

Faribault-Martin County Joint Transit Board – Executive Committee
Martin County Courthouse
201 Lake Avenue Fairmont, MN 56031
September 10, 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 Melinda Estey, MnDOT.

Board Chair asked for any changes to the agenda. Monahan added a section to discuss the status of the 2019 Operations Contract closeout. Motion made by Commissioner Belgard, seconded by Commissioner Koons to approve the amended agenda. Motion passed unanimously by roll call vote.

Monahan produced an Unpaid Bills report totaling \$27,642.46 and noted that the first bill for the A & E services from ISG Inc. for \$6,420 is not included in the total but needs to be paid. Monahan has to determine the best way to make the payment through the accounting software. 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 August 31, 2020 the Transit Board had \$483,174.36 for a bank balance. Monahan noted the three large deposits from MnDOT through the CARES Act funding which were completed in August. No other notable transactions were in the statement. Monahan did note that he repaid the two member counties the agreed upon loan amounts for the vehicle purchases made earlier in the year. Those payments were delivered to each county auditor / treasurer with a letter of explanation for the amounts. These payments were not cleared until early September and will show up in next month's bank statement.

Commissioner Belgard asked to clarify if any of the other outstanding cashflow loans from the member counties were paid back which Monahan replied they were not. Only the vehicle loans repayments were completed. It was discussed that Monahan should update the outstanding loan matrix produced previously to show current outstanding balances and include it regularly as part of the banking report. Monahan also will complete a cash flow stress exercise to see how much of the outstanding loans to each county can be repaid without concern for cashflow. It was also noted that with the building construction project underway there may be a situation where a

cashflow repayment is made and followed up with a request for funding from each county occurring shortly after that. Monahan will have reports for the October Executive Committee and more discussion can take place at that time.

Discussion regarding the closeout effort for the 2019 Operations Contract ensued. Monahan produced a matrix report completed by Estey for Monahan's review. It showed that in 2019 the Transit Board spent under their budget of \$1.18million by just under \$4,800. Because all MnDOT planned payments were accepted in 2019, the Transit Board will eventually have to repay that nearly \$4,800 but not until likely mid-2021. Monahan noted in previous years it has usually been an 18 month lag from end of contracts before the contract audit is completed. He also noted that the matrix completed for 2018's Operations Contract showed an underpayment from MnDOT of around \$50,000 and that money will be coming back to the Transit Board upon completion of that contract audit. With history being an 18 month lag, that payment is imminent. There was further discussion about funding and cashflow.

Discussion regarding an update on the Office Building Construction project ensued. Monahan noted that ISG has begun their Design Development Phase and revised their proposed schedule. The new schedule has construction beginning in mid-December and being completed by the end of May 2021. Commissioner Groskreutz asked what milestone dates would require attendance by board members and Monahan noted he would alert board members when they were needed as he was not sure of the exact dates at this time. There was brief discussion regarding current availability of building supplies.

Discussion turned to the Transit Advisory Committee. Monahan reported he held the most recent TAC meeting as planned on August 27th. Of the 6 members that are currently appointed only 2 were able to attend. Of the 4 that missed 2 did not RSVP at all and the other 2 said they were planning to attend but did not. Monahan noted that one member that consistently attends, and dis so on the 27th, will be having their appointing commissioner retiring at the end of the year and perhaps another commissioner would like to appoint him. Regardless Monahan told the group that he will likely try to hold another meeting in January after the holidays and all the December board meeting decisions that will need to be made. Hopefully more appointees will be in place by then and more will be able to attend that meeting.

Discussion of New Business ensued with Monahan noting that if fares are going to start being collected again in February 2021, which would be the earliest they could now, it would be acceptable for the Transit Board to consider changing the discount price of token packs at that time. There was discussion regarding the pros and cons of such a move. Commissioner Belgard asked what percentage of riders was using tokens before fare suspension occurred. Monahan said he would have to research that further but based on monthly revenue he estimated 30 – 40 percent. Commissioner Koons noted if that percentage could be known, it would be easier to determine the effects a reduction in the discount would do for revenue. Also it would illustrate how many of the riders would experience an increase in their costs for using transit. Monahan said he would work with the Operations Manager to determine those numbers for October's Executive Committee meeting. It was noted with the current state of the economy it might not be wise to increase costs for something like transit, but no decisions should be made until the information is gathered and analyzed.

Discussion regarding the system ridership report ensued. Monahan presented the regular charts and noted that August showed a plateau of ridership recovery. It is still too early to see if this will be the trend especially with September and October historically having higher ridership amounts. However a plateau was anticipated as some point in the recovery and once that amount is determined plans for moving forward can become clearer in terms of revenue needs and future services. Monahan noted again that the evening and weekend routes for Fairmont were very busy in August with Saturday ridership almost doubling from July to August. That may become an opportunity in the future for expansion if other areas need to be reduced.

The next Executive Committee meeting was scheduled for Friday October 9th 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. That meeting will include the Transit Director's annual performance review.


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 9:15 a.m.

JOINT TRANSIT BOARD
FARIBAULMARTIN COUNTIES



William Groskreutz Jr., Joint Transit Board Chair

ATTEST:


Greg Young, Board Secretary