

Faribault-Martin County Joint Transit Board – Executive Committee  
Martin County Courthouse  
201 Lake Avenue Fairmont, MN 56031  
October 8 2019

The meeting was called to order at 8:00 a.m. by Board Chair Elliot Belgard.

Joint Transit Board Executive Committee members present were: Faribault County Commissioners Groskreutz and Young, and Martin County Commissioner Belgard. Missing was Martin County Commissioner Mahoney. Also present was Melinda Estey, MnDOT Transit Project Manager and Jeremy Monahan, Faribault – Martin County Transit Director.

Board Chair started the meeting by asking for any additions to the agenda. There were none.

Motion made by Commissioner Groskreutz, seconded by Commissioner Young to approve the agenda. Motion passed unanimously.

Monahan introduce Melinda Estey to the Executive Committee. Melinda summarized her experience before joining MnDOT earlier in the year and answered a number of questions from the Executive Committee members regarding her role at MnDOT and plans she has working with the Transit Board in the future. She emphasized she wants to maintain a support and advisory role. She remained at the meeting until its conclusion.

Monahan produced an Unpaid Bills report totaling \$31,171.89 and as usual a number of the regular and recurring bills have not yet arrived and would need to be authorized for payment to avoid late fees. There was brief discussion about a couple of the bills and their details.

Motion made by Commissioner Groskreutz, seconded by Commissioner Young to approve payment of the Unpaid Bills as presented, and to approve giving the Transit Director authority to continue to pay other regular and recurring bills at the discretion of the Transit Director upon receipt. Motion passed unanimously.

Monahan produced Bank Statements for the Transit Board. It showed that as of September 30, 2019 the Transit Board had \$333,996.48 for a bank balance. Monahan noted that there were no large deposits or withdrawals, only business as usual with two payroll runs. Estey was asked if the switch the Board made earlier in the year to an Interest Bearing Account to earn extra revenue on the funds on hand was allowed. She checked and said it was allowed as long as the income was reported which Monahan noted he had been doing since the interest began being earned.

Discussion turned to a 2019 Year to Date Expenses and Revenue analysis Monahan had completed. Estey had notified the systems under her management that the Quarter 4 Request for Funds are being finalized and that if any adjustments needed to be made to contact her before she submits the requests. Monahan noted that in prior years Jean Meyer worked with him to determine if a reduction in the 4<sup>th</sup> Quarter payment would be necessary based on the pace of

expenditures the Transit Board was on. In 2017 there was no reduction in payment and as has been discussed in numerous meetings a large overpayment was realized, which needs to be paid back to the state. Other years a reduction was made based on the pace of expenses and it typically resulted in an underpayment which MnDOT is then obligated to pay the Transit Board following the completion of the contract audit. Monahan noted he is estimating for the 2018 contract, after the reduction that Meyer and Monahan agreed to, the reduction was larger than necessary and there was an underpayment to the Board of about \$50,000 which will be finalized when the 2018 audit is complete, likely by mid-2020.

Monahan proceeded to discuss the 2019 year to date expenses, the pace of the expenses based on most budget line items being 75 percent complete at the end of September, and any reduction in the 4<sup>th</sup> Quarter payment that may be needed. Based on the analysis presented and discussed, the Transit Board is expecting to expend nearly the entire \$1.18 Million annual budget by year's end showing that 99.2 percent of the budget is expected to be spent. So a reduction in payment from MnDOT would not be desired or warranted. Also noted was that any reduction in payments from MnDOT at this time would likely hasten potential cash flow issues based on recent cash flow analysis. The Executive Committee agreed and Estey was asked to not reduce the 4<sup>th</sup> Quarter payment to the Transit Board.

Discussion turned to Old Business and an update on the Facility Construction project. Monahan reported that the contract for the construction project has been executed. Monahan signed the contract after discussions with MnDOT staff regarding confirmation that the transfer of ownership of the building had been completed, which it had. Also asked was that if there were any unforeseen increases in costs due to inflation from the time the original cost estimate was produced would a contract amendment be possible or would the Transit Board be responsible for any overage of costs. Monahan reported that MnDOT staff would need to agree to the reasoning for the amendment but the Facility Management staff at MnDOT is familiar with our project plans and cost estimate and is confident the contract amount will be sufficient. Discussion ensued regarding the next steps, timeline for completion and rules regarding the solicitation process. The next step is to complete the Request for Proposals with the assistance of MnDOT staff, then after understanding the rules and regulations a number of potential contractors and firms will be solicited to for Architectural and Engineering and Construction Management Services. Monahan was hesitant to estimate a timeline for any of the steps.

Discussion turned to the New Service and Capital replacement applications. Monahan reported that the new service application that was submitted in August for added hours for Monday through Thursday evening from 6 pm to 10 pm in Fairmont was approved by MnDOT. Also part of that project was the purchase of an accessible mini-van to operate the route or be used in other low capacity transit service which was also approved. The results of the application for replacement of transit buses, which two were applied for, will be sent out in the coming weeks according to the email from MnDOT staff.

Discussion turned to the 2017 Overpayment status. Monahan reported the previous month that the audit had been completed for 2017's contract and that the overpayment was less than anticipated with \$134,917.35 in total now being due. Monahan noted that on October 3<sup>rd</sup> he cut a check for the payment in full and mailed it to MnDOT via certified mail. It was noted by

everyone present that this was nice to have completed and that it was wise to keep the Full Board informed of the amount due throughout the past year so this was not a surprise for anyone. The cash flow analysis and financial report produced in August was very helpful in getting the Full Board informed of the situation, how it occurred, and the plan for its resolution.

Discussion turned to the two policy manual updates that Monahan is planning on bringing to the Full Board for discussion and potential adoption at the meeting on October 16<sup>th</sup>.

The Vehicle Maintenance Policy Manual had a simple update of the Fleet Inventory along with a revision of the preventative maintenance intervals. These intervals were updated to ensure that maintenance is being done not only at necessary times but at cost effective times and intervals. MnDOT's policy is that a system writes down what they are going to do, and then does what they say they will be doing. Monahan noted an updated policy of what is already being done should be easy to follow.

The Drug and Alcohol Policy Manual was updated based on request from MnDOT staff after the Federal Transit Administration revised policy language. The request from MnDOT was not to revise any old policy but to use their template for proper language and include the necessary local components and optional local policies. Monahan reported a policy that was optional that was not chosen was to have safety sensitive employees, which are the Transit Drivers, bring in written proof from their medical providers that they are cleared for duty when they have a prescription that states it may affect their ability to use machinery. Monahan said so many prescriptions have that warning and there is no desire to have that much private information on file with the Transit Board. Commissioner Groskreutz asked if MCIT, the Transit Board's insurance provider, would be okay with that policy and Monahan said he would check. After further discussion, including input from Estey, it was decided that Monahan would draft language that it is the responsibility of the driver to work with their medical provider to ensure their medication(s) will not affect their ability to drive a transit bus, but not ask for written proof. Monahan will check with MnDOT staff to ensure a policy with that language would be allowed and to ensure that it is acceptable to MCIT.

Discussion turned to New Business and the upcoming Annual Performance Evaluation for the Transit Director that is planned for the October 16<sup>th</sup> meeting. Monahan noted that he and the prior year's chair, Commissioner Loveall, were unable to locate a completed 2018 review but that Monahan had some notes from the discussion with Commission Loveall in October 2018 after the Full Board's review regarding the goals that were set for 2019 that he would include in the agenda control sheet for the Full Board meeting. There was an option to close the meeting at this time for discussion but the Executive Committee opted not to and just asked that the information be given to the Full Board in their agenda packets so they can be prepared for the review.

One Personnel Action was considered. Transit Driver Dan Schmidtke had successfully completed his 6-month probationary period and will receive an increase in hourly wage. Motion made by Commissioner Young, seconded by Commissioner Groskreutz to approve ending the Probationary status for Schmidtke. Motion passed unanimously.

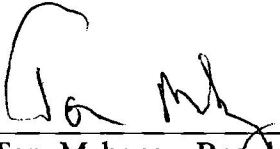
Monahan produced the tables for system ridership. Monahan noted that the routes in Martin County that experienced reductions in ridership the past month were the Demand Response routes which focus on county service and handle a lot of the MRCI ridership. Monahan noted when a reason for reduced ridership is seemingly discovered, like the reduction of the Fairmont Deviated Routes rides causing the system ridership decline, a different route or routes causes a reduction. Finding the exact reason for reductions is still ongoing and is proving to be a tricky task. Regardless, end of the year marketing efforts including new television commercials will hopefully be effective in increasing ridership over the typically higher expected amounts that will be utilizing the system as the weather gets colder.

The November Executive Committee meeting was scheduled for Friday November 8<sup>th</sup> at 8:00 a.m. at the Martin County Courthouse. It was also decided to schedule the December Executive Committee meeting for Friday December 6<sup>th</sup> at 8:00 am at the Martin County Courthouse. The next Full Transit Board will be on October 16<sup>th</sup> in Blue Earth following the Human Services meeting at 10:00 a.m. It was also noted that the December Full Board meeting scheduled for the 18<sup>th</sup> that month should be able to be held as scheduled.

With no further business to wit, the Board Chair adjourned the meeting at 9:20 a.m.

JOINT TRANSIT BOARD  
FARIBAULT-MARTIN COUNTIES

  
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Elliot Belgard, Joint Transit Board Chair

ATTEST:   
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Tom Mahoney, Board Secretary