



Cape Fear Public Transportation Authority

**MINUTES OF THE
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY
October 24, 2019
Mr. Beck Smith, Chairman, Presiding**

MEMBERS PRESENT

Mr. Steven Kelly, Vice Chairman
Mr. Andrew Koeppel, Secretary
Mr. Don Betz
Mr. Fred Gainey
Mr. Paul Lawler
Mr. Caylan McKay
Ms. Laura Padgett
Ms. Anne K. Ryan
Ms. Michelle Winstead

MEMBERS ABSENT

Mr. Jonathan Barfield

STAFF PRESENT

Mr. Albert Eby, Executive Director
Ms. Megan Matheny, Deputy Director
Mr. Joe Mininni, Director of Finance & Administration
Mr. Cliff Rode, Paratransit Manager
Ms. Kathy Williams, Customer Service Supervisor

CONTRACT MANAGEMENT STAFF PRESENT

Ms. Noel Fox, Craige and Fox PLLC, Attorney
Ms. Dianne Hall, Contractor General Manager, First Transit
Mr. Jeramy Smith, Contractor Assistant General Manager, First Transit
Mr. Bill Harned, Area Vice President, First Transit
Mr. Matthew Daniels, Maintenance Manager, First Transit

GUESTS PRESENT

Ms. Tracie Barnhill, Citizen
Ms. Abby Lorenzo, WMPO
Ms. Rachel McIntyre, WMPO
Mr. Tom Pacelli, New Hanover County Senior Resource Center
Ms. Constance Rave, Citizen
Mr. Ricky Meeks, Citizen

CALL TO ORDER

- Mr. Smith called the meeting to order at 12:04 pm
- The meeting began with a moment of silence followed by reciting the Pledge of Allegiance

PUBLIC COMMENT

- Mr. Smith opened the public comment period

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Secretary - Wave Transit

- Ms. Cox stated her concern with elimination of service, specifically Route 201 Carolina Beach Rd. as she rides the route every day
- She stated she uses Route 104 Northeast on a routine basis for transportation to medical appointments
- Ms. Cox said she is currently looking for employment and access to work is dependent upon availability of public transportation
- Mr. Meeks stated he cares about Wave Transit and praised the bus and van drivers, indicating the majority do a great job
- He communicated his support for Wave Transit and thanked previous board members and Mr. Eby for establishing service to Carolina Beach, Town of Leland and Town of Navassa
- Mr. Meeks stated he would like to see service to these areas continue
- He stated he is uncertain of the future of the County and City agreement and encouraged communications with Wave Transit staff and board members
- Mr. Corniffe stated he was appreciative of all the hard work performed by the board, until today
- He stated it is his understanding that Wave Transit had a balanced budget and was able to maintain this balance without an increase in revenues until now
- Mr. Corniffe encouraged each and every board member to resign
- He stated services are being provided to both Brunswick and Pender County with each jurisdiction not paying their fair share
- Mr. Corniffe stated he understands that business along the free Downtown Trolley route would express outcry if services were to be eliminated
- He stated these businesses should demonstrate buy in and support the route
- Mr. Corniffe stated five years ago, Wave Transit removed bus service to paying customers in historic east Wilmington, which includes the Creekwood and Turnkey neighborhoods
- He encouraged revenues from the sale of advertising as part of the solution to the funding issues faced by the organization
- He stated it is his understanding that Wave Transit requested New Hanover County institute a \$7.00 registration fee on every automobile in the County
- Mr. Corniffe stated Wave Transit is requesting money from every resident of the County to supplement their mismanagement of funds
- Mr. Dewberry thanked the Authority for the work that has been accomplished over the past several years
- He stated he is in attendance on behalf of Amalgamated Transit Union (ATU) Local 1328 Union who is very concerned about the present situation of the Transit Authority
- Mr. Dewberry stated that despite the current situation union members remain positive and remain committed to the success of the Authority by utilizing whatever means necessary
- He stated the union may picket or do whatever it takes to ensure Wave Transit continues to run and run in the most efficient manner
- Mr. Dewberry stated the union will be speaking with New Hanover County Commissioners about the County's recent vote to withdraw support from Wave Transit
- He said that it is unfair to jeopardize the transportation needs of the community and ATU stands with the Authority
- Hearing no further comments, Mr. Smith closed the public comment period

CONSENT AGENDA

- Mr. Smith presented the October 2019 consent agenda for approval
- Mr. Betz made a motion to approve the consent agenda as presented
- Mr. Kelly seconded the motion and the motion carried

EXECUTIVE COMMITTEE

- Mr. Smith stated the committee did not meet

- He reported that members of the Finance Committee met with City staff and representatives to discuss proposals included in the *Service Reduction Report*
- Mr. Smith reported a productive dialogue with the City of Wilmington and discussion on resolutions to address the current financial challenges
- Ms. Padgett requested to address accusations made during the public comment period
- She stated she has served on the Authority board for too many years to let the board members, in front of the public and the press, be blamed for the current financial situation
- She said significant financial cuts to public transit have been consistent at both the federal and state government levels over the past several years
- Ms. Padgett said that without adequate funding from the federal government and subsequently from the state government, Wave Transit has been required to seek additional sources of funding to compensate for these losses
- She stated the monies provided by local governments to compensate for the decrease in funding at both the federal and state levels has been consistent
- Ms. Padgett confirmed it is the loss of the state and federal money that is putting transit systems, like Wave Transit, in jeopardy across the country
- She stated the Authority has made a concerted effort with the funds received to spread its reach and provide public transportation to as many people as possible
- On behalf of the current board and all the other boards that have served Wave Transit throughout the years, there is never enough money for services needed
- Ms. Padgett said this organization, under Mr. Eby's leadership, has identified and continues to identify alternate funding in the midst of these declines and staff deserves recognition for the effort they have put into making the organization productive
- She confirmed it is unfair to accept criticism that is not the fault of this board or previous boards; and to say the budget was balanced five years ago and it is not today as a result of leadership on behalf of the board or staff is irresponsible
- Mr. Koeppel stated the charter of Wave Transit did not provide an annual dedicated funding source, which is of need currently
- Mr. Betz stated the Memorandum of Understanding (MOU) under which the Authority was created does not authorize the Authority to accumulate debt and the Authority remains debt free

PLANNING AND OPERATIONS COMMITTEE

- Mr. Smith recognized Ms. Ryan to give the committee report
- Ms. Ryan stated that ridership comparisons for the month of September proved to be challenging due to Hurricane Florence which resulted in a total loss of 11 and a half days of fixed route bus and Paratransit services and 14 and a half days of Seahawk Shuttle service in September 2018
- Mr. Ryan said that the installation of ads on the seven new buses began in September
- She said the revenues will resume to projected levels once current inventory levels are satisfied
- Ms. Ryan stated that trolley ridership figures for September 2019 as compared to the previous year are not weighted to reflect the adjustment in service levels as a result of Hurricane Florence; however the Authority did witness an increase in ridership of 15% from September 2019 as compared to September 2017
- Ms. Ryan stated the final elements of the revised trolley program are coming into focus and the vehicles are slated to arrive in early November
- Ms. Ryan said that the new trolley will participate in the 2019 City of Wilmington Holiday parade scheduled for 5:00 pm on Sunday, December 5th

FINANCE & BUDGET COMMITTEE

- Mr. Smith recognized Mr. McKay to present the committee report
- Mr. McKay stated the committee was in communication several times during the month to address the financial challenges facing the Authority

- He confirmed resolutions to address these challenges and balance the budget for FY20 have been prepared will be presented later in the meeting
- Mr. McKay said that additional route reductions may be required if the estimated savings projected or supplemental funding requests are not realized
- He confirmed recommendations presented on behalf of the committee include a combination of service reductions and a request for additional revenue from local funding partners
- Mr. McKay stated the sooner these recommendations are implemented the sooner the positive impact on the budget will be realized
- He confirmed that reduction in service was drafted to have the least impact on customers
- Mr. McKay stated that supplemental funding and the proposed service changes will determine if additional action will be necessary to obtain a balanced budget for FY 2020
- He presented two resolutions from the committee for consideration
- The first resolution was to endorse the service reduction plan and initiate a public comment period for service reductions
- The second resolution was requesting supplemental appropriations from funding partners equal to 17.29% of each agency's FY 2020 contribution
- No second was required
- Mr. Smith asked for discussion on the resolutions
- Mr. Kelly spoke to the complexity of transit funding and stated it is very complicated and could be misunderstood very easily by the general public
- He stated he has been witness to public comments and misunderstandings as to the funding structure for various services such as the trolley
- Mr. Betz asked if employees and passengers were consulted regarding the proposed changes
- Mr. Eby confirmed that operators and passengers were involved in the process
- Mr. Eby thanked Mr. Dewberry and Ms. McCullough for their efforts in sharing with staff feedback from their members and the public
- Mr. Lawler provided history on the establishment of the trolley route
- He stated the trolley service was originated as a way to get people around and mitigate traffic issues in Downtown Wilmington
- Mr. Lawler confirmed that with the growth of downtown, the previous route was not effective in meeting the needs of residents and tourists who live and visit the downtown area
- He stated the revised Port City Trolley utilizes an expanded route, a new logo and branding, developed by UNCW students, new signage and new vehicles
- Mr. Smith elaborated on a comment made previously by Ms. Padgett
- He stated there is never enough money, there are never enough routes and there will never be enough buses to meet all the needs within the community, as such, the Authority is charged with providing a high level of service with limited resources
- On behalf of the Finance & Budget Committee, Mr. McKay moved the Service Reduction Resolution reducing weekday service hours from 9:00pm to 8:00pm, and reducing Saturday service hours from 6:00am to 9:00pm to 9:00am to 6:00pm and to begin a thirty (30) day comment period to hear from the public regarding the proposed changes
- Mr. Eby stated the reductions outlined in the resolution are considered minor changes and are not subject to the Authority's adopted public comment policy, but a public information and comment period is considered best practice
- Mr. Eby said an implementation date would be decided upon after the public hearing on November 21st, once the public is made aware of the recommendations and has had an opportunity to provide feedback in writing, by phone or in person
- He stated adoption of the resolution would begin the public hearing process regarding the proposed changes
- No second was required and the motion carried

- Mr. McKay moved the Supplemental Appropriation Resolution for FY20 on behalf of the committee
- Mr. McKay stated a request in the amount of \$326,150 in supplemental appropriations for FY 2020 is being recommended by committee
- He confirmed the request is for \$250,000 from the City of Wilmington, \$57,000 from New Hanover County, \$5,500 from Brunswick County, \$9,500 from Town of Leland, \$2,350 from Town of Navassa and \$1,800 from the Town of Carolina Beach
- Mr. Koeppel stated the requests equal an increase of 17.29% in additional revenue
- Mr. Eby stated the current budget was adopted utilizing the majority of remaining fund balance
- He said the goal is to reduce the fund balance appropriation for FY 2020
- Mr. Eby said the percentage, developed by committee and staff, was drafted following consultation from funding partners
- Mr. Eby stated that upon adoption of the resolution, a copy will be provided to each manager from the local jurisdictions from which funding is requested
- Mr. McKay confirmed the additional funding request is applicable only to the current fiscal year
- Hearing no further discussion, Mr. Smith called the question
- The motion carried
- Mr. McKay noted the negative variance in operating revenues under farebox and contract services line items
- He stated the variance is related to the timing of delivery of UNCW Seahawk Shuttle services and for the loss of service hours in September due to Hurricane Dorian
- Mr. McKay confirmed that Hurricane Dorian resulted in a loss of one and one half days of fixed route bus and Paratransit services and four days of UNCW Seahawk Shuttle services, equating to a total loss of \$30,000 in revenues
- He confirmed expenditures are higher than adopted budget levels and stated the negative variance of \$122,000 is attributed to the increase in medical insurance premiums and the timing in which premiums are due
- He stated these variance will equal out to zero by the conclusion of the fiscal year
- Mr. McKay stated the auditors will complete the single audit by October 30, 2019 which will be presented to the full board during the December meeting

FACILITIES COMMITTEE

- Mr. Smith recognized Mr. Kelly to present the committee report
- Mr. Kelly stated that the committee met on the site of the WMMTC and the project is nearly complete
- Mr. Kelly presented October purchase orders totaling \$49,036.98
- A motion to approve the October purchase orders was made by Mr. Kelly on behalf of the committee and no second was required
- The motion carried unanimously
- The facility is expected to meet the substantial completion date of November 18, 2019

WAVE CONNECT

- Mr. Smith recognized Mr. Gainey to give the committee report
- Mr. Gainey stated during FY quarter one, 88 individuals received travel training on fixed route services, 1,289 trips were provided to Brunswick Senior Resource and New Hanover County Senior Resource Center under the 5310 Grant Program, and 779 Veterans traveled on fixed route for half fare under the Wave Transit Honors Veteran's Program
- He confirmed that Veterans and up to two guests ride for free on Veteran's Day, Monday, November 11th
- Mr. Gainey provided informational handouts promoting the free fare day for Veterans

STAFF REPORT

- Mr. Smith recognized Mr. Eby to give the staff report
- Mr. Eby delivered regrets from Commissioner Barfield due to a schedule conflict related to the Governor's Opioid Task Force
- Mr. Eby recognized Commissioner Barfield for his unwavering support of the Authority
- He stated Authority staff has been reserved in their comments to the press due to the political nature of the county's decision
- He said staff has assured employees and passengers that other than the minor changes presented earlier in the meeting, service should remain consistent at least until June 30, 2020
- Ms. Matheny presented an update to the Wave Transit website that regarding public relations and the positive impact Wave Transit has on the community

CONTRACTOR REPORT

- Mr. Smith recognized Mr. Smith to give the contractor's report
- He stated the recent change in operating staffing levels with the hiring of new operators has had a positive impact on overtime
- Ms. Padgett inquired about the significant increase in road calls for September 2019 as compared to September 2018
- Mr. Smith stated the number of road calls for September 2019 was impacted by Hurricane Florence

NEW BUSINESS

- None

OLD BUSINESS

- None

ADJOURN

- Mr. Gainey made a motion to adjourn the October 2019 meeting
- Mr. Betz seconded the motion and the motion carried

SCHEDULING OF NEXT MEETING

- The next board meeting is scheduled for November 21, 2019 at 12:00 pm in the Forden Station Board Room; the meeting is one week early due to the Thanksgiving holiday.
- Wave Transit administrative offices will be closed and no services provided on November 28, 2019 in observance of the Thanksgiving Holiday.

Respectfully Submitted,



Albert Eby
Executive Director
/kw/mm