



Cape Fear Public Transportation Authority

**MINUTES OF THE
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY
February 10, 2020
Mr. Chris Coudriet, Chairman, Presiding**

MEMBERS PRESENT

Mr. Chris Coudriet, Chairman, New Hanover County Manager
Mr. Sterling Cheatham, Vice Chairman, Wilmington City Manager
Mr. Kemp Burpeau, Deputy Attorney, New Hanover County
Mr. John D. Joye, Wilmington City Attorney
Mr. Mike Kozlosky, Executive Director, WMPO
Mr. Paul Lawler, City of Wilmington Appointee
Ms. Laura Mortell, Budget and Research Director, City of Wilmington,
Ms. Lisa Wurtzbacher, Chief Financial Officer, New Hanover County

MEMBERS ABSENT

None

STAFF PRESENT

Mr. Albert Eby, Executive Director
Ms. Megan Matheny, Deputy Director
Mr. Joe Mininni, Director of Finance & Administration
Ms. Vanessa Lacer, Mobility Manager
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 Jensen, Contractor General Manager, First Transit
Mr. Jeramy Smith, Contractor Assistant General Manager, First Transit
Mr. Matthew Daniels, Maintenance Manager, First Transit

GUESTS PRESENT

Ms. Tracie Barnhill, Citizen
Mr. Tom Pacelli, NHC Senior Resource Center
Mr. Mike Kozlosky, WMPO
Hon. Harper Peterson, NC Senate
Mr. Steve Kelly, Citizen
Mr. Lee Crouch, Citizen
Mr. Andrew Koeppel, Citizen
Mr. Don Betz, Citizen
Mr. Fred Gainey, Citizen
Ms. Anne K. Ryan, Citizen
Ms. Martha Wayne, Deputy CFO, NHC
Mr. Bryon Dorey, Deputy Finance Director, City of Wilmington
Mr. Ricky Meeks, Citizen
Ms. Laura Padgett, Citizen

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Secretary - Wave Transit

CALL TO ORDER

- Mr. Coudriet called the meeting to order at 12:00 pm
- The meeting began with a moment of silence followed by reciting the Pledge of Allegiance

PRESENTATION OF MEETING AGENDA

- Mr. Coudriet presented the February 10, 2020 meeting agenda
- Mr. Lawler made a motion to approve the meeting agenda as presented
- Mr. Joye seconded the motion and the motion carried

INTRODUCTION OF NEW BOARD MEMBERS

- Mr. Coudriet introduced himself and stated he is looking forward to serving as Chairman of the Wave Transit Board
- He confirmed he will act as Chairman for the 2020 calendar year
- Wilmington City Manager, Mr. Sterling Cheatham, will assume the role of Chairman for the 2021 calendar year
- Mr. Coudriet made a motion to appoint Mr. Eby as Secretary of the Cape Fear Public Transit Authority
- Ms. Mortell seconded the motion and the motion carried
- Mr. Coudriet welcomed each member and asked them to introduce themselves
- He confirmed that every member on the board is equally committed to public transportation
- He stated the board is looking forward to working with Wave Transit staff to develop long term goals and stability for the Authority
- Mr. Coudriet stated the board will be responsible for the updated joint resolution between the City of Wilmington and New Hanover County regarding Wave Transit
- He confirmed the New Hanover County Commission has additional appointment to the board scheduled for February 17, 2020
- Mr. Joye made a motion to approve the appointment of New Hanover County Manager, Mr. Coudriet, as Chairman of the Authority Board and Wilmington City Manager, Mr. Cheatham, serving as Vice Chairman during even numbered calendar years beginning in 2020. During odd numbered calendar years, the Wilmington City Manager will serve as Chairman of the Authority Board and the New Hanover County Manager will serve as Vice Chairman.
- Ms. Wurtzbacher seconded the motion and the motion carried

AMENDMENT #2 TO THE INTERLOCAL AGREEMENT BETWEEN NEW HANOVER COUNTY AND THE CITY OF WILMINGTON TO CREATE A PUBLIC TRANSPORTATION AUTHORITY AND TO JOINTLY FUND AND SUPPORT THE AUTHORITY

- Mr. Coudriet briefly reviewed Amendment #2 to the Interlocal Agreement

BOARD GOALS

- Mr. Coudriet stated he had an opportunity speak with some board members regarding the future of Wave Transit
- He stated it is his intention and the intention of the board to work with Wave Transit on a revised and balanced budget for the 2020 fiscal year
- Mr. Coudriet stated a thorough plan for FY 2021 year will also be developed
- He stated the plan may or may not require changes to current service
- Mr. Coudriet stated the board has been charged with developing a system focused on a convenience model versus a coverage model
- He stated innovative service delivery methods such as transit demand model and ridesharing will be included as part of the redevelopment process
- Mr. Coudriet stated the goal is to develop a system that meets the needs of current passengers and builds a base for riders of choice

- Mr. Cheatham stated his goal is for the sustainability of public transportation in the community
- Mr. Kozlosky recommended that the board look toward a dedicated funding source for system viability
- He stated Wave Transit was set up to fail from its inception because it was created with no dedicated source of funding and stressed the importance of identifying a dedicated revenue stream moving forward
- Mr. Kozlosky stressed a secondary goal of a balanced budget for the current and upcoming fiscal year
- Mr. Burpeau stated that the routes serving the CFCC north campus and the NHC Correctional facility should continue to serve the needs of transit customers in the northern portion of NHC
- He said innovations in service delivery models like on-demand service should be considered in the discussion to attract riders of choice
- Ms. Mortell stated her goal is for a responsible budget
- Mr. Joye stated his experience in transit working as the attorney for Charlotte transit has provided him with an understanding of its utility for the transit dependent in our community and those considered riders of choice
- He stated public transportation is essential for community members with no other means of affordable transportation
- Mr. Joye stated short term needs must first be identified to ensure uninterrupted service
- He said the long term transportation needs of the region and each jurisdiction represented must be established and reliable funding sources to meet these objectives identified
- Mr. Kozlosky stressed the importance of creating and strengthening partnerships to achieve identified objectives
- Mr. Joye stated that Wave Transit's structure should be made parallel to the establishment of short term and long term goals
- He confirmed commitment to ensuring future sustainability for Wave Transit
- Ms. Wurtzbacher listed the establishment of a FY 2021 budget that is reasonable and warrants no midyear revisions as a primary goal
- She expressed excitement in the analysis of a revised system that takes into account different or innovative approaches
- Ms. Wurtzbacher stated she looks forward to seeing what the future holds for public transportation in the community
- Mr. Coudriet confirmed equal commitment on behalf of the NHC Board of Commissioners and Wilmington City Council to work collaboratively with Authority staff to develop a revised and sustainable transportation system
- He confirmed the board will work closely with staff in developing a responsible budget for FY 2021
- Mr. Coudriet said the board will first need to set the vision and the operating model and then scale the financials to reflect the adopted operating model
- He stated he firmly believes there needs to be predictability in funding for public transportation

FINANCIAL SUMMARY OF FY2020 AND KEY CHALLENGES FOR FY2021

- Mr. Coudriet recognized Ms. Wayne to present a financial summary and statement of position for the current fiscal year
- Ms. Wayne presented a summary of the FY2020 budget
- She confirmed the financial report was created in conjunction with Mr. Mininni and Mr. Dorey
- She confirmed the Authority is projected to end the fiscal year with a deficit of approximately \$146,000
- Ms. Wayne confirmed the deficit reflects no supplemental appropriations
- It does reflect use of the remainder of the Authority's fund balance
- She communicated a projected shortfall of \$1,200,000 for FY2021

- Mr. Kozlosky stated that annual apportionments from the WMPO to the Authority under the STBGP-DA program were not guaranteed
- STBGP-DA funding is equal to approximately \$500,000 annually and is used for capitalized preventive maintenance and Americans with Disabilities Act compliance
- Consensus of the board was not to include STBGP-DA revenues as part of the FY 2021 budget
- Mr. Kozlosky agreed to discuss future STBGP-DA apportionments for public transportation with the WMPO Board

BUDGET PROCESS OVERVIEW

- Mr. Coudriet recognized Mr. Eby to provide an overview of the budget process
- Mr. Eby provided an overview and stated a revised FY2020 budget, reflective of comments provided by the Board, will be presented at the February 27th meeting
- He stated the revised budget will include reductions totaling \$1,200,000 and would not include STBGP-DA funding
- Mr. Eby stated the budget process speaks to the inconsistency of transit funding and fragility of the Authority's financial position
- He confirmed that federal and state apportionments are often times not released until after the development and adoption of the budget
- Mr. Lawler stated the fund balance is minimal and provides little to no coverage for financial challenges that may arise throughout the year
- He confirmed an adequate fund balance is needed to effectively address financial implications associated with unexpected events such as a natural disaster or a government shutdown
- Ms. Wurtzbacher requested the arrangement of a finance and budget work session

DISCUSSION ON THE ROLE OF TRANSPRO AS CONSULTANT TO THE BOARD

- Mr. Coudriet stated that a contract with Transpro consulting is in development by NHC
- He confirmed the role of Transpro would be as a consultant to the board and staff
- Mr. Coudriet stated the *Short-term Efficiencies and Long-Term Governing Model* report produced by Transpro in 2018 will act as a baseline for planning efforts
- He stated an expectation of Transpro is to provide a long term service model and financial recommendations that align with established goals
- Mr. Coudriet stated the first task for Transpro would be to assist with development of a long term service model that is financially sustainable

DISCUSSION ON ACTION ITEMS

- Mr. Coudriet recognized Mr. Eby to present the action items
- Mr. Eby stated that as a designated recipient of funding from the Federal Transit Administration (FTA), the Authority must recognize the collective bargaining agreement rights of union members pursuant to 49 USC §5333(b)
- He confirmed that North Carolina General Statute Chapter 95 Article 12 §95-98 prohibits the Authority from entering into a contract with a union
- Mr. Eby stated that due to federal and state regulations, as referenced, the Authority must contract with a private third party to oversee and manage the unionized fixed route labor force
- He recognized First Transit Contractor General Manager, Ms. Dianne Jensen, and stated that First Transit is a private management company contracted by the Authority to manage fixed route operations and serve as the employer of record for union drivers and technicians
- Mr. Eby said that the Collective Bargaining Agreement (CBA) for ATU employees expired on June 30, 2019 and the union is operating under an extension as agreed upon by both parties until a revised agreement can be negotiated
- He stated that the Authority's funding challenges are the main impediment in reaching a contract extension between First Transit and ATU 1328

- He confirmed that First Transit's contract with Wave Transit is scheduled to expire on June 30, 2020 and the Authority will issue an RFP for management contractors in February
- Mr. Eby confirmed the contracted amount of the current Management Agreement is \$366,000 annually which covers the cost of providing four (4) employees to manage fixed route operations
- Mr. Coudriet asked if a presentation of the RFP would be provided to the Board
- Mr. Eby confirmed that a presentation of the Management RFP would be on the February 27, 2020 agenda
- Mr. Eby reviewed the agreement for transportation services with the University of North Carolina Wilmington
- He stated the three year contract expires June 30, 2021 and confirmed a service level of 16,232 hours for the current fiscal year
- Mr. Eby said service levels for the upcoming academic year are negotiated during the summer months and the current cost of service is \$55.32 per revenue hour with \$4.50 allocated to local match for securement rolling stock
- He stated a revised Transit Asset Management (TAM) Plan will be presented to the board for review during the March meeting and confirmed the plan is a requirement of FTA
- Mr. Eby concluded that FTA will be on site in June 2020 to conduct a triennial compliance review
- He stated participation in the entrance and exit interview by the board Chairman or his or her designee is protocol

REGULAR MEETING SCHEDULE/ORIENTATION

- Mr. Coudriet requested a change in the scheduled meeting time from 12:00 pm to 12:30 pm
- Mr. Lawler made a motion to change the scheduled meeting time from 12:00 pm to 12:30 pm
- Ms. Wurtzbacher seconded the motion and the motion carried

NEW BUSINESS

- Mr. Kozlosky recommended a presentation and overview of Wave Transit programs and services be provided at a future meeting
- Mr. Joye suggested adoption of meeting rules be drafted
- Mr. Coudriet asked Mr. Eby and Ms. Fox to develop rules and procedures for the board and present for adoption

OLD BUSINESS

- None

ADJOURN

- Mr. Cheatham made a motion to adjourn the February 10, 2020 special meeting
- There was a second by Mr. Lawler and the motion carried

SCHEDULING OF NEXT MEETING

- The next board meeting is scheduled for February 27, 2020 at 12:30 pm in the Forden Station Board Room.

Respectfully Submitted,



Albert Eby
Executive Director
/kw/mm