

Chisago County/Isanti County Heartland Express

January 31, 2018

Heartland Express North Branch Facility

39840 Grand Ave. N.

North Branch

Present: Craig Rempp, Transit Director Heartland Express, Courtney Whited, Assistant Transit Director Heartland Express, Bob Benson, Chisago County Department of Health and Human Services; Mike Warring, Isanti County Commissioner, Mike Robinson, Chisago County Commissioner, David Oslund, Isanti County Commissioner, George McMahon, Chisago County Commissioner, Kevin VanHooser, Isanti County Administrator, Penny Messer, Isanti County Family Services, Lindsey Giese, Isanti County Human Resources, Chad Struss, Isanti County Auditor-Treasurer, Chase Burnham, Chisago County Assistant Administrator/Clerk of the Board, Bruce Messelt, Chisago County Administrator.

The meeting was called to order by George McMahon at 9:33am.

Motion by George McMahon, seconded by David Oslund to approve the January 31, 2018 agenda as amended to add general updates given by Craig Rempp under Other Business, motion passed.

Old Business

Motioned by Mike Warring, seconded by David Oslund, to approve the minutes from the November 16, 2017 Joint Powers Board meeting as amended to revise Dave Warring to Dave Oslund under Old Business, motion passed.

New Business

Election of Officers

Motioned by George McMahon, seconded by Mike Robinson, to elect David Oslund as Board Chair, motion passed. Motioned by George McMahon, seconded by Mike Robinson, to elect Mike Warring as Board Co-Chair, motion passed.

Appointment of Administrative Agent

Motioned by George McMahon, seconded by Mike Robinson, to elect Kevin VanHooser as Administrative Agent, motion passed.

Appointment of Fiscal Agent

Motioned by Mike Warring, seconded by George McMahon, to elect Chad Struss as Fiscal Agent, motion passed.

Appointment of Legal Agent

Motioned by George McMahon, seconded by Mike Warring, to elect Jeffrey Edblad, Isanti County Attorney as Legal Agent, motion passed.

Discussion/Appointment of “one locally elected official or resident from a community located in either Chisago or Isanti County and served by Heartland Express, chosen by the unanimous agreement amongst the four elected County Commissioners

Discussion was held if it is appropriate to post position(s) in the newspaper. Discussion was held regarding how TAC is comprised of invested community members and that once the TAC group is reconvened, appointment of position(s) can be made at their next meeting. Craig Rempp will create a memo to be delivered to TAC that directs them to make said stated position(s) appointment(s). Once position(s) appointment(s) are made at the next TAC meeting, Craig Rempp will bring that information back to the Joint Powers.

Status of HR Transitions

Lindsey Giese stated that four, full-time positions and two, part-time positions have been completely transitioned from Chisago County to Isanti County as of January 1, 2018.

Status of Fiscal Transitions

Chad Struss stated that he and Craig continue to monitor the reconciliation of the operating grant. Chad Struss distributed a document entitled, Isanti-Chisago County Transit System Reconciliation of 2017 Transit Program Cost-Share Allocation as of December 31, 2017 – see attached. Chad Struss shared that some items cannot be paid for by the grant and those costs are paid for via a 50/50 split between Heartland Express and Isanti County. Chad Struss shared that Isanti County has been making the approximate payment amount of \$13,000,000 each quarter. Moving from a dual county payment system to having all payments in Isanti County, starting on January 1, 2018, will help streamline this process. Chad Struss stated he is happy to meet with the State of Minnesota to further streamline the timing of the payments.

Status of Capital Assets Transitions

Vehicle titles were transferred from Chisago County to Isanti County as of January 1, 2018. All new vehicles will have a title that lists Isanti County.

Chase Burnham distributed a Chisago County memorandum regarding Chisago County provision of IT services for Heartland Transit for its leased North Branch Facility – see attached. Kevin VanHooser began the discussion by stating that he and Bruce Messelt have spoken about this subject on numerous occasions. Kevin VanHooser stated that Isanti County doesn't have the infrastructure in place to provide email addresses and other connections to the Heartland Express North Branch office. Bruce Messelt discussed the three, separate options that are outlined on the said stated memorandum. In summary, Option #1 is o.k. with Chisago County and it is the easiest option. This option has Chisago County leasing the Heartland Express North Branch office to Isanti County. Chisago County could direct bill Isanti County. The State of Minnesota would approve this option. Option #2 would require an addendum to the Chisago County lease to Isanti County that would spell out all of the ala carte items such as internet, phones, water softener, etc. that cannot be included in a building lease. Isanti County would be responsible for the ala carte items/services. Option #3 is the most complicated and expensive option and it is similar to Option #2 but a Third-Party vendor would be responsible for ala carte type items/services. Bruce Messelt stated that Heartland Express could be viewed as an independent enterprise. Bruce Messelt stated that there are some fire wall issues to navigate. Additionally, Isanti

County does not bill internally for IT, HR and other similar, internal support services. It was noted that 85% of the cost to provide these internal, supportive services can be paid for by the State of Minnesota. Bruce Messelt and Kevin VanHooser both stated that they will continue to discuss this between the two of them and will figure this out.

Status of Heartland Grant Implementation

Craig Rempp stated that the operating grant began on July 1, 2017. This grant has experienced one delay after another. We will be conducting the Driver position interviews on February 5, 2018. The Dispatcher positions were officially posted on January 30, 2018. 90 days from today the new bus service that is outlined in the operating grant will begin. Craig Rempp spoke with the bus vendor last week, regarding placing the order for the new buses associated with the new service. As of today, Craig Rempp is still waiting to hear back from the bus vendor and has not placed the order for the new buses. Heartland Express currently has three back-up buses on hand and if needed, could provide gap service if the new buses do not arrive by the date the new service begins. Craig Rempp stated that we will need to create Press Releases. Kevin VanHooser stated he will work with Craig Rempp on the Press Releases. Kevin VanHooser asked Craig Rempp if a new storage building will be required once we receive all of our new vehicles. Craig Rempp stated that once we receive all of our new vehicles, we will be three bus bays short. We could locate and secure a fenced and gated parking lot, for the needed three bays, but an inside and heated storage building is the best option. Craig Rempp concluded that this is not a not top priority right now.

Future of the TAC/Appointments to TAC

Craig Rempp stated that a TAC meeting will be held within the next 30 days. TAC has not met in the last year because of staffing issues and there has been no real agenda items to discuss. An invitation to the next TAC meeting will be sent to all previous TAC members and to anyone that has expressed an express to join TAC. The next TAC meeting agenda will include the election of TAC positions and the appointment of TAC member(s) to position(s) on the Joint Powers Board. Craig Rempp will run the next couple of TAC meetings and then transition the responsibility of running the TAC meetings to Courtney Whited. George McMahon stated that he has heard from North Branch City Council member, Kathy Bloomquist, that she is interested in attending the TAC meetings.

Meeting Schedule for 2018

Meetings will be held on the following dates: January 31st, April 19th, July 19th and October 18th.

Other Business

Craig Rempp provided a RCTCC update. RCTCC is a joint initiative between the Minnesota Department of Human Services and MN/DOT to fill in the transportation gaps across the state. The RDC is taking the lead on this. MN/DOT is procuring out grant money to pay for planning costs associated with transportation coordination. Individual grants are awarded at a maximum of \$75,000 for an 18-month period. We are in region 7E and Penny Simonson and Bob Voss are taking the lead on this. To date they have submitted a Letter of Intent. The grant has a March 15, 2018 deadline. There were talks initially between Heartland Express and Arrowhead Transit where we would jointly write and submit a proposal to work together in Pine County. Heartland Express had to pause on that process and Arrowhead Transit has since moved ahead with their Pine County grant submission.

Craig Rempp began a discussion on how we should handle contract signatures. Currently Craig Rempp needs signatures on the following Heartland Express Volunteer Rides Program/Medical Rides contracts: Annual MNET fee payment structure and Chisago County Human Services Medical Rides Reimbursement contract. Bruce Messelt stated that he can set up a virtual portfolio where Craig can upload contracts like what Craig Rempp has described today. The Joint Powers Board can access, view and approve the contracts at any time via the virtual portfolio. It was noted that the County Attorney requests a seven day notice to review any contracts. Bruce Messelt also stated that Craig Rempp could obtain necessary signatures in between the quarterly Joint Powers Board meetings, if contract(s) are time sensitive. Craig Rempp would then present a summary of the contracts that were signed, at the next Joint Powers Board meeting.

Mike Warring took a call recently from a Rush City Fairview Clinic staff member where the staff member shared that the clinic and pharmacy will be closing this spring. The Fairview staff member asked Mike if Heartland Express could provide transit service from Rush City to the North Branch clinic and pharmacy. Craig Rempp stated he will pull up a list of riders that currently use Heartland Express to go to the Rush City Fairview clinic and pharmacy and contact them regarding this closure. Mike Warring further shared that Rush City does not have a grocery store and that residents there would benefit from transit service to a grocery store in North Branch.

Moved by David Oslund to adjourn.

Next Meeting

April 19, 2018