

Faribault-Martin County Joint Transit Board
Fairmont Transit Facility
1023 North Dewey Street
Fairmont, MN 56031
Tuesday February 27, 2024 9:00 a.m.

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

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

The Board Chair asked if there were any other additions to the agenda. There was none at that time. Later in the meeting a discussion regarding winter weather closure radio announcements was added to New Business.

Motion made by Commissioner Flohrs, seconded by Commissioner Anderson to approve the agenda as presented. Motion passed unanimously.

Motion was made by Commissioner Bleess, seconded by Commissioner Young to approve the meeting minutes for the December 20, 2023 Full Board meeting, the January 5 and February 7, 2024 Executive Committee meetings. Motion passed unanimously.

Discussion turned to Old Business and a discussion regarding two grant applications for 2024 that had been completed recently. First MnDOT recently sent out award notifications which showed that the Transit Board's application to replace one (1) vehicle in 2024 was accepted. Monahan presented a list of systems that had vehicles awarded as part of the 2024 applications and noted that there were some systems that were eligible and applied that were not awarded at this time due to funding constraints. The current estimated cost is \$232,000 per vehicle and for the 2024 contract the Transit Board will be responsible for 10 percent.

Next a Technology Grant Application was completed for replacing the inefficient and expensive routing software currently being used. The application process included research to ensure that there are other products available that might suit our needs along with safeguarding that the project is not under-funded. The Transit Board was awarded a grant for \$143,000 to complete the initial purchase of replacement routing software and the first year of maintenance cost along with costs associated with the transition. Monahan explained that after the first year the annual maintenance costs will be built into the annual Operations budget. This grant will also require a 10 percent local match. There was discussion about the capabilities of this type of software in particular in regards to regional coordination. Monahan stated it would only be used within our system and other systems would not be allowed access. Monahan noted that contracts for both applications are forthcoming. Commissioner Groskreutz noted that these were simply updates and no action was needed from the Board at this time.

Discussion turned to New Business and an amendment to the Accounting Policies and Procedures Manual. Monahan noted that in November the Transit Board underwent a Compliance Review with MnDOT and a consultant specializing in FTA compliance. The review showed some modifications to some manuals and guidelines are needed to gain compliance status with FTA regulations. First is a modification to the Accounting Policies and Procedures Manual. In this instance there was language missing that was required regarding Cost Allowability along with some other recommended language.

Motion made by Commissioner Koons, seconded by Commissioner Anderson to approve the proposed language changes to the Accounting Policy and Procedures Manual. Motion passed unanimously.

Next is modifications to the Procurement Policy manual. Again Monahan presented language changes that were needed to have the policy be in compliance with FTA regulations.

Motion made by Commissioner Anderson, seconded by Commissioner Koons to approve the proposed language changes to the Procurement Policy Manual. Motion passed unanimously.

Last Monahan explained that there will need to be a number of changes to the language in the Riders Guide and Passenger Guidelines / Rules. There was some language in there that was too strict according to ADA regulations. Monahan explained he was not able to complete the proposed modifications before the February board meeting however the changes are not due until May. They can be presented to the Board for the April board meeting unless the Board wishes to delegate the approval authority to the Executive Committee or the Transit Director. There was some discussion regarding some of the proposed changes and the timeline.

Motion made by Commissioner Bleess, seconded by Commissioner Smith to have the Executive Committee review the proposed Riders Guideline changes prior to them being presented to the Full Board at the April meeting. Motion passed unanimously.

Discussion turned to the 2022 Financial Audit. Monahan explained that he was not successful in securing a CPA firm to complete the FY 2022 Financial Statements and Audit in December. Firms that were contacted were either not capable of doing an audit for a government agency or were not able to do it due to staffing levels. One of the firms that declined suggested doing a 2022 and 2023 audit at the same time in 2024 as long as the OSA accepted the idea. The Office of State Auditor did accept that approach provided some unaudited 2022 Financial Statements were submitted now. Monahan explained he has turned into the OSA the unaudited Financial Statements and that a re-solicitation for the dual-year audit financial services was completed in mid-February. A proposal was received by CliftonLarsonAllen to completed dual-year audit with options for FY 2024 and FY 2025 so there could be an agreement in place for quite a few years into the future for the Transit Board. There was discussion noting how difficult it is to find CPA firms with the capability and time to complete these audits.

Motion made by Commissioner Young, seconded by Commissioner Bleess to approve the agreement with CliftonLarsonAllen CPA firm to conduct the dual year 2022 / 2023 audit with potential for option years. Motion passed unanimously.

Discussion turned to an Out of State travel request for the Transit Director. Monahan explained that number of other transit system directors and MnDOT staff are going to attend the Community Transit Association of America (CTAA) National Conference and Expo. CTAA is the national equivalent of the Minnesota Public Transit Association (MPTA) of which Monahan is now a Board member. MPTA Board members are encouraged to attend as well. This year's conference is in June and will be held in West Palm Beach, Florida. Monahan explained the costs involved, how there is funds to attend a National Conference included in the 2024 Operations Budget and the benefits like networking and education workshops. It was also noted that the Executive Committee discussed this potential trip and conference at their February meeting and passed a motion to recommend the Full Board approve the Out of State travel request. There was discussion regarding concerns of traveling to a destination like Florida for training or conferences. There was some clarification on what CTAA along with some of the benefits the conference might be able to do for both Monahan and the transit system.

A motion was made by Commissioner Young, seconded by Commissioner Koons to approve the Out of State travel request for the Transit Director to attend the CTAA conference in June of 2024 in Florida. Motion passed with 7 for and 2 against via a roll call vote.

Discussion turned to radio announcements of weather-related service interruptions. Monahan explained that for years both KFMC/KSUM from Fairmont and KBEW from Blue Earth were contacted when there were major service interruptions for the transit system to convey the information to the public. Recently radio advertisements have not been utilized as part of any promotion efforts primarily due to cost. KBEW sales reps had been contacted to say this is not in the plans for the foreseeable future and they responded saying that without a current ad package purchased any weather-related announcement would need to be charged. After some back and forth Monahan notified KBEW that he would not be utilizing them for weather related announcements. There was discussion about what is still being used for announcements and potential to still use KBEW if needed.

Discussion turned to the Ridership Report. Monahan reported that ridership for 2023 had been finalized and overall there were 45,299 rides provided which was 7.1 percent more than 2022. Each county had increases in ridership with Faribault County again growing double digits with 11 percent over 2022 and Martin County increasing a solid 5.4 percent. As expected staffing level improvements are proving to be very helpful in bolstering the ridership amounts. Consistency and reliability factors are increasing and people are becoming more apt to use the system. Drivers are being motivated with encouragement and updates on their fine work to keep positive and try and have another increase over last year's numbers for February. Also of note for January Faribault County had their second highest monthly total for ridership ever.

Discussion turned to the Financial Reports. Monahan produced the Bill Payment Report since the Full Board meeting on December 20, 2023. There was brief discussion and clarification on some of the bills.

Second he presented an updated Financial Position Matrix showing that both the overpayments from the 2020/2021 Operations contract and the 2022 Operations contract have now been paid. Those financial liabilities are no longer there. Next with the completion of 2023 and the contract

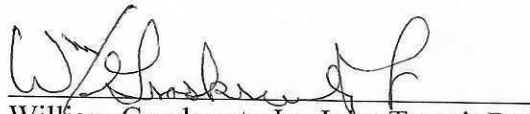
close-out coming soon, Monahan had an estimated amount of \$53,100 being added to the Transit Reserve Fund. The estimated balance at the beginning of 2024 will be \$228,551 part of which will be used for the 10 percent local share for the 6 buses arriving soon.

Lastly Monahan presented a the Cashflow Analysis report from October that had repayment of both overpayments from prior Operations Contracts. It showed that at the beginning of March 2024 the analysis predicted a balance of about \$205,000 but the current bank balance at the end of February is about \$229,000 which shows the projection is more conservative that reality. There was discussion regarding how much the typical monthly fare revenue is with the analysis showing \$6,000 monthly but Monahan saying they are bringing in about \$9,000 monthly which could explain the surplus of funds over the projection.

The next Executive Committee meetings will be held on Thursday March 7th in Fairmont. The next Full Board meeting will be held on Tuesday April 23rd in Blue Earth.

With no further business to wit, a motion was made by Commissioner Anderson, seconded by Commissioner Bless to adjourn and the Board Chair adjourned the meeting at 10:00 a.m.

JOINT TRANSIT BOARD
FARIBAULMARTIN COUNTIES



William Groskreutz Jr., Joint Transit Board Chair

ATTEST:



Greg Young, Board Secretary