

Chisago County/Isanti County Heartland Express

July 26 2018

Heartland Express North Branch Facility

39840 Grand Ave. N.

North Branch

Present: Courtney Whited, Interim Transit Director Heartland Express, 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, Chase Burnham, Chisago County Assistant Administrator, Chad Struss, Isanti County Auditor.

The meeting was called to order by Dave Oslund at 9:30am.

Motion by George McMahon, seconded by Mike Warring to approve the July 26, 2018 agenda, motion passed.

Old Business

Motioned by Kevin VanHooser, seconded by Mike Robinson, to approve the minutes from the April 19, 2018 Joint Powers Board meeting.

New Business

Discussion – New Transit Director starts on July 30, 2018

Kevin stated that (Gary) Paul Smith will start on Monday, July 30th. He further stated that Paul has 15 years of service working for federal and state agencies as well as local municipalities. Paul's most recent position has consisted of 11 years of full time management with the FAA (Federal Aviation Administration). Paul also has 16 years of combined law enforcement experience, and currently serves part time as a Police Trainer and Supervisor. Paul had previously owned a professional training company.

Discussion – Heartland Express Immediate Future – Potential Options

Kevin stated that earlier this year he had met with Kanabec County Timber Trails Transportation Director Helen Piper regarding a potential merger between Heartland Express and Timber Trails. This discussion took place because as of 1/1/18 Mille Lacs County left their partnership with Kanabec County Timber Trails Transportation and joined with Tri-Cap Transportation. Starting on 1/1/19 MN/DOT will no longer fund standalone/single county transportation programs. Last Wednesday, Arrowhead Transit provided a presentation to the Timber Trails staff, Kathy Burski, Kanabec County Health and Human Services Director and to Sue Siemers and Tina Neary from MN/DOT, regarding their business plan to take on the Timber Trails program. It appears to Timber Trails staff that Arrowhead Transportation would simply take over Timber Trails and current Timber Trails staff would no longer be needed. A few days ago Kathy Burski emailed Kevin and asked him if Heartland Express would like to be the Grantee for Timber Trails. This morning Kevin left Kathy a voicemail. Timber Trails has asked MN/DOT if they can have a one-year extension to allow time to research which potential partner would provide the best oversight and support for their program. George McMahon and Kevin both recommended that we pursue the merger with Timber Trails.

General Transit Updates –

Courtney Whited stated that she has completed the following tasks since the last meeting:

- Jointly with all of Heartland Express staff, designed the nine New Service Expansion (NSE) routes and began them on July 9th. Simultaneously, created and distributed and had printed in newspapers, multiple marketing/promotional materials to advertise the new routes and Heartland Express as a whole.
- Revised and had MN/DOT approve the nine, individual NSE grant budgets. This was a task that was requested by MN/DOT.
- Received and prepared the seven, new buses for service that are associated with the NSE grant.
- Interviewed, hired and oversaw the training of several new, part-time drivers, a street supervisor (second one) and a part-time dispatcher, which provides the required, additional staffing associated with the nine NSE grant routes.
- Worked with Chad Struss, Isanti County Auditor and MN/DOT to jointly revise our 2016 MN/DOT Reserve Account Form and to complete our 2017 MN/DOT Reserve Account Form.
- Completed and submitted our 2019 MN/DOT operating funding application.
- Additional past due Heartland Express MN/DOT tasks – Courtney has spoken with each of the MN/DOT individual program managers that oversee each of these; requested and was granted an extension on completing them, e.g. MN/DOT drug and alcohol program desk audit compliance items, MN/DOT vehicle statistics, MN/DOT – Heartland Express April/May/June monthly program statistics reports for both general operating grant and NSE grants, Asset Management Plan and our 5-year Transit Plan.
- Isanti County Heartland Express program budget.

Five Year Heartland Express Plan

MN/DOT is requiring all transit organizations that receive their funding to complete a Five Year Transit System Plan where both MN/DOT and the individual transit organization will obtain a better understanding of the individual transit organization's strengths and weaknesses, identify area unmet needs and future transit service changes, and develop a financial plan that adaptable to changing environments. Further, the five-year plan will help MN/DOT and MPTA better articulate transit needs to the legislature. Courtney has completed and submitted the first questionnaire spreadsheet associated with this project. Additionally, she has spoken with Sara Dunlap the MN/DOT Program Manager that oversees this project; requested and was granted an extension on completing the rough draft of our actual 5-year Transit Plan. Further, MN/DOT has hired Jill Cahoon, an AECOM consultant, to assist transit organizations in the Northeast Region with completing this task. Jill started on 7/1/18. Courtney has set up an introductory meeting with Jill and her staff for both herself and Paul Smith on August 7th.

TAC Discussion – Meetings were held on 5/22/18 & 6/27/18

Courtney Whited stated that the May 22nd meeting provided an opportunity for TAC members to provide a variety of feedback and ask questions about Heartland Express. 15 people attended this meeting. The June 27th meeting was an opportunity to provide information about the nine NSE grant routes and ask for feedback on and assistance with distributing the marketing materials. Courtney shared that the TAC members are happy that the meetings have started back up and have this opportunity to provide feedback, ask questions, etc. Courtney stated that she shared with the TAC

members that she wants to have the NSE routes operate a solid six weeks before hosting another TAC meeting. The next TAC meeting will most likely take place at the end of August and would provide an opportunity to provide updates on how the nine NSE routes are going.

Fiscal Update

Chad Struss provided an Isanti County Heartland Express Revenues & Expenditures Budget Report that covers 1/1/2018 – 6/30/2018 (see attached.) Chad stated that the Heartland Express day-to-day accounting is going well. Chad further stated that all financial items have been successfully transferred from Chisago County to Isanti County except for the utilities expenses for the Chisago County North Branch Heartland Express building. Those utilities are billed on a monthly basis to Isanti County. Chad also stated that we still have some financial items to clean-up, e.g. he is currently working on revising the 2016 MN/DOT Heartland Express Reserve Account Form and then needs to complete the 2017 MN/DOT Heartland Express Reserve Account Form. Chad stated that moving forward he and his office would like to continue the ongoing and clear communication between his office and Heartland Express regarding financial items.

Update on Capital Assets Transitions

Chad Struss stated that almost all capital assets have been transitioned to Isanti County, including all of the buses. Chad did not believe we need to transfer the Chisago County radios in the Heartland Express vehicles to Isanti County. Courtney Whited will follow-up to see if there is anything remaining that needs to be transferred from Chisago County to Isanti County.

Discussion – Heartland contract signature process

Kevin VanHooser stated we can table this item until the new Director, Paul Smith, starts and he can determine at if it necessary to establish an, “outside this meeting schedule” process to sign Heartland Express contracts.

Other Business

Kevin VanHooser discussed the fact that the downtown Cambridge Library is currently working on potential options to relocate. A potential new location for the library is the current, Heartland Express Cambridge building. Mike Warring stated that we won't know anything regarding this decision until after the November election. There will be a funding referendum on the ballot regarding this proposal. Kevin further stated the reason he brings up this topic is the thought that Heartland Express might need one larger building that can house all staff in one location and all of the vehicles. There is concern that we might not have enough inside, parking stalls for our current fleet of vehicles. Courtney Whited stated that the plan is to follow the MN/DOT vehicle disposal process and then sell some of our older vehicles. That process will most likely provide the indoor parking spots that are necessary to store all of new vehicles.

Next Meeting

October 18, 2018

Moved by David Oslund to adjourn.