ferry District because they are such a small pool. He continued that in the past he has seen companies that share the savings with an employee who chooses not to be on the health insurance. At this time, Mr. Wyrofsky stated that there is no such policy but he suggested instituting one since the Ferry District would save money if an employee chose not to enroll in the health insurance. Commissioner Brooks agreed that the Ferry District would save money but reminded the Board that Mr. Espinosa had already asked and been denied. Mark Easter stated that Mr. Espinosa had asked him about his request, and Mr. Easter instructed Mr. Espinosa to approach the Board. Commissioner Brooks verified with Ms. Schmid that Mr. Espinosa had made his request recently – Ms. Schmid responded that it had been in the past six (6) months. Commissioner Rafferty requested that Mr. Wyrofsky investigate the possibility of the new policy which he suggested. Mr. Wyrofsky responded that the Ferry District is weighted as individuals because it does not have enough of a risk pool. He continued that each state administers its own statutes in reference to health insurance. Commissioner Rafferty asked if all but one employee dropped the health insurance would the rates increase – Mr. Wyrofsky replied that they probably would not. Commissioner Brooks stated that based on his personal experience the increase would depend on individual carriers. Mr. Wyrofsky will investigate further and also look at Mr. Espinosa’s request.
- d. The Fishers Island School submitted a thank-you note to the Board for charging visiting athletic teams a magnet student rate.
- e. Commissioner Edwards stated that the Board had received a letter from Commercial Construction in which they request the use of more rental space to store dumpsters and materials. This issue was tabled until the next meeting. Commissioner Brooks asked that a letter be sent in response acknowledging receipt of the request and stating that it would be discussed at the next meeting.

### **Old Business**

- a. North Ramp Repairs - Bid Opening – Mark Easter stated that he had received only one bid whereas he had expected to receive three. He decided not to open the bid

and had returned it to the bidder, Blakesly. Two other contractors expressed interest to Mr. Easter expressing that they did not have enough time to prepare the bid. The bid deadline was thus extended to December 30, 2011. Commissioner Edwards asked if this was legal - it is. Commissioner Brooks asked who would be able to be present at the bid opening – Mr. Wyrofsky and Mark Easter will open bids on December 30, 2011 and send correspondence to the Board.

- b. Rental Properties / Leases – Mr. Wyrofsky provided a schedule to the Board of proposed rent increases. The schedule provided a hybrid solution in which he took the 2011 rates which are currently being paid and the proposed 2012 proposed rents and splitting the difference so that half of the difference is added in 2012 and the other half in 2013. The proposed solution would create an increase in most rents but much less than that originally proposed. Mr. Wyrofsky then proposes in 2013 to take the 2012 rent rates and add 5%. A new appraisal process would begin in the middle of 2013 so that fair market rents would be imposed across the board in 2014. All renters would then be given a chance to gradually adjust to the increased rates. Mr. Wyrofsky has discussed his proposed solution with several tenants – Paul Job and Steve Malinowski whose spaces were adjusted. Commissioner Rafferty asked what would happen in the case of Tom Ravino who currently sublets space on Mosquito Hollow – Mr. Wyrofsky responded that he had spoken to Commissioner Burnham about the situation. Commissioner Rafferty stated that the Board does not want to sublet and that Tom Ravino should rent the property directly from the Ferry District. Commissioner Burnham would like to avoid that situation if possible. Commissioner Rafferty suggested possibly allowing Tom Ravino to continue to sublet but leave an option in the new lease to change with 30 day notice. He wanted to make sure that both Commissioner Burnham and Tom Ravino understand that there is the possibility for a change. Commissioner Brooks questioned why Bill Faulkner had not taken the 25% island resident discount - Mr. Faulkner's son, Brian, leases the property. Mr. Faulkner would like to divide the property – he will perform the work. Once the work is complete, the Ferry District will reassess his lease according to the new size. Commissioner Edwards asked how the power supply will be separated – Commissioner Rafferty stated that as the lease is now, the Ferry District pays the electric bill and then splits it among the tenants. Commissioner Brooks asks if all tenants are up to date – Mr. Wyrofsky responded that some are not but that they must be before a new lease is executed. Some leases may not be executed if the rent is not paid up and properties cleaned. Commissioner Edwards asked if the increased area requested by Todd Pezolesi had been determined – Mr. Wyrofsky will verify. Commissioner Edwards also asked if Island Hardware is still using their area – Mr. Wyrofsky has not heard anything from Island Hardware. Mr. Wyrofsky stated that Z&S would have to grade and flatten their space if they vacate the outside property that they currently lease. The Board accepted the schedule for rental lease rates as proposed by Mr. Wyrofsky.

Moved by Commissioner Edwards

Seconded by Commissioner Rafferty

Ayes: all

Nays: none

Commissioner Rafferty stated that he is sympathetic to the contractors in understanding that they need somewhere to store supplies and materials but that they cannot leave refuse on rental properties. Mr. Wyrofsky suggested putting a provision in the leases stating that someone must clean the property when vacating it or the Ferry District will hire someone to do it and bill the renter. Commissioner

- Rafferty suggested an extra security deposit to be used to clean up properties if necessary. Commissioner stated that the Ferry District may need to work out an arrangement with the Garbage District to dispose of refuse.
- c. Permanent CEO/Manager Position Search – Commissioner Brooks informed those present that Robert Half had placed ads and that he had received some resumes. Commissioner Brooks is scanning the resumes he has received and is sending them to Nick Daukas who will make the initial phone calls. Commissioner Brooks requested that all resumes to be turned in to the Ferry District Main Office at the end of the search process. Commissioner Edwards inquired why the ad is not posted on the Fishers Island website – Mr. Wyrofsky responded that it will be posted tomorrow. Commissioner Brooks asked what the cut-off date is – it is December 31, 2011. Commissioner Rafferty asked if it was necessary to place the ad in Long Island newspapers – Commissioner Edwards responded no, that the website was sufficient according to a past attorney.
  - d. Financial System Overhaul Update – Mr. Wyrofsky informed the Board that he has met again with Marien & Co. to ensure that sufficient systems are in place by January 1, 2012 and that by the end of 2012 the Ferry District will have an auditable system that produces an unqualified opinion. Mr. Wyrofsky continued that there are still some updates needed such as Quick Books and that there are some procedural updates needed to guarantee ticket reconciliations for both ways by possibly creating a two-ticket system so that they would be collected on both sides. There is currently a problem with persons who buy large amounts of ticket books at a time since this shows up as income – the Ferry District must be able to show the revenue per trip. There is also a problem with collecting cash for tickets that have not been used as it is seen as a liability. This new system will create more accurate and reliable monthly numbers. Mr. Wyrofsky does not believe that a scannable ticket system may be necessary.
  - e. MU Dry-dock Progress Update – Mark Easter addressed the Board stating that he has nothing to report – that he had talked to Thames three (3) times but no begin date has been scheduled – it will probably be sometime in January. Commissioner Edwards asked if the crew was currently working on the boat – Mr. Easter replied that they are performing regular maintenance but nothing to do with the dry-dock. Mr. Easter stated that he has requested a start date twice and that this could affect the Race Point generator rebuild if a date is not set soon.

### **New Business**

- a. Island Based Ferry Discussion – The Board asked Mark Easter what his opinion was concerning basing a ferry on Fishers Island. Mr. Easter responded that there are many issues but that it is feasible. He stated that the support base is currently located in New London under his own supervision, that it would take more personnel to run two boats, that the Ferry District must heavily rely on mainland resources for staffing and that if the Ferry District wants to use Island residents, this could displace some current employees. Mr. Easter stated that it would not be an easy task and he thinks that it is better having both boats in New London. He suggested modifying the schedule to meet needs. He reminded the Board that the Ferry District will have to respond if the school was to close as Island children would then have to be transported to New London for schooling. Commissioner Brooks inquired what would happen if one of the boats failed – Mr. Easter replied that currently there is a back-up as only one boat runs at a time. Mr. Easter suggested a passenger-only boat to be docked on Fishers Island. Commissioner

Rafferty asked how many crew would have to reside on the Island – Mr. Easter responded seven or eight and maybe more as there are currently thirty-four employees and that the Ferry District relies heavily on part-time employees. Commissioner Brooks told Mr. Easter that he had done a great job in the time that he has been in his current position. This issue was tabled for further discussion.

- b. Air Compressor for Sale by Mark Easter – Mark Easter stated that the compressor is in excellent condition and has been used quite a bit in the New London terminal since 2005 when Mr. Easter brought it to the ferry terminal. Commissioner Rafferty asked what the Procurement Policy was – Ms. Schmid responded that under \$500 there is no need to get an estimate. Commissioner Rafferty asked if it is a necessary tool – Mr. Easter responded that it is useful for the pneumatic tools. Commissioner Rafferty then asked if Mr. Wyrofsky should get a verbal quote – Mr. Wyrofsky responded stated the Procurement Policy verifying that it was not necessary for this amount. Commissioner Brooks stated that Mr. Easter had supplied a quote and that the Board would give Mr. Easter a response by Friday, December 23, 2011. Mr. Wyrofsky will obtain more quotes.
- c. November Financials – Mr. Wyrofsky distributed a sheet with revenues and another with expenditures for November 2011 including comparisons with November 2010 and the 2011 budget. Mr. Wyrofsky proceeded with an explanation that freight will finish the year behind budget, rental income was behind also, traffic and UPS are in excess of the budget, US Mail will be about even, and the ATM will be behind budget since its use was discontinued. A line item budget analysis is required of expenditures according to John Cushman and if the actuals exceed the budget then you are required to pass a resolution allowing the budget overage and then go to the Town for approval. If there are budget line items that are over and some that are under, Mr. Wyrofsky explained that the Ferry District could reclassify the line items. Commissioner Rafferty inquired if the Ferry District is going to be \$70,000.00 over budget for legal fees and accounting – Mr. Wyrofsky responded yes since the accounting fees for Marien & Co. allows for a cushion and that there were still several outstanding bills for these services; the allotment for dock repairs and boat repairs will be under-budget since these items were not completed. Mark Easter stated that the Munnatawket repairs were budgeted for 2012 – Mr. Wyrofsky responded that they were originally slated for 2011. Mr. Easter corrected Mr. Wyrofsky stating that only the North Ramp repairs were budgeted in 2011 - \$220,000.00. Mr. Wyrofsky needs to get back to the Town about the budget reclassifications. Commissioner Rafferty asked if a resolution is needed – Mr. Wyrofsky responded yes. Commissioner Rafferty asked if Mr. Wyrofsky will provide this resolution at the next meeting – Mr. Wyrofsky responded that he will provide this for the next meeting. Commissioner Rafferty then stated that John Cushman had always wanted the Ferry District to anticipate over lines – Mr. Wyrofsky responded that it was impossible to foresee what happened this past year as there were extenuating circumstances. Commissioner Rafferty asked if the over line should be adopted before the money is spent – Mr. Wyrofsky responded that this is correct in theory. Commissioner Rafferty asked Mr. Wyrofsky to put this on the list of tasks to be done in 2012. Mr. Wyrofsky does not have an answer for the \$60,000.00 for other miscellaneous – he asked Mr. Easter who was unsure as to what these expenditures were also. Mr. Wyrofsky expressed an overage for fuel expenses which are highly difficult to forecast. He continued that there is an overage with the mandated increase in the donations to the pension plans. Commissioner Rafferty inquired as to what the line item for waste management was

– Mr. Wyrofsky replied that it was for all types of waste disposal including using the New London sewer system. Commissioner Edwards responded that Mr. Easter had asked for there to be a separate line item for hazardous waste disposal and training. Mr. Easter thinks it important to be able to track hazardous waste management disposal. Commissioner Rafferty asked if the Ferry District has a contractor who disposes of hazardous waste – Mr. Easter responded yes. Mr. Wyrofsky stated that he will have many new subaccounts in the new QuickBooks program which he is developing with Marien & Co. Mr. Wyrofsky discussed the summary of revenue and expenses explaining that the Ferry District has a cash balance of \$1M which is relatively strong. Commissioner Brooks stated that this is more than the usual 15%.

- d. Tombari Damaged Oriental Rug Claim – Mr. Wyrofsky explained that Leslie Tombari had ordered an Oriental rug from Kalamian’s which was delivered to the ferry and that when the rug arrived on Fishers Island, Mr. Tombari went to pick up the rug but rejected it because the rug was wet. There was a bad storm on the day that the rug was delivered to the ferry and it was only rolled in paper not plastic also. Mr. Wyrofsky continued that only the paper on the rug was wet and that there was no damage to the actual rug. Louise Kalamian supplied a letter stating what had happened. Kalamian’s has since replaced Mrs. Tombari’s rug. Commissioner Brooks verified that the rug was wrapped in paper only and asked if there was any visible damage to the rug. Mr. Wyrofsky replied that there was no visible damage. Commissioner Edwards asked if Kalamian’s can resell the rug; Mr. Wyrofsky replied no in that they would not since the rug had been exposed to water. Mark Easter stated that Mrs. Kalamian said that the rug was like brand new and that she suggested selling it for auction. Commissioner Rafferty asked Mr. Wyrofsky what his opinion was – he replied that the Ferry District should pay for the rug and try to sell it. The Board made a motion to sell the rug. Mr. Wyrofsky will be in charge of selling the rug.

Moved by Commissioner Edwards

Seconded by Commissioner Rafferty

Ayes: all

Nays: none

- e. Traffic Report – Mr. Wyrofsky provided the Board with a traffic report for 2011 in which he reported that trips were down for the year. He believes that the issue is ticket pricing but that there is an opportunity to review prices for passengers and vehicles. He will continue to do an analysis and suggested creating marketing ideas especially for the off-peak season – similar to that recently granted for visiting student athletes. Commissioner Edwards verified that there would be an approximately \$100,000.00 deficit if the numbers for December were projected – Mr. Wyrofsky agreed. Commissioner Brooks asked if Mr. Easter thought that commercial pricing should change during the off-peak season – Mr. Easter replied that maybe the rates should be higher than they are currently during the off-peak season and that charter rates should increase. Commissioner Rafferty asked Mr. Wyrofsky to meet with Mr. Easter before he retires to get his ideas about increasing ferry traffic – Mr. Wyrofsky will meet with Mr. Easter. Mr. Wyrofsky suggested the Idea of increasing commercial rates during the peak season also. Commissioner Rafferty expressed a concern about the rates being rational with the amount of deck space used and also a concern about fuel oil prices for charters – do they break even? Mr. Easter stated that a gas charter currently costs \$661.00. Mr. Wyrofsky stated that he needs to understand what the revenue is per trip. Commissioner

Edwards stated that there was supposed to be a spreadsheet being kept for that purpose – Mr. Easter replied that there is. Mr. Easter suggested the Board looking at the rates for the Woods Hall Martha’s Vineyard Ferry which is tax-subsidized like the Fishers Island Ferry District and is also a forty-five minute trip.

- f. 2012 Meeting Schedule – The proposed meeting schedule for 2012 was supplied by Nina Schmid. The Board agreed to keep the same schedule – meetings at 4:30 pm on the first Tuesday of the month.
- g. Future Management of New London Operations – Mr. Wyrofsky informed the Board that he and Mark Easter have discussed the matter and he believes that the new manager should have jurisdiction over New London and Fishers Island operations upon Mr. Easter’s departure. He believes that the new manager should assume Mr. Easter roles with only a couple of exceptions by leaving the New London operations untouched and have Steve Burke assume responsibility for the boats including all maintenance. Mr. Wyrofsky would not want Mr. Burke to assume non-boat functions such as scheduling, freight, etc. – he is currently working on a lead freight agent and someone to handle payroll and bills. Mr. Wyrofsky explained that he and Mr. Easter have a disagreement in philosophy but that they both agree that boats must depart and arrive on time safely. Mr. Easter spoke that he is concerned that if Mr. Wyrofsky’s suggestion was followed that no one would be held accountable for the function of the boats and he is unsure whether one person can do it all. Mr. Easter continued that he believes Steve Burke is the logical person to assume his role but that Mr. Burke is uncomfortable doing so and is happy doing what he does now. Mr. Easter thinks that Mr. Wyrofsky is doing a great job but that someone with marine experience needs to deal with the EPA, FDA and Coast Guard and then report to the manager. Mr. Easter stated that he has supplied a list of what he does to Mr. Wyrofsky and Mr. Burke – much of Mr. Easter’s time is spent procuring items and services for the ferries. Mr. Easter stated that Mr. Burke is willing to help out and do what he can but that he will be retiring in three years. Mr. Easter continued that his job has evolved and that there are more and more demands with time. Commissioner Rafferty stated that he is amazed at how much Mr. Easter does and asked how the Ferry District can support Mr. Burke. Mr. Easter replied that according to Nick Daukas’ job description for Mr. Burke as a Master Captain even though modified, Mr. Burke still sees it as that of a managerial job. Commissioner Brooks asked what the Board can do to support Mr. Burke and help him feel comfortable as manager. Mr. Wyrofsky responded that while Mr. Burke is aware of Mr. Easter responsibilities, he is not willing to do the job and would like to stay in his current position as he is planning to retire in three years. Commissioner Rafferty stated that Mr. Burke is intelligent, very conscientious and works well with the crew and asked if Mr. Burke would assume the role with the Board’s support. Mr. Easter responded that Mr. Burke is not sure that he can assume the new responsibilities. Commissioner Rafferty suggested finding a retired person with marine experience to deal with the EPA, FDA and Coast Guard. Commissioner Brooks stated that he thought that Mr. Burke was the natural replacement for Mr. Easter. Commissioner Rafferty would like the dialog between Mr. Easter, Mr. Burke and Mr. Wyrofsky to continue. Commissioner Brooks stated that change shows the crew that there is a possibility of growth for them.

## **Public Comment**

Laurie Finan verified that the water at her rental property was to be turned off and the water meter removed. Mr. Wyrofsky responded that he would take care of it. Commissioner Brooks stated that he wants to make sure that all the water is drained. Commissioner Edwards asked if the Water Company charges to remove and put the water meter back.

The Board entered into Executive Session at 6:25 pm to discuss personnel and legal matters.

The Board returned to regular session at

The next meeting is scheduled for Tuesday, January 3, 2012 at 4:30 pm at the Community Center for the purpose of approving warrants.

The next regular full meeting is scheduled for Tuesday, January 10, 2012 at 4:30 pm at the Community Center.

The meeting adjourned at 7:05 pm.

## **RESOLUTION**

December 20, 2012

At the December 20, 2012 meeting of the Fishers Island Ferry District Board of Commissioners, the following resolution was brought by the Board.

On a **MOTION** by Commissioner Edwards; **SECONDED** by Commissioner Rafferty.

Resolved that the Board of Commissioners hereby approves the rental property rate increase schedule as proposed by Mr. Wyrofsky.

AYES: All

NAYES: None

## **RESOLUTION**

December 20, 2012

At the December 20, 2012 meeting of the Fishers Island Ferry District Board of Commissioners, the following resolution was brought by the Board.

On a **MOTION** by Commissioner Edwards; **SECONDED** by Commissioner Rafferty.

Resolved that the Board of Commissioners hereby accepts the retirement notice of Frederick Barrett, effective January 31, 2012.

AYES: All

NAYES: None

## **RESOLUTION**

December 20, 2012

At the December 20, 2012 meeting of the Fishers Island Ferry District Board of Commissioners, the following resolution was brought by the Board.

On a **MOTION** by Commissioner Edwards; **SECONDED** by Commissioner Rafferty.

Resolved that the Board of Commissioners hereby agree to pay Kalamian's for Tombari's oriental rug and re-sell the original rug.

AYES: All

NAYES: None