

Faribault-Martin County Joint Transit Board  
Faribault County Human Services Center Conference Room  
412 North Nicollet Street  
Blue Earth, MN 56013  
Wednesday April 17, 2019 10:00 a.m.

The meeting was called to order at 10:05 a.m. by Board Chairman Elliot Belgard.

Joint Transit Board members present were: Faribault County Commissioners Young, Roper, Loveall, Warmka, and Groskreutz, Martin County Commissioners Mahoney, Smith, Flohrs, Koons, and Belgard. Also present was Jeremy Monahan, Faribault – Martin County Transit Director.

Commissioner Belgard asked if there were any other additions to the agenda. There were none.

Motion made by Commissioner Smith, seconded by Commissioner Flohrs to approve the agenda. Motion passed unanimously.

Motion made by Commissioner Warmka, seconded by Commissioner Roper to approve the minutes from the March 20, 2019 Faribault – Martin County Transit Board Meeting. Motion passed unanimously.

Motion made by Commissioner Groskreutz, seconded by Commissioner Mahoney to approve the minutes from the April 5, 2019 Executive Committee Meeting. Motion passed unanimously.

Discussion of Old Business began with Monahan proceeding to update the Board two Capital contracts with MnDOT that is in the works. First, the contract to purchase two transit vehicles in 2019 has been signed and executed. MnDOT will soon release the vendors to start solicitations and buses will be purchased. Monahan noted he hopes they will be delivered by the end of 2019 or early 2020 and when they do, the funds to pay for the vehicles in full will need to again be fronted by the member counties. Then 80 percent will be reimbursed from the State. Monahan noted that he had worked with each County's Auditor / Treasurer Office for their 2019 budgets to have funds for the initial purchase and to shoulder the 20 percent local shares if needed, which is likely.

The second contract is the Transit Facility construction project. Monahan said the contract for this project was set to be sent out at the end of March with the vehicle purchase contracts but has been delayed until the property transfer has been completed with legal recording. The Martin County Attorney is working on the task and Commissioner Smith had recently discussed the matter with him. He noted to her that the task is in process. There has been some difficulty because the property transfer is not as straightforward others are usually. The land beneath the structure is staying with Martin County so a long term, low cost (i.e. 99 years for \$1) lease is being worked on simultaneously with the recording.

Discussion regarding the Multi-Year Program Committee ensued. Monahan reported that this is a statewide committee facilitated by MnDOT Office of Transit leadership and has a number of

transit system managers working on formulating new ideas on how to do operating and capital contracts. To date, no decisions have been made by the committee but that there are lots of ideas being put out there, such as local share percentages being reduced. Monahan asked if the Full Transit Board has any issues they would like addressed with the committee. Commissioner Warmka asked if regulations regarding the type of vehicles that are required to be purchased with the transit funds could include smaller passenger vans that will have lower initial costs and presumably lower maintenance and repair costs. Discussion regarding vehicle maintenance costs ensued. Commissioner Warmka also wished to have discussed the regulations regarding where Demand Response service can be used more frequently, such as the City of Fairmont, where it was used successfully by Martin County Transit before the merger. Monahan noted the issues brought by the Board will be brought by him to the committee and Commissioner Belgard reminded the Board members that the next Multi-Year Program Committee meeting that Monahan is attending is the last full week in April and to contact Monahan with any other issues or concerns before that if desired.

Discussion turned to New Business. Monahan explained how the Executive Committee had discussed recently if having the checking account where the Transit Board's funds are kept can be an interest bearing account. Monahan worked with staff from CCF Bank to determine what is allowed for accounts with public funds. They reported that as long as the Transit Board by-laws did not forbid having interest earning accounts, they are allowed. The Accounting Procedures Manual for the Transit Board has sections on how to deal with Accruals such as interest earned from bank accounts, so it is allowed by the Board by-laws and procedures to have such accounts. CCF Bank has an interest bearing checking account that has a 0.5 percent Annual Percentage Yield (APY). Monahan said that if the account is switched he would have to figure out with MnDOT where the interest yields would be credited, such as if they could be used as "System Revenue" and effectively reduce the amount of fare box or other revenues needed to meet local share. Commissioner Groskreutz asked if MnDOT had been consulted regarding this yet and Monahan replied he had not contacted them yet. Monahan figures it would be allowed as long as the yields are kept with the Transit, like any other asset paid for with Transit funds, or reserve funds, etc.

Motion made by Commissioner Koons, seconded by Commissioner Groskreutz, to approve changing the account the funds for the Transit Board are kept in to an interest bearing account provided MnDOT gives approval. Motion passed unanimously.

Discussion regarding using a broker to find advertisers for vehicle exteriors ensued. Monahan reported he had approached MnDOT and asked if it would be allowed to select a vendor which would be able to be paid a set dollar amount per advertising contract signed, provided that the yearly total paid to this vendor does not exceed \$3,499 which is the micro-purchase threshold where solicitation is not required. MnDOT replied that it would be acceptable. The Executive Committee had discussed different ways to approach a vendor that would be responsible for finding advertisers and dollar amounts scenarios that could be paid per contract. Monahan said he would like to get 10 contracts signed for one year which will result in \$24,000 in system revenue, for only \$3,500 spent. Discussion regarding potential vendors and the logistics of the contract with the ad broker vendor and contracts with the advertisers ensued.

Motion made by Commissioner Warmka, seconded by Commissioner Groskreutz, to allow the Transit Director to hire a vendor to find up to ten advertisers to buy ads for the transit system vehicle exteriors. Motion passed unanimously.


Discussion regarding the system ridership report ensued. Monahan presented charts and explained that March had a good recovery from the past few months, even with very cold weather at the start of the month. Faribault County experienced its highest monthly ridership total ever since the merger. Martin County ridership was lower than previous years but it was noted that the previous two years had more days of operation than 2019 and if the average amount of daily ridership was added to the fewer days the amounts would have been similar to the previous two years. So it was shown that the numbers of days open and operating does really affect the monthly ridership totals. Commissioner Loveall asked if there were any noticeable trends in the ridership and it was noted that the poor weather was very hard on ridership numbers this winter but that as spring is going, ridership amounts are improving.

Monahan presented the Bill Payment Report showing all bills paid since the Full Board meeting on March 20, 2019 which was only a month prior. Monahan noted the \$60,000 total cash flow assistance from each county was deposited on March 29<sup>th</sup> and it has been very helpful because while there are two separate Requests for Funds submitted right now, the funds have not yet arrived. There is over \$118,000 due from the Quarter 4 Federal share for the 2018 Operations. Also, the 2019 Quarter 2 funds from MnDOT are due by the end of April which will be over \$248,000 total.

The next Executive Committee meeting is on Friday May 10, 2019 at 8:00 a.m. at the Martin County Courthouse in Fairmont. The next Full Transit Board meeting is scheduled for June 19<sup>th</sup> at the Faribault County Human Services Conference Room in Blue Earth.

With no further business to wit, a motion was made by Commissioner Mahoney, seconded by Commissioner Koons to adjourn, the Board Chair adjourned the meeting at 10:55 a.m.

JOINT TRANSIT BOARD  
FARIBAULMARTIN COUNTIES

  
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Elliot Belgard, Joint Transit Board Chair

ATTEST:

  
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Tom Mahoney, Board Secretary