

Otter Express Joint Powers Meeting Minutes
December 1, 2025

The Otter Express Joint Powers Board was called to order by Chair Anthony Hicks at 1:03 pm on Monday December 1, 2025. Attendance was as follows:

	<u>Present</u>	<u>Absent</u>
Board Members		
Tim Meehl, City of Perham	X	
Kurt Mortenson, Otter Tail County		X
Scott Kvamme, City of Fergus Falls		X
Robert Lahman, Otter Tail County	X	
Dan Bucholz, Otter Tail County	X	
Anthony Hicks, City of Fergus Falls	X	
Stephanie Sandbakken, Wilkin County	X	

*In Kurt Mortenson’s absence, he delegated his voting privileges to Deb Sjostrom.

Staff In Attendance

- Nick Leonard, Otter Tail County
- Kayla Sullivan, Productive Alternatives
- John Groothius, MnDOT
- Deb Sjostrom, Otter Tail County
- Deb Brisk, DRB Consulting
- Lynne Olson, City of Fergus Falls, meeting recorder

Approval of Agenda

A motion and second were made by Robert Lahman and Dan Bucholz and unanimously carried to approve today’s agenda with several items to be added to new business by Chair Hicks and the motion carried.

Approval of Minutes

A motion and second were made by Robert Lahman and Dan Bucholz and unanimously carried to approve the minutes from the November 10, 2025, meeting.

Benefits

The Personnel Committee met to consider the following benefits:

Health: Medica Option 3, a 75/25 employer/employee plan was recommended as the health insurance plan. There was discussion between offering and Health Care Savings Account (HSA) or a Health Care Reimbursement Account (HRA) and recommendation to offer an HSA with no contribution.

Ancillary: the insurance agent has yet to provide cost estimates for ancillary benefits including dental, life, vision, long-term and short-term disability. There was consensus to offer \$50 per month per employee for ancillary benefits that they can choose in an ala carte fashion. If an employee does not choose any of these benefits, they forfeit the \$50 per month. Dental insurance will only be offered for employees. Employees can choose if they want to pay out of pocket for spouses and/or dependents. Term life insurance in the amount of \$25,000 would be offered for employees. There was discussion

about the necessity of short- and long-term disability insurance and the availability of ESST time and the new Minnesota Paid Family Leave Act.

PTO: Current staff would be grandfathered in. The current carry over amount is 80 hours. There was consensus to allow 120 hours to be rolled over as per the anniversary date, rather than a calendar year. The current cash out policy allows 80 hours not taken in the calendar year to be requested as a payout at the end of the year. There was no opposition to continuing this policy. The Personnel Committee discussed FT and PT accruals and decided to earn as you go rather than front loading PTO time.

Holidays: 8 holidays (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Additional Thanksgiving, Christmas Eve, Christmas Day) plus one floating holiday was agreed upon.

A motion and second were made by Tim Meehl and Dan Bucholz and unanimously carried to approve all benefits as discussed.

Job Descriptions

Job descriptions for the following positions were provided in the board packet: Dispatcher; Driver; Dispatch Lead; Fleet Manager; Finance Manager; Mechanic; Operations Manager; Volunteer Driver Coordinator. The Finance Manager and Volunteer Drive Coordinator will not be immediately hired, and these job descriptions will be revised. A motion and second were made by Dan Bucholz and Robert Lahman and unanimously carried to approve the job descriptions.

Job Application

A motion and second were made by Robert Lahman and Deb Sjostrom and unanimously carried to approve the job applications and new hire packets including the removal of the Hepatitis B vaccination. A motion and second were made by Dan Bucholz and Deb Sjostrom and unanimously carried to include and including Veterans Preference Points in the applicant process.

Hiring Timeline

Interviews, job offers, background checks and employment drug tests will all be a part of the hiring process. With the assistance of DBR Consulting, Kayla Sullivan will begin the hiring process with the goal to be concluded by December 31. It is anticipated many of the current employees will apply, and there is no obligation to re-hire if more qualified applicants exist. A motion and second were made by Dan Bucholz and Tim Meehl and unanimously carried to approve the hiring deadline.

Company Policies/Employee Handbook

The employee handbook is being edited. The following suggestions were proposed: 1.19, Introductory Period, Change from 90 days to 180 days. Section 3.11, Emergency Use of Manual Restraint be moved. Section 4.18, Medical Bank be removed. It was suggested a labor attorney be consulted to review the document. A motion and second were made by Stephanie Sandbakken and Robert Lahman and unanimously carried to approve the recommended changes.

Executive Director Update

Kayla reported the contracts are in place to use Park Region as the IT vendor and they recommended equipment to purchase. CPA Phil Condit is working on setting up the financial aspects. The application to participate in PERA has been submitted. The insurance agent believes the general liability, workers compensation and insurance for the fleet will be ready by January 1.

MnDOT Update

John Groothuis reported they EIN number was delayed when the address changed, once that is received, it will be added to the 2026 contracts. State payments are made at the front of each quarter and federal payments on the back end of the quarter. There was a rush request for the first payment, and the SWIFT numbers are lined up. There is a lot of work to do to get hiring completed by the end of the year. The first batch of bus transfers is underway, the second batch is vehicles that have used up their federal life and the title transfer will occur on January 2 as the final mileage of each vehicle is needed on December 31. 11 busses will be available immediately with an additional 8 busses from batch three coming available in February of 2026. The final close-out with Productive Alternatives and auditing of expenses is being worked on.

Other Business

A motion and second were made by Robert Lahman and Deb Sjostrom and unanimously carried to not permit topping off Paid Minnesota Family Leave supplemental payments.

Anthony Hicks spoke about board terms. Kurt and Tim will term out of their board positions at the end of 2026. Scott and Bob's terms will expire at the end of 2027 while Dan, Stephanie and Anthony will complete their term at the end of 2028. The bylaws do not address term limits, but the seats are owned by the city and county entities who would make future appointments. He suggested the board form three committees: Finance, Personnel and an Ad Hoc Committee, adding expertise, such as Transportation Planners as needed. He stressed the importance of communication as they begin the challenging role of growing this organization. He asked the board to consider purchasing the building in lieu of renting and suggested they hold future meetings at the Otter Express building. Kayla and John spoke about grant opportunities and the required matching funds. There was discussion on how to engage other communities within the county and the meeting adjourned at 2:45 pm.

Lynne Olson