

Faribault-Martin County Joint Transit Board – Executive Committee  
FM Transit Facility  
1023 North Dewey Street Fairmont, MN 56031  
June 10, 2022

The meeting was called to order at 8:00 a.m. by Board Chair Greg Young. Joint Transit Board Executive Committee members present in person were: Faribault County Commissioners Groskreutz and Young and Martin County Commissioner Forshee. Missing was Martin County Commissioner Belgard who had Martin County Commissioner Smith attend in his place. Also present in person was Cathleen Amick from MnDOT Office of Transit and Jeremy Monahan, Faribault – Martin County Transit Director.

Board Chair asked for any changes to the agenda. Monahan asked to rearrange the order of presentation to accommodate Amick's need to leave soon for another meeting an hour away. There were no disputes with that change. Motion made by Commissioner Groskreutz, seconded by Commissioner Forshee to approve agenda as presented. Motion passed unanimously.

Monahan and Amick proceeded to update the Executive Committee on the closing out details of the 2020-2021 Operations Contract. Previously Monahan had reported that he estimated that the Transit Board was underpaid by almost \$35,000 for the contract period. However when MnDOT created the official matrix which calculates over and under payments, there was an over payment of almost \$68,000 due back to MnDOT. Monahan presented two tables showing his original calculation and showing the revised calculations. The explanation for the miscalculation originally was because Monahan had looked at the 2 year period as a whole. Instead the fact that the two year contract had to be broken into two sections was what caused the misunderstanding. Part of the contract had the regular parameters for January and February of 2020, the remaining 22 months had the 100 percent coverage, less any farebox revenue earned, paid to the system. Monahan explained the calculation was not done like normal years because of the complexity of the CARES amendment funding and the timing of the amendments. However in the end the over payment of almost \$68,000 was deemed to be correct and will eventually have to be repaid to the state at the completion of the contract audit. Monahan estimates that will be sometime in mid-2023 and that the funds should be able to be repaid without issue.

With Amick still there the discussion turned to the potential for a New Service application being considered for 2023 submittal. Monahan explained that he was working towards developing a New Service application to create service to Mankato from the area beginning in 2023 however after attending MnDOT's application webinar he learned the details of the scoring system that will be used for determining awards. Monahan had a lot of concerns regarding losing points for not being able to demonstrate adequate staffing levels or vehicles to provide the service. Also the documented need for the service is not in a strong position at this time. It was discussed that perhaps delaying the application for a year to gather more documentation showing the need and allowing for some more of the numerous buses ordered in 2021 to hopefully arrive would solve a couple of the issues. Monahan noted how discussions previously had emphasized that promoting the New Service but not being able to actually provide the new service due to shortage of staff and / or vehicles would not be well received by the community. Commissioner Smith asked

Amick if we waited a year would funding be available again for these applications and Amick replied that each year a certain amount of money is earmarked for New Service application consideration. So the funding would be available again in 2023 for a 2024 start. Monahan will wait a year to submit the application for New Service to Mankato.

Amick left the meeting at this time.

Monahan produced an Unpaid Bills report totaling \$30,789.05 and wished to add an additional \$300 bill received from AdMfg the previous afternoon after printing the packets. Brief discussion ensued regarding a few of the bills. As usual there will be a number of regular and recurring bills arriving in the coming days and weeks that will be due before the next Executive Committee meeting.

Motion made by Commissioner Groskreutz, seconded by Commission Forshee 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 31, 2022 the Transit Board had \$345,435.03 for a bank balance. Monahan noted that the reimbursement for the two 2020 vehicles was paid in early May. Also that the \$60,000 borrowed from each county was then quickly repaid and those checks were cashed in mid-May. Monahan noted he was grateful for the funding assistance as it allowed for no issues with cashflow as the vehicles were paid for on time. Also deposited were the Quarter 1 funds from the Federal share for the 2022 Operations contract for \$126,154.10 total. This amount is calculated based on 50 percent of our operations deficit for the quarter. There was brief discussion about a few of the other deposits and charges.

Monahan presented an updated financial report showing expenditures per line item to date through April 2022. This table highlights any month where more than 8.5 percent of the yearly budget is spent in any given month to show spending at a higher than expected pace. For April, all wages were highlighted due to about 10 to 11 percent of the yearly budget being used that month. Monahan explained that in April there were three payrolls run, which happens twice a year, so a higher than normal pace of spending was expected. He also noted that the Utilities line item, which was at a high pace in January and February due to natural gas bills for heating the garage have leveled off to expected levels with warmer temperatures. There was brief discussion regarding the report and another report Commissioner Smith wished to see brought to the Full Board with estimated future expenditures and revenue. Monahan noted he will update that report and bring both of them to the Full Board later in June.

Discussion of Old Business continued with an update on the Electric Vehicle Purchase project. Monahan presented a letter of support from the City of Fairmont he had worked with the Mayor to have written and used as part of MnDOT's submittal. The City will be involved as the electric utility provider for the transit building where the vehicle charging will take place. Monahan noted the application was submitted, there will only be one (1) replacement bus requested for the Board meaning that the State plans to cover the local match requirement. A second vehicle

would have required local funds for the local share and could have been up to \$50,000 for the second vehicle. Monahan decided that the reserve fund would not likely be able to handle that much of an expense at one time and did not wish to approach the counties for levy funds, so at this time kept the one vehicle request on the application for our system.

A quick update on the 2020 vehicle purchases was that the mini-van purchase has progressed to the van being at the vendor's shop in St. Cloud. Monahan is figuring out with the help of MnDOT and the vendor the remaining steps to complete the procurement, as it is not like the regular purchase of cutaway buses on the state contract. Monahan will have to complete inspections and post-delivery certifications that are normally completed by the State. Commissioner Young asked if the vehicle will be kept in Fairmont and Monahan replied that is the current plan due to the amount of space available in Blue Earth. But plans for the van are fluid until it is determined what the best route it should be used for is.

Discussion turned to New Business and the Draft 2023 Operations Contract budget that was developed for the application. Monahan noted that MnDOT is allowing and expecting up to a 10 percent increase in expenditures over the 2022 budgeted amounts. Monahan presented a budget of \$1,492,236 which is 10.4 percent over the 2022 approved budget. Within the budget Monahan included a 10 percent hourly wage increase for all part-time employees. Also included is a higher than normal increase in fuel expenditures. A few of the specific line items were discussed. Monahan said if the Executive Committee is accepting of this draft budget he will present it to the Full Board at the June 28<sup>th</sup> meeting so it can be approved before the July 1<sup>st</sup> application deadline.

A motion was made by Commissioner Forshee, seconded by Commissioner Groskreutz to recommend the proposed draft budget be presented to the Full Board for consideration of approval. Motion passed unanimously.

Discussion regarding a potential to purchase a used vehicle from another transit system that has approximately 210,000 miles on it for \$4,000 ensued. Monahan wished to see if there was any interest in using \$4,000 of Reserve Funds for a used bus with high mileage, but less mileage than a few of the buses that are used regularly for the system. The Commissioners advised Monahan to look into the used bus and if it is acceptable in terms of shape and prospective repairs to go ahead with the purchase, otherwise to pass on the offer.

Discussion turned to Personnel Actions. Monahan asked that Transit Driver Kermit Brown be removed from Probationary status at the end of June, that former driver David Grotte be brought back from Indeterminate Leave, that the hiring of Probationary Transit Driver Scott Halverson is approved and the termination of Transit Driver Dwight Weise is approved. Motion made by Commissioner Smith, seconded by Commissioner Forshee to approve all requested Personnel Actions. Motion passed unanimously.

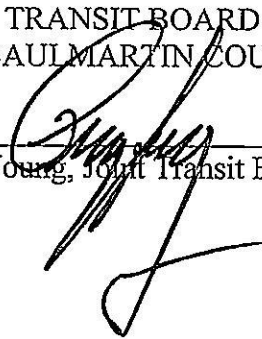
Discussion turned to the ridership report. Monahan reported that May saw another decline in ridership that is typical as the weather warms up. Faribault County still has strong numbers but their numbers will decrease with the completion of the school year and USC Pre-school rides until September. Monahan said the driver staff shortage is partly to blame for the lower

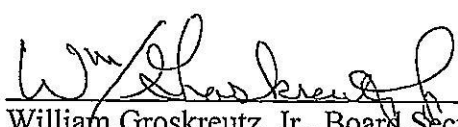
numbers. The entire contingent of service is not out on the street at all times due to being short staffed. The Committee asked to see trip denial reports soon especially if they are due to staff shortages. Monahan also noted that many of the denials are last minute requests or with very little lead time before the requested ride. If more time was allowed for planning the dispatchers, who have been doing great work trying to “problem solve” some of the ride accommodation requests, might be able to make the requests work. Also there is competition from more expensive taxi services in Martin County that might have more short term availability and some riders are turning to them despite the higher prices.

The next Executive Committee is scheduled for Friday July 8<sup>th</sup> at 8:00 am. The next Full Transit Board meeting will be held on June 28<sup>th</sup> meeting is planned to be held at the Human Services Conference Room in Blue Earth starting at 9:00 am.

With no further business to wit, the Board Chair adjourned the meeting at 9:15 a.m.

JOINT TRANSIT BOARD  
FARIBAUL MARTIN COUNTIES

  
\_\_\_\_\_  
Greg Young, Joint Transit Board Chair

ATTEST:   
\_\_\_\_\_  
William Groskreutz, Jr., Board Secretary