

**Chisago County/Isanti County Heartland Express
October 18, 2018**

Heartland Express North Branch Facility
39840 Grand Ave. N.
North Branch

Present: 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, Bob Benson, Chisago County Health & Human Services, Paul Smith, Transit Director Heartland Express, Penny Messer, Isanti County Family Services, Chad Struss, Isanti County Auditor, Courtney Whited, Assistant Transit Director Heartland Express and Alyssa Dehn, Street Supervisor Heartland Express

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

Introductions by the attendees were carried out.

Motion by Mike Warring, seconded by George McMahon to approve the October 18, 2018 agenda, motion passed.

Old Business

Motioned by Mike Robinson, seconded by Mike Warring, to approve the minutes from the July 26, 2018 Joint Powers Board meeting.

New Business

Discussion – Staffing Updates

We recently had one full-time Driver resign and two part-time drivers quit. We have posted internally for the one full-time Driver position. That posting will close Friday, October 19th. We currently have the part-time Driver position posted both internally and externally. That posting will remain open to keep a continuous pool of applicants coming in. We are looking to hire 2 – 3 part-time Drivers. Christine Rogne, part-time Driver started this week.

Discussion – Heartland Express Immediate Future – Potential merger with Timber Trails Public Transit

Timber Trails has received MN/DOT operating funding for 2019 to operate as a single county provider, for Kanabec County. Current Timber Trails staff, vehicles and building:

- Helen Pieper, Executive Director – will stay on staff until the transition/merger is completed and then will retire.
- One Street Supervisor, two dispatchers, eight drivers
- Five buses
- They own their building in Mora

MN/DOT has requested that by 11/30/18 Timber Trails will need to decide if they will merge with either Chisago-Isanti County Heartland Express or with a private contractor, e.g. Arrowhead Transit. MN/DOT has requested that all of the merger contract details must be completed by 6/1/19 so that a 2020 MN/DOT funding application can be completed. Helen Pieper, Timber Trails Executive Director wants to ensure quality control with both internal staff and with the service to the general public through the

merger and beyond. Further Helen would like to maintain a presence in their current community either by having us retain and use their Mora building; and to continue to use a local Mora vehicle repair shop for the Timber Trails bus repairs and maintenance. A meeting will be held on October 30th at the Cambridge City Hall where representatives from MN/DOT, Kanabec, Chisago and Isanti Counties will discuss the potential merger. If this merger moves forward we will have one year to bring Timber Trails employees fully on board and part of our Chisago-Isanti County Heartland Express team. Additionally, this merger would provide Chisago-Isanti County Heartland Express an opportunity for rebranding. Currently, either the general public has never heard of us or they believe that we only transport senior citizens. The merger would allow us to rebrand all three counties into one look, marketing tag line, etc.

Chad Struss stated that in regards to tracking and reporting financials between Isanti, Chisago and Kanabec counties that should not require any additional work for his department.

A potential concern down the road is how MN/DOT funds rural public transit in the future. They have shifted to only funding rural public transit programs that are at least a dual-county system. They could potentially move to only fund rural public transit programs that are at least a tri-county system. The merger with Timber Trails would put us in a better position for future MN/DOT funding.

General Transit Updates –

Paul Smith provided the following information:

- The nine New Service Expansion (NSE) routes began on July 9th and have continued to grow in ridership in August, September and October. A new newspaper ad was created and has been printed in the Isanti-Chisago County Star newspaper and Courtney Whited has attended several community events to promote both the NSE routes and Heartland Express, e.g. Cambridge Appreciation Event.
- Steps to improve our service experience and to assist the community we serve- We recently expanded our \$.75 in town rides only reduced rate to not only include people age 65 and older to now include Veterans and youth ages 13 - 18. Additionally, children age 12 and under can ride for free with a paying adult. Limit three kids. We are now accepting same day ride requests on the weekends.
- We are currently looking at transitioning our North Branch, Cambridge and Cambridge/Isanti City Routes from operating as On-Demand routes to a Fixed Route/Route Deviation system.
- Fare Cards – it costs us \$10,500 annually to operate our fare card system. We had 4,500 fare card transactions in 2017. We will work to further market it but we are watching to see if it is fiscally a good operating decision for us in the future.

Five-Year Heartland Express Transit 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 is adaptable to changing environments. Further, the five-year plan will help MN/DOT and MPTA better articulate transit needs to the legislature. See attached handout, "Greater Minnesota Five-Year Transit System Plans."

A discussion was held where Paul Smith shared that we have received a large demand to provide transit service to Forest Lake to go shopping. We would need to ask for permission from both MN/DOT and the Metropolitan Council to operate there. Forest Lake is located in Washington County, which is part of the Metropolitan Council's transit funding area. If we provided transit service to Forest Lake, we would simply transport Chisago and Isanti County residents to the Forest Lake Wal-Mart and back. We would not pick-up Forest Lake residents and provide transit services. George McMahon suggested that we work on a commuter route where only once a day, e.g. 6 a.m. we transport our county residents to the Forest Lake Park & Ride and return at 5pm to the Forest Lake Park & Ride to bring our county residents back home. Also during this discussion, it was mentioned that there have been requests to provide transit service from Rush City to Hinckley.

TAC Discussion – Meeting was held on 9/26/18

Courtney Whited stated that we had 13 people, including herself and Paul Smith, attend the TAC meeting. Paul Smith shared that since we restarted the TAC meetings this year, we have seen a slow growth in attendance at these meetings. Courtney Whited provided a high-level summary of the meeting where she stated that Heartland Express service updates were provided. Additionally, most of the meeting was dedicated to the three AECOM consultants that attended the meeting to discuss and obtain community feedback regarding the MN/DOT Greater Minnesota Five-Year Transit System Plan.

Fiscal Update

Chad Struss shared that he believes that we are now current with all of our past-due MN/DOT financial forms and tasks. Chad distributed an YTD Revenues & Expenditures Budget Report for Heartland Express. There were no questions or concerns. Chad stated that we are still finalizing our internal accounting process associated with our NSE operating grants.

Discussion – Heartland contract signature process

A brief discussion was held and it was determined that we will maintain our current process because it is working just fine.

Discussion – Heartland Express building(s)

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 and parking lot. 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 stated that Allina Clinics has informally approached Isanti County regarding a need to build an ambulance garage. Allina Clinics has expressed an interest in the five acres next to the Isanti County Sheriff building. Lastly, general building maintenance/repair items were brought up for both Heartland Express facility locations.

Other Business – No other business was discussed.

Next Meeting

Not scheduled. It was left as To Be Determined based on the upcoming merger discussion meeting(s) with Timber Trails Public Transit.

Moved by Mike Robinson to adjourn.

DRAFT