

Faribault-Martin County Joint Transit Board – Executive Committee
FM Transit Facility
1023 North Dewey Street Fairmont, MN 56031
June 9, 2023

The meeting was called to order at 8:00 a.m. by Board Chair Elliot Belgard. Joint Transit Board Executive Committee members present in person were: Faribault County Commissioners Young and Groskreutz and Martin County Commissioner Belgard and Bleess. 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 Bleess, seconded by Commissioner Young to approve the agenda as presented. Motion passed unanimously.

Monahan produced an Unpaid Bills report totaling \$31,829.23 and noted that there will still 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. There was brief discussion regarding a few of the bills including a note that the fuel bill had increased. Monahan noted there was more fuel used in May than in previous months which is the reason behind the increase not necessarily a cost increase.

Motion made by Commissioner Bleess, 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 31, 2023 the Transit Board had \$392,360.85 for a bank balance. Monahan noted the 1st Quarter Operations Contract payment from Federal share in the amount of \$143,316.01 made on May 24th and the \$1,000 deposit from MCIT was the reimbursement of the collision insurance deductible from the October 2023 accident with Bus 13 after the other party accepted complete fault. Monahan also noted that the 4th Quarter 2022 Federal share for the Operations contract was finalized and a notice of deposit was recently received and will appear in the June bank statement. That deposit will be in excess of \$148,000 when made. The rest of the deposits were business as usual although some discussion noted that the weekly deposited seemed smaller than before. Monahan noted that warmer weather results in less ridership. Also a couple of larger invoices due in May were not paid in time to appear in the May bank statement.

Discussion turned to Old Business and the 2024 Operations and Capital Contract Update. Monahan reminded the commissioners that recently he had reported that for 2024 MnDOT had notified the transit systems that rather than returning to the 15 percent local share in 2024 they would be doing a gradual increase from the current 5 percent in 2023 to 8 percent in 2024 and then To Be Determined in future years. Also that capital purchase local shares would need to return to 20 percent. A new update that came just the previous week and the information flow is still very fluid but the major points are that the 2023 legislative session passed legislation in regards to transportation funding sources and other rules. One of these rules is that for 2024 and

2025 MnDOT must provide 95 percent of the funding for Operations and 90 percent of the funding for Capital purchases. Meaning the 8 percent local share we were expecting in 2024 and unknown percent in 2025 is now mandated to be 5 percent. Monahan noted that MnDOT will have to do a lot of recalculating their formulas with these changes and might not have as much money available for Operations because of the change. Previously they had said we should expect to be awarded somewhere between 2 to 4 percent increase over 2023 contract amount. It is not likely at all to be more and Monahan even thought they might come back with a flat increase for 2024 which means locally we would have to make selective reductions and calculations of how much Reserve Fund might be needed so that we can pay for Operations after ensuring staff are given basic pay increases for the year. More info will be coming.

Discussion turned to New Business and a transition to discussion regarding the 2024 budget. Monahan said in the past June is typically the month he has presented to the Executive Committee and then the Full Board the Draft Budget for the following year. Due to the number of uncertainties he has not been able to complete the budget as the allowable percentage increase is still unknown. MnDOT has started telling systems when the application process begins the total budget amount they will be awarded based on the allowable percent increase. Then the budget is crafted around that total amount. That number is not yet known. Monahan wanted to know how much review and discussion the Executive Committee would like to have of the Draft Budget before presenting to the Full Board so they can have a recommendation and also be able to speak with Monahan regarding some of the budget details at the Full Board meeting while it is considering approval. It was noted that some lead time is definitely desired. The budget can be emailed before the Full Board and a short Executive Committee meeting can be held before the Full Board meeting at the end of June. Monahan did note that he is planning to expect a 3 percent increase and that is what the staff is to get for the Cost of Living Adjustment. That would put the overall 2024 budget total around \$1.53 million

Discussion turned to attendance at the 2023 Fall Public Transit Conference in LaCrosse, Wisconsin. The conference this year is another joint conference with Wisconsin and the joint conferences alternate between being held in Minnesota and Wisconsin. The last joint conference was in Duluth. Due to the conference being out of state, Monahan wished to ask formal board approval for travel to the conference for him and the Operations Manager. The Transit Board policy is not entirely clear about who is able to approve this request.

After discussion a motion was made by Commissioner Bleess, seconded by Commissioner Young, to recommend to the Full Board that permission be given to Monahan and the Operations Manager to travel to LaCrosse, Wisconsin for the 2023 Fall Public Transit Conference in October. Motion passed unanimously.

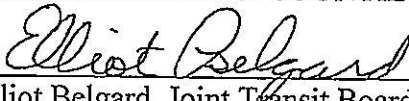
Discussion turned to Personnel Actions and the hiring of the Probationary Transit Dispatcher. Monahan reported that they received six (6) applications for the open position, interviewed all candidates, and have offered the position to David Scheppmann who is set to begin work June 19th. Monahan wished for approval for this hire. Motion made by Commissioner Groskreutz, seconded by Commissioner Bleess to approve the Personnel Action as presented. Motion passed unanimously.

Discussion turned to the ridership report. There was a nice increase for the entire system in May. Faribault County finished off the school year with another solid ridership number report. Martin County routes performed once again about 10 percent better than this time last year. That trend of having a nice increase from 2021 to 2022 to 2023 with each year having an increase is encouraging and Monahan said it gives him optimism for the system's future while we still look for ways to improve it.


The next two Executive Committee meetings are scheduled for Friday July 7th and August 4th at 8:00 am at the Fairmont Transit Facility. The next Full Board meeting will be on Tuesday June 27th at 9:00 am at the Faribault County Courthouse Human Services Conference Room. It was noted that the August Full Board meeting will be held on the 22nd in Fairmont at the Transit Facility. Also that the October Full Board meeting will have to be rescheduled from the typical fourth Tuesday due to the conflict with the Fall Conference discussed earlier in the meeting.

With no further business to wit, a motion was made by Commissioner Young and seconded by Commissioner Bleess, to adjourn and the Board Chair adjourned the meeting at 9:30 a.m.

JOINT TRANSIT BOARD
FARIBAULMARTIN COUNTIES


Elliot Belgard, Joint Transit Board Chair

ATTEST:


Jamie Bleess, Board Secretary