

Faribault-Martin County Joint Transit Board – Executive Committee  
Martin County Courthouse  
201 Lake Avenue Fairmont, MN 56031  
June 4, 2021

The meeting was called to order at 8:00 a.m. by Board Chairman Elliot Belgard. 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 Executive Committee members present in person were: Faribault County Commissioners Groskreutz and Young and Martin County Commissioners Belgard and Forshee. Joining via teleconference was Melinda Estey of MnDOT OTAT. Also present in person was Jeremy Monahan, Faribault – Martin County Transit Director.

Board Chair asked for any changes to the agenda. There were none. Motion made by Commissioner Forshee, seconded by Commissioner Groskreutz to approve the agenda. Motion passed unanimously.

Monahan produced an Unpaid Bills report totaling \$34,961.12 and noted that more regular and recurring bills are expected to arrive in the coming weeks. Monahan noted that the May bill from APX Construction was smaller than previous months at \$8,614.04 due to little work being completed in May due to material delays. There was a brief discussion on a few other bills.

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 a Bank Statement for the Transit Board. It showed that as of May 28, 2021 the Transit Board had \$630,926.43 for a bank balance. There was brief discussion about a few of the expenses and deposits. There was no action required this was for information purposes only.

Discussion turned to Old Business and the Facility Construction Project. Monahan noted that Phase 2 had of construction of refurbishing the existing areas had begun. Staff had moved into their new offices and work was proceeding as quickly as possible.

Discussion turned to the Financial Position Matrix. Monahan had updated the Financial Position Matrix that has been presented to the board in previous meetings. Updates included the new Reserve Fund balance at the beginning of 2020 which was \$81,175 due to the 2019 Operations Contract being changed to a 5 percent local share. Anything earned over that 5 percent was able to be put into the Reserve Fund. Also updated was the over / under payment status for 2018 and 2019 contract years. MnDOT had underpaid the transit board by \$55,262 from the 2018 operations contract. The contract audit was delayed but finally completed and payment from MnDOT arrived in April of 2021. Also it was calculated that for 2019 the board was overpaid by \$4,723 which will have to be paid back upon the completion of the 2019 contract audit. This

is likely to be due in 2022 towards the end of the year. Added to the matrix is the county and transit board responsibilities' for local share of the construction project. Each county had committed in 2019 to bear the burden of 20 percent local share for the project. That amount was \$54,000 total with 62 percent coming from Martin County and 38 percent coming from Faribault County. At this point the contract has gone \$12,592 over the \$270,000 contracted amount with MnDOT. Any overage would need to be covered 100 percent locally. Monahan noted that the new Reserve Fund balance could handle that overage and he also presented what each county could be responsible for if the counties were to bear the burden of the overage.

After discussion a motion was made by Commissioner Groskreutz, seconded by Commissioner Young to recommend to the Full Transit Board that they approve utilizing the Reserve Fund to handle any overage amounts from the construction project. Motion passed unanimously.

Discussion turned to the long delayed 2020 vehicle purchases. For 2020 the transit board was awarded two cutaway buses and one accessible mini-van. The mini-van purchase is not able to be completed yet as there are more details to work out with procurement processes with MnDOT. Monahan was give notice to proceed for a purchase in mid-May and there is a 60 day deadline to submit the purchases of the cutaway buses to MnDOT. Part of that submittal must include a resolution by the Full Board noting the vendor(s) that were chosen and the exact cost of each vehicle. Monahan had shopped around with vendors via discussions on the phone and accessing a database of all costs for buses and options online. After that effort he has decided to pursue purchase of two cutaway buses with North Central Bus and Equipment. The exact costs are still being worked out between Monahan and the vendor representative to get the right options and to get the cost as close to the \$92,000 contract amount as possible.

After discussion and some questions a motion was made by Commissioner Young, seconded by Commissioner Forshee to recommend that the Full Board approve the purchase of two cutaway buses from North Central Bus and Equipment at a price to be determined before the meeting but that will be approximately \$92,000 each. Motion passed unanimously.

Discussion turned to New Business and the 2022 Operations Contract application. Monahan explained how for 2022 MnDOT is soliciting for a one-year contract rather than continuing with a two-year contract at this time. Also, MnDOT has committed to funding 100 percent of the operations cost with 0 percent local share. However to afford this financial commitment MnDOT will only allow a 2 percent increase over the 2021 budgeted amount from the 2020-2021 operations contract. They also stated that they will be very open to allowing use of Reserve Funds to handle any expenses over the 2 percent allowed. Monahan explained that it is necessary to consider an increase in part time staff wages in order to make the positions more attractive and in order to retain existing staff. Monahan had produced a budget that was within the 2 percent increases but only allowed for a 2.75 percent increase in part time staff wages. Monahan had been working on different scenarios for wage increases from the 2.75 percent to a wage that would be similar in line with the grade and step scale that full time staff was put on in 2020. It was calculated that if a "modest" increase over a normal cost of living increase is approved about \$40,000 of Reserve Fund would need to be used to cover those wages. If the part time staff were placed on the grade and step scale like full time staff, it was calculated that about \$100,000 of Reserve Funds would need to be used. Monahan also noted that the Reserve

Fund is expected to have approximately \$90,000 at the beginning of 2022 and is estimated to grow by \$142,000 in 2022 due to the 0 percent local share and all revenues being able to be added to the Reserve Fund.

There was discussion about the percentage increase amounts for each position. A motion was made by Commissioner Young, seconded by Commissioner Forshee to recommend to the Full Board that they approve a 2022 budget for the application with the “modest” increase in wages for part time staff included rather than the low end of 2.75 percent or the high end of the grade and step scale. Motion passed unanimously.

Discussion turned to Personnel Actions. Monahan reported that a driver who was placed on Indeterminate Leave due to a school bus driving job, David Grotte, wished to come back for at least the summer to help out with driving. Also that another candidate, Renee Moravec, who drives school buses, said they would be willing to become a Probationary Transit Drive and help for the summer at least.

Motion made by Commissioner Groskreutz, seconded by Commissioner Forshee to approve the proposed personnel actions as described. Motion passed unanimously.

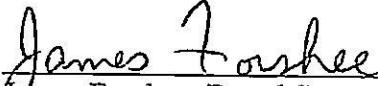
Discussion regarding the system ridership report ensued. Monahan noted he had not had the ridership figures for very long to make much of an analysis but noted that the ridership has decreased again from the previous month. Estey was asked if this is commonplace around the state and she stated that some systems are doing worse than others and that there is typically a drop in ridership once warmer weather arrives for the summer months. The numbers and drops experienced by Prairie Lakes Transit are not uncommon. There was discussion about some of the frequent ridership groups and if they are maintaining their use of the system.

The next Executive Committee is scheduled for Friday July 9<sup>th</sup> and the next Full Board meeting will be held on Wednesday June 16<sup>th</sup> at 10:00 am following the Human Services Board meeting. The August Executive Committee meeting was scheduled for Thursday August 5<sup>th</sup> at 8:00 am. .

With no further business to wit, a motion was made by Commissioner Young, seconded by Commissioner Groskreutz to adjourn and the Board Chair adjourned the meeting at 9:15 a.m.

JOINT TRANSIT BOARD  
FARIBAULMARTIN COUNTIES

  
Elliot Belgard, Joint Transit Board Chair

ATTEST:   
James Forshee, Board Secretary