

Faribault-Martin County Joint Transit Board – Executive Committee
Martin County Courthouse
201 Lake Avenue Fairmont, MN 56031
October 9, 2020

The meeting was called to order at 8:00 a.m. by Board Chairman Bill Groskreutz. This meeting was held with teleconference attendance capabilities under Minnesota Statute 13D.021 which allows for teleconference meeting while in a state of emergency during a health pandemic.

Joint Transit Board members present in person were: Faribault County Commissioner Groskreutz and Martin County Commissioners Koons and Belgard. Also present in person was Jeremy Monahan, Faribault – Martin County Transit Director. Present via teleconference was Faribault County Commissioner Young and Bryan Paulsen, ISG Inc.

Board Chair asked for any changes to the agenda. Monahan asked to have the section talking about the Facility Construction Update be moved to first so Bryan Paulsen can complete his portion and move on to another commitment. Motion made by Commissioner Belgard, seconded by Commissioner Koons to approve the amended agenda. Motion passed unanimously by roll call vote.

Discussion regarding an update on the Office Building Construction project ensued. Monahan noted that ISG had completed their 60 percent Design Development documents and sent them earlier in the week. Monahan had a few questions for Paulsen regarding some of the design elements and Paulsen noted some things to review on their end and provided clarity on other issues. There will be contact between Monahan and Paulsen in coming days regarding submitting the 60 percent plans to MnDOT for their review and to ensure solicitation is done correctly when the time comes to complete that task.

Monahan produced an Unpaid Bills report totaling \$36,174.51 and noted that the second bill for the A & E services from ISG Inc. for \$5,000 is included in the total. There was a brief discussion on a few of the bills.

Motion made by Commissioner Koons, seconded by Commissioner Belgard 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 by roll call vote.

Monahan produced Bank Statements for the Transit Board. It showed that as of September 30, 2020 the Transit Board had \$257,542.70 for a bank balance. Monahan noted that the repayments to each county for the 2019 vehicles purchases were completed and shown as cleared on this statement.

Discussion turned to the current Financial Position and cashflow analysis for the transit system. In September the executive committee asked Monahan to update the matrix on outstanding loans to each county and to produce a current cashflow analysis. Monahan showed that the

outstanding loan amounts from the last analysis remained the same because there was no revenue shortfall in 2019 that had to be covered by the counties. In fact there was a revenue surplus of almost \$79,000 which was added to the almost depleted transit reserve account which at the end of 2019 now stands at \$81,174. There has been some use of that fund in 2020 for the purchase of the used bus this spring from the Minneapolis American Indian Center but most of that purchase price was covered from the insurance settlement for the damaged Bus 14 from Faribault County. Monahan noted that the 2017 overpayment from MnDOT totaling just under \$135,000 was repaid in October 2019. Monahan also noted that in 2018 MnDOT underpaid the transit system approximately \$55,000 and those repayments typically take 18 months to be completed, which means it could be repaid soon. However many tasks have experienced delays in 2020 due to the pandemic so it is not assured when the repayment will be made. For 2019 it looks like the transit system was overpaid again but only by about \$4,800 which will have to be repaid likely in late 2021.

Monahan moved to the cashflow analysis. He explained that while 100 percent of the expenses are currently being reimbursed as part of the amended 2020-2021 Operations Contract with CARES funds, according to the contract some of the funds for 2020 were also to come from MnDOT. It is unclear exactly how much will be able to be distributed by MnDOT and when so planning for cashflow has been problematic. Monahan presented a couple scenarios on a model that can be modified depending on different revenue and expense amounts and their timing. The model showed that if all the money from MnDOT were to come as expected at the expected times, it would not be a concern to repay the counties for the cashflow loans in late 2020, especially the amount due to Faribault County for their 2015 and 2017 loans, which was repaid to Martin County by reducing the transferred Martin County Transit reserve account funds. By repaying the 2015 and 2017 loans to Faribault County, each county would then be owed the same amount of \$30,000 from a 2019 cashflow loan that was received from each county. Monahan did note that repayment of any loans without the expected MnDOT funds could cause cashflow to get thin during certain periods for the next 6 months. There is not a projected time period where there is a negative bank balance but it gets lower than desired a couple of times. There was more discussion regarding cashflow and payments and it was decided to update the Full Board with this information in their October meeting.

Discussion regarding the audit for 2019 by the Office of State Auditor ensued. Monahan reported that the OSA staff had suspended the audit in the spring after the onset of the pandemic but they recently requested information to be sent to them in an attempt to complete the audit without meeting in person. Monahan reported that he provided OSA staff what they requested. He also noted that at the conclusion of the 2018 audit there were 4 findings still unresolved. Monahan and OSA resolved one of them shortly after the exit interview. He had completed draft documents for OSA to review to see about resolving another 2 findings. After the OSA reviews and approves of the documents they will be brought to the Full Board for adoption. This would leave only 1 finding left that Monahan is still hoping to get resolved by utilizing professional accounting services. This whole effort is in progress and this was just an update for the Executive Committee.

Discussion regarding Fare Structures ensued. In September Monahan raised the option of changing the discount on token packs and subscriptions for riders when fare collections begin

again sometime in 2021. He was asked to get data on how many of the passengers currently use tokens or subscriptions versus paying with cash to see how many of the riders would be effected by a rate structure change that involved changing the token pack discount. Operations Manager Stacy Struck compiled fare types from January and February 2020 which is the most recent data for normal fare usage. It showed that about 46 percent of passengers used tokens to pay for their rides and 36 percent were part of a subscription billing service such as MRCI, Southview Estates grocery runs, etc.. Only 16 percent paid with cash. The remaining trips (4 percent) were tabulated as no charge either for the Disabled Veterans program, young children, or attendants who ride for free. Monahan noted that with MRCI subscriptions not likely returning, the percentage of projected riders using tokens will increase to 60 percent with 21 percent using cash to pay for their trip. So it can be concluded that the majority of the passengers would experience the burden of the decreased discount if such a change is made. Eventually the Full Board will have to decide what to do but for now it can wait until the December Full Board meeting when it will be decided whether to extended the fare collection suspension or reinstate fare collections.

Discussion turned to an issue Monahan wished to discuss regarding the Paid Administrative Leave (PAL) Policy that was implemented for staff in May. The PAL Policy allows for staff members that lose hours due to either their workload being reduced or them being out due to a doctor saying they should not work, such as a COVID positive test or isolation due to exposure, to receive their regular amount of hours worked per week. These regular hours were determined from hours that were being worked in early March from the Family First Coronavirus Relief Act policy that allowed 2 weeks of sick time for all staff and 10 weeks of extended family for qualified staff. Monahan reported that for some staff, their regular weekly hours have changed since the March calculation but there was not a stipulation in the PAL policy that would allow for any adjustments. For instance, a driver that was working 32 hours per week in March has asked to be reduced to 26 hours as much as possible but they are still received 32 hours per week minimum. Contrary there are staff that were working 16 hours in March that are now consistently working 20 hours per week on average. However if they are out, they are only allowed to receive the 16 hours of weekly pay despite their increased hours for several weeks or months. After discussion the Executive Committee asked for a draft policy to consider that would allow for changes to average weekly hour amounts for PAL compensation. They stressed that the policy remains fair and treats all employees the same.

Discussion turned to new business with Monahan presenting a draft resolution for the Full Board to authorize Electronic Funds Transfers (EFT) by transit board staff. This was found to be missing in one of the OSA audits and a resolution was passed in 2018 for 2019. This resolution updates the dates in case it is necessary to pass this type resolution annually.

Motion made by Commissioner Belgard, seconded by Commissioner Young to recommend the Full Board approve the EFT resolution at their next meeting. Motion passed unanimously by roll call vote.

Discussion turned to the Transit Director's Annual Performance Evaluation. This is done by the Full Board each October so it can be completed before any wage adjustments are considered at the December Full Board meeting. Monahan presented a copy of his revised job description that was completed as part of the wage adjustment discussions in early 2020 along with the 2019

performance review completed by Monahan and Commissioner Belgard. Monahan noted that if the Executive Committee would like to close the meeting to have discussions they can but they declined. Instead they asked Monahan to send this info to each commissioner as soon as possible so they can make any input, questions, comments, or performance scores they wish to contribute before the October Full Board meeting. The info will then be returned by Faribault County commissioners to Commissioner Groskreutz and by Martin County commissioners to Commissioner Belgard by October 20th so they can possibly conference regarding the input before the Full Board conducts the annual review on October 27th.

Discussion turned to several Personnel Actions. Monahan asked that Transit Driver Ricky Libby be moved from Indeterminate Leave to Active Transit Driver. Monahan asked that Transit Drivers Jeff Huston, Myron Mathiason, and Robert Wendt be moved to Indeterminate Leave due to requested long leaves for personal reasons. Monahan also asked for approval of hiring Probationary Transit Driver Jerald Mosloski.

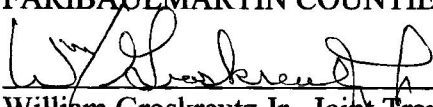
Motion made by Commissioner Belgard, seconded by Commissioner Koons to approve all Personnel Actions as presented. Motion passed unanimously by roll call vote.

Discussion regarding the system ridership report ensued. Monahan noted that the upward recovery is continuing. The system as a whole is very near the first year numbers. Martin County is about 10 percent off the pace of last year and Faribault County had the second best September since the merger topped only by the record setting 2019 ridership totals. It was noted that some of these higher numbers might be attributed to the fare collection suspension and could be reduced somewhat when fares are implemented again. October is historically a very high ridership month so the trends will continue to be analyzed.

The next Executive Committee meeting was scheduled for Friday November 6th at 8:00 a.m. at the Martin County Courthouse in Fairmont. The next Full Board meeting will be held on Tuesday October 27th following the Human Services Board meeting with an advertised start time of 9:30 am.

With no further business to wit, a motion was made by Commissioner Belgard, seconded by Commissioner Koons to adjourn. The Board Chair adjourned the meeting at 9:45 a.m.

JOINT TRANSIT BOARD
FARIBAULT/MARTIN COUNTIES


William Groskreutz Jr., Joint Transit Board Chair

ATTEST: 
Greg Young, Board Secretary