

Faribault-Martin County Joint Transit Board  
Faribault County Human Services Center Conference Room  
412 North Nicollet Street  
Blue Earth, MN 56013  
Tuesday April 23, 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, and Young and Martin County Commissioners Flohrs, Smith, Belgard, and Koons. Missing was Martin County Commissioner Bleess 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 was none.

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

Motion was made by Commissioner Anderson, seconded by Commissioner Flohrs to approve the meeting minutes for the February 27, 2024 Full Board meeting, and the March 7 and April 12, 2024 Executive Committee meetings. Motion passed unanimously.

Discussion turned to Old Business and an update on the modifications to the Passenger Guidelines. Monahan reported that the modifications are expected to resolve a number of findings from the Compliance Review from last November along with implement some Advisory Recommendations. He also noted that if approved these guidelines will be posted to the system's website and new Riders Guides will be able to be produced and distributed which have been requested for some time now. There was discussion regarding wording on one of the proposed guidelines in terms of return trip reservations. New verbiage was created that conveyed the message more clearly.

Motion made by Commissioner Koons, seconded by Commissioner Young to follow the Executive Committee's recommendation and approve the Passenger Guideline modifications as presented with the exception of the language regarding return trip reservations which was clarified. Motion passed unanimously.

Discussion turned to an update on the 2021 Replacement Vehicle Deliveries. Monahan reported that he learned during recent discussions with North Central Bus that VIN numbers have been assigned to all six vehicles they had sold the Transit Board and that they will be in production in the coming weeks. North Central is expecting delivery of all six during the summer. Monahan reminded the board of the finances and funding for this vehicle replacement contract which had 90 percent funded by the State and 10 percent being local responsibility. The Transit Board Reserve Fund is planned to handle the 10 percent local share, plus any overage for the contract which for this contract we had to have during the re-negotiations. In total the six buses local share will be just under \$90,000 for the Transit Board. But the purchase cost will be just over \$704,000 for all six buses. Monahan noted that the cashflow of the Transit Board should be able

to handle paying for 1-2 vehicles at a time (\$228,000 for two) and then waiting the anticipated 30 days for the 90 percent Request for Funds to be reimbursed. He then went on to state that while cashflow loans from the Counties are not likely to be needed and are usually deemed to be somewhat of a last resort, they can be discussed if desired especially with a purchase this large and abnormal for the Transit Board. He also noted that the Executive Committee asked him to inquire if Cashflow Loan interest paid by the Transit Board to the Counties is an expense we can put on our Operations Contract. Monahan reported that is still being determined by MnDOT. Discussion ensued regarding the possibilities of a cashflow loan to fund the vehicle purchases which would be paid back once the reimbursements were repaid. Dollar amounts were suggested but no final amount was determined.

Motion was made by Commissioner Belgard, seconded by Commissioner Anderson to give Monahan permission to approach the individual Counties for a short-term cash loan for bus purchases as needed. Motion passed unanimously.

Discussion turned to New Business and updates on 2025 Operations planning for the Transit Board. Monahan reported that at a recent Statewide Transit Advisory Committee MnDOT shared that for 2025 their analysis shows that Operations budgeting will allow for a 5 percent budget increase. They went on to share that their data analysis shows that much of the Operations budgets are not being spent by systems. Monahan said this is true locally and is attributed almost completely to understaffing and shifts not being able to be covered. MnDOT is proposing for 2025 that systems analyze their Service Levels and determine if anything can be reduced or eliminated, for 2025 only at this time, and not budgeted for. The “saved” money will be put into an increase in funding for Vehicle Capital, which is sorely needed everywhere. Monahan explained the perspective that shaving \$200,000 would contribute to the funding for one additional vehicle but for our system would require cutting 3,300 of our current 29,000 plus service hours. Monahan stated he will work closely with the Executive Committee over the next two months and present a proposed budget and potential modified Service Design in June to the Full Board. There was brief discussion regarding this update.

Monahan went on to share that MnDOT is proposing to not continue with flat percentages for annual increases starting as early as the 2026 Operations contracts. Rather they are developing a Formula to calculate the increase for a system’s contract amount. Monahan briefly explained some of the factors that could be used to determine a formula percentage increase. MnDOT is forming a committee with transit system representatives and their staff to develop this formula. Monahan is volunteering to be on this committee to ensure that a smaller system like ours does not get overlooked in any way.

He also noted that local share capacity can be a factor in Formula development and in 2026 the legislation to have 5 percent local share that is in place for 2024 and 2025 expires and MnDOT is not planning to extend that unless there is further legislative action or data shows what is feasible. Monahan noted this committee is one of the ways to demonstrate feasible local share capacity amount.

Discussion turned to the Ridership Report. Monahan noted briefly that 2024 is off to a strong start, in particular Martin County routes are performing very well. He noted that the system as a

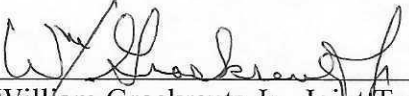
whole has a goal of a 10 percent increase over the previous year's amount each month and has met that for the first three months and is in line to exceed the goal again for April.

Discussion turned to the Financial Report. Monahan presented the Bill Payment Report since the last Full Board meeting on February 27<sup>th</sup>. He also presented an updated Cashflow Analysis Matrix with the actual 4<sup>th</sup> Quarter Federal Share amount. It was noted that the rolling amounts are not actual amounts rather estimates to gauge the amount of cash estimated to be available during certain months of a year.

The next Executive Committee meetings will be held on Friday May 3<sup>rd</sup> in Fairmont. The next Full Board meeting will be held on Tuesday June 25<sup>th</sup> in Fairmont.

With no further business to wit, a motion was made by Commissioner Belgard, seconded by Commissioner Flohrs to adjourn and the Board Chair adjourned the meeting at 9:45 a.m.

JOINT TRANSIT BOARD  
FARIBAULMARTIN COUNTIES

  
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William Groskreutz Jr., Joint Transit Board Chair

ATTEST:   
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Greg Young, Board Secretary