

Faribault-Martin County Joint Transit Board
Fairmont Transit Facility
1023 North Dewey Street
Fairmont, MN 56031
Tuesday August 22, 2023 9:00 a.m.

The meeting was called to order at 9:00 a.m. by Board Chair Elliot Belgard.

Joint Transit Board members present were: Faribault County Commissioners Groskreutz, Roper, Anderson and Young and Martin County Commissioners Belgard, Flohrs, Bleess, and Koons. Missing were Martin County Commissioner Smith and Faribault County Commissioner Loveall. Also present was Jeremy Monahan, Faribault – Martin County Transit Director.

The Board Chair asked if there were any other additions to the agenda. There were none.

Motion made by Commissioner Roper, seconded by Commissioner Koons to approve the agenda as presented. Motion passed unanimously.

Motion was made by Commissioner Flohrs, seconded by Commissioner Young to approve the meeting minutes for the June 27, 2023 Full Board meeting. Motion passed unanimously.

Motion made by Commissioner Groskreutz, seconded by Commissioner Young to approve the June 27th Special Executive Committee Minutes and the July 7, 2023 and August 4, 2023 Executive Committee meetings. Motion passed unanimously.

Discussion turned to Old Business and a discussion regarding the 2024 Wage Analysis for Part-Time Staff. Monahan noted after the June Full Board meeting he analyzed part time staff wage increases as requested to see what impact to the budget a more substantial increase would have. Originally a 3 percent wage increase for part time staff was proposed to match the 3 percent increase that MnDOT was allowing for an annual increase in the award amounts from the 2023 to 2024 contracts. This only resulted in approximately a \$0.50 per hour raise for each part time staff position and it was asked what a \$1.00 per hour might look like. In addition, discussion regarding some type of bonus pay for employees that are working during the recognized Federal holidays which the Transit system are operating was asked to be looked at. Bonus examples suggested were time and a half or double time their regular wage.

Both wage adjustments were analyzed and presented to the Executive Committee who discussed a number of different options at length. In the end they reached a consensus to approve recommending adding a 6 percent wage increase for part time staff to the 2024 budget application and adding 1 ½ times the regular wage of part time staff working on recognized Federal holidays in which the transit system is operating. Making these changes increased the deficit from the award that was presented in June from \$15,386 to \$45,945 with the higher wages and bonus holiday pay. Discussion ensued regarding how this wage adjustment could be beneficial to the Transit Board for employee recruitment and retention efforts. Monahan noted that with the 6 percent wage the Transit Drivers would be making \$18.35 per hour which puts our system in the upper middle range of pay. There are other systems that offer more, and offer

benefits, but this dollar amount is much better than the \$14 per hour that was offered a few years ago. It was also noted that having this increase, and projecting spending over the contract award amount by this much could result in having to use the Transit Reserve Fund for Operations, which is not what the Board typically would desire. Those funds are usually wanted to be set aside to pay the local share for capital purchases, especially the much needed buses. Being able to use the Transit Reserve Fund, which is finally a substantial amount of money, can avoid having to utilize County levy funds for capital purchases.

A motion was made by Commissioner Koons, seconded by Commissioner Roper, to give the Part-Time staff a 3 percent cost of living adjustment and a 3 percent wage adjustment totaling a 6 percent increase beginning the first pay period in January 2024. Also, the part-time staff that are working on recognized Federal holidays will receive the recommended 1 ½ times their regular wage for their time worked. Motion passed unanimously.

Discussion turned to other updates to the 2024 Operations Application. Monahan wanted to update the Board on the adjustments besides the wages that were made to the application before it was submitted at the end of July. First the Advertising budget was reduced by about \$3,600. The Staff Development narrative now included a National Conference due to some calculations that were redone regarding some of the other planned conferences so that the original budget could be maintained. For the purpose of the budget 55,000 gallons of gasoline for Fuel is assumed. MnDOT's projection for 2024 for cost at this time is \$3.41 per gallon but having \$187,550 in the budget was not feasible to stay at the award amount. For the application this amount was reduced to just under \$141,000 so that our application will match our award amount. Finally in order to reduce projected expenses, and due to the likelihood of lower corrective repair costs, the annual budget for Vehicle Maintenance was kept flat at 0 percent increase from 2023 to 2024.

Discussion turned to the 2020-2021 Commissioner Per Diem potential accounting solution. Monahan reminded the Board that MnDOT informed all transit systems that the 2020-2021 contract paid per diems and mileage reimbursement expenditure were not allowable. The expenses had to be backed out of our 2020-2021 Operations reporting to MnDOT so that it was not charged to the contract. However the money was still spent and a remedy to even that out had to be found to account for that deficit. Since there was now a deficit on the books of the Transit Board for money that was spent paying the Commissioners but not funded by any Operations Contract the logical solution for the funds to even out would be for the Counties to pay back the Transit Board. For Faribault County that amount totaled \$7,528.17 and Martin County the amount was \$4,948.14 in total. Combined that amount due is \$12,476.31 total.

Monahan recently presented an idea to the Executive Committee for consideration. Certain funds received by the Transit Board are not to be considered for Transit use alone. These funds are obtained through donations, or other means not directly related to the operation of the transit system. In December 2021 a \$500 donation from the Fairmont Senior Center was received. This money was not reported for Operations Revenue or for the Transit Reserve Fund after discussions with our MnDOT Transit Project Manager. Instead the money would just be there to be able to be used for other needs not necessarily normally allowed by transit operations funds. In July 2022 an insurance claim was paid out for vandalism on one of the Transit Board's

disposed vehicles located at the Faribault County Highway department. Monahan tried to add the funds to the Transit Reserve Fund at the end of 2022 but was not allowed to since the vehicle was already disposed of and MnDOT no longer had any financial interest in it. The claim money would need to be added to the separate non-transit generated revenue fund along with the Senior Center money. The claim totaled \$12,139.24 which now made the non-transit related fund \$12,639.24 in total. Monahan proposed to the Executive Committee that those funds be used to cover the 2020-2021 per diems that were paid to the County commissioners thereby erasing the deficit from the Transit Board's books and eliminating the need for the Counties to pay back the Transit Board for the non-allowed per diems that were paid. Discussion ensued to ensure that the funds were being used for the desired purposed and that the non-transit related fund was understood by the Board.

A motion was made by Commissioner Anderson, seconded by Commissioner Koons to approve the recommended accounting proposal to use the non-transit related revenue fund to cover the deficit caused by the 2020-2021 per diem payments made that were not allowed. Motion passed unanimously.

Discussion turned to New Business and a discussion on the Non-CDL Transit Driver position. Monahan reported that currently the Transit Board allows for hiring of Non-CDL Transit Drivers to drive our three cutaway buses that do not require a CDL and one accessible mini-van. The policy was that they would be able to be hired and then work to obtain their CDL permit and ideally their CDL license within the 6 month Probationary period currently in place. At the end of 6 months, the employee's probation could be extended another 6 months, which would not allow for the pay increase normally given at the end of probation, but after that 6 months the current policy, which is made through motions and is unwritten, is that the staff's employment would be terminated.

Due to the challenging times to recruit and retain employees, along with our situation of six new buses that are arriving within the next year all being non-CDL capacity vehicles, a change in the Non-CDL Transit Driver position policy should be discussed. Assuming we eliminate the termination after a year clause Monahan asked about having different pay amounts for Transit Drivers that have made the effort to obtain their CDL. They are able to drive any vehicle in our fleet and that a CDL qualification with a good number of drivers is still going to be needed for years to come with the current fleet plan. Discussion ensued regarding the need for the position but rewarding those staff that have gone through the work to obtain their CDL. It was noted as well that if in the future the entire fleet does become a Non-CDL fleet, wage differences can be addressed at that time, perhaps with a seniority scale.

A motion was made by Commissioner Roper, seconded by Commissioner Koons to create the Non-CDL Transit Driver position permanently and to have their pay stay the same as the Probationary Transit Driver, which will be made \$17.05 per hour when the other Part-Time staff wages are changed for 2024. Motion passed unanimously.

Discussion turned to the Gold Route Hours of Service modification proposal. Monahan reported that the Gold AM Route which runs between Fairmont and Blue Earth and starts at 5:00 am has not had any riders since the sole rider retired in early August. A plan to shift the route start time

to 6:00 am was discussed by the Executive Committee and recommended to the Full Board for approval. This later start time will also allow for a later end time for the AM Route which hopefully will help an unmet need of Blue Earth to Fairmont riders wanting to arrive in Fairmont in the 8:00 hour for doctor appointments instead of the 7:00 hour like before when the clinic was not open.

Motion made by Commissioner Groskreutz, seconded by Commissioner Koons to approve the recommended change to the Gold AM Route service start time to 6:00 am and shift all departures up one hour. Motion passed unanimously.

Discussion turned to the Ridership Report. Ridership for the summer months is seeing the expected drop. However staffing levels are at a better level recently giving the system a lot of capacity. With the warmer weather however the demand just isn't there for two reasons. People that use the bus but could walk do so more often in nicer weather. Also when weather gets to be dangerously hot, like the last week of July, many people do not leave their homes at all. Monahan reported that preschool rides are being set up for the fall again along so Faribault County routes should be expected to start rising again in September. There is still room for growth but plenty of cause for optimism.

Discussion turned to the Financial Reports. Monahan produced the Bill Payment Report since the Full Board meeting on June 27, 2023. There was brief discussion on a couple of vendors.

Second he presented a report showing 2023 Operation's contract line item budget and yearly expenses through June. Most line items were well under budget however a few, in particular Office Supplies, were over the budgeted amounts. Overall 39 percent of the budget was spent for the contract and 48 percent of the expected annual revenue has been recovered. Monahan noted that this has been done through decent fare collections but bolstered by the increased Interest Dividend received monthly from the bank. Currently just over 8 percent of the expenses have been covered by local revenue and 2023 has a 5 percent local match so Monahan is confident that will be able to be attained and funds will be added to the Reserve Fund.

The next Executive Committee meetings will be held on September 8th. The next Full Board meeting will be held on October 31st in Blue Earth at the Human Services conference room.

With no further business to wit, a motion was made by Commissioner Koons, seconded by Commissioner Anderson to adjourn and the Board Chair adjourned the meeting at 10:15 a.m.

JOINT TRANSIT BOARD
FARIBAULMARTIN COUNTIES



Elliot Belgard, Joint Transit Board Chair

ATTEST: 

Jamie Bleess, Board Secretary

Faribault – Martin County Transit Board
Full Transit Board Meeting Minutes
August 22, 2023