



# Cape Fear Public Transportation Authority

**MINUTES OF THE  
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY BUDGET WORK SESSION  
April 23, 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 Joye, Wilmington City Attorney  
Mr. Mike Kozlosky, Executive Director, WMPO  
Mr. Paul Lawler, Wilmington City Council Appointee  
Ms. Laura Mortell, Budget and Research Director, City of Wilmington  
Mr. Woody White, New Hanover County Board of Commissioners Appointee  
Ms. Lisa Wurtzbacher, Chief Finance 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. Mary Crawford, Accounting Coordinator

## **CONTRACT MANAGEMENT STAFF PRESENT**

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

## **GUESTS PRESENT**

Mr. Mark Aesch, CEO, TransPro Consulting  
Mr. Ehren Bingaman, Principal, TransPro Consulting  
Mr. Kristopher Browning, Project Leader, TransPro Consulting  
Mr. Bryon Dorey, Assistant Finance Director, City of Wilmington  
Mr. Chance Dunbar, Parking Manager, City of Wilmington  
Ms. Meredith Everhart, Deputy Attorney, City of Wilmington  
Ms. Sandra Flowers, Citizen  
Ms. Melissa Huffman, Assistant Attorney, City of Wilmington  
Ms. Katie Jurenka, Project Analyst, TransPro Consulting  
Ms. Abby Lorenzo, Sr. Transportation Planner, WMPO  
Mr. Ricky Meeks, Citizen  
Mr. Tom Pacelli, Transportation Coordinator, NHC Senior Resource Center  
Ms. Laura Padgett, Citizen

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Secretary - Wave Transit

Mr. David Rhew, Executive Director, NCPTA  
Ms. Anne Ryan, Citizen  
Ms. Lyndsey Scofield, Principal, TransPro Consulting  
Ms. Martha Wayne, Deputy Chief Financial Officer, New Hanover County

### **CALL TO ORDER**

- Mr. Coudriet called the meeting to order at 12:30 pm
- The meeting began with a moment of silence

### **ROLL CALL**

- Mr. Coudriet conducted roll call with attendance confirmed by all members

### **APPROVAL OF MEETING AGENDA**

- Mr. Coudriet presented the April 23, 2020 meeting agenda
- Mr. Kozlosky requested Item #3 of the consent agenda, *Resolution requesting STBGP-DA Funding*, be moved for discussion after Item #8, *CARES Act Update*, on the regular agenda
- Mr. Coudriet entertained a motion to remove Item #3 on the consent agenda, *Resolution requesting STBGP-DA funding*, and place it after Item #8 on the regular agenda
- Mr. Kozlosky made a motion to revise the meeting agenda
- There was a second by Ms. Wurtzbacher and the motion carried

### **PUBLIC COMMENT**

- Mr. Coudriet opened the public comment period
- Ms. Flowers provided comment from the Forden Station boardroom
- She confirmed she has been an operator with Wave Transit's Paratransit Department since 2016
- Ms. Flowers spoke to the safety challenges associated with her job duties as an operator
- She stated that although safeguards have been implemented and PPE issued on behalf of the Authority, there are instances where social distancing with customers is not an option
- Ms. Flowers spoke to the dedication of her and her coworkers and stated wages for Paratransit operators are low compared to the expectations and demands of the job
- She requested the board consider a wage increase, similar to the healthy living wage implemented by New Hanover County, for Paratransit operators
- Mr. White thanked Ms. Flowers for her comments and requested that staff speak to the safety concerns and current wages for Paratransit operators
- Mr. Eby spoke to the safety measures undertaken by the Authority in response to the COVID-19 health crisis
- He stated PPE in the form of gloves, one N95 mask, two cloth masks, and safety goggles have been provided to all operators and available to all employees
- Sanitation kits inclusive of hand sanitizer and disinfectant wipes are available at the dispatch office and both transfer stations
- A plastic barrier around the driver's compartment has been installed in all vehicles and passenger seating has been strategically blocked off with notification signs to promote social distancing
- Mr. Eby stated that social distancing is not an option for ADA customers, especially those with mobility aids that require securement to the vehicle by the operator
- He confirmed the average wage for a Paratransit operator is \$10 per hour
- Mr. White requested the board consider increasing the minimum wage for Paratransit operators
- He stated he is in support of a healthy living wage as implemented by New Hanover County
- Mr. Coudriet requested staff work with Ms. Wurtzbacher and Ms. Mortell to develop proposals to implement a living wage for Paratransit operators
- Hearing no further comments, Mr. Coudriet closed the public comment period

## **CONSENT AGENDA**

- Mr. Coudriet entertained a motion to approve the consent agenda as amended
- Mr. Kozlosky moved to approve the consent agenda
- Mr. Joye seconded the motion and the motion carried

## **OPERATIONS UPDATE**

- Mr. Coudriet recognized Mr. Eby to provide an update on operational impacts resulting from the novel coronavirus COVID-19
- Mr. Eby referred members to page 16 of the agenda packet for an overview of operating data
- He reported a 54% decrease in fixed route ridership from the State of Emergency Declaration by Governor Cooper on March 10<sup>th</sup> to the present
- Mr. Eby reiterated the Authority continues to provide service in accordance with the posted schedule as public transportation services are considered essential
- Mr. Coudriet inquired as to whether or not an alternate mode of transportation could be offered to passengers in instances where underutilization of service is identified
- Mr. Eby referenced Route 107 College Rd. and Route 301 Pleasure Island as lower performing routes and opportunities for implementation of alternate service delivery models
- Hearing no further comments, Mr. Coudriet moved to the next item on the agenda

## **CARES ACT UPDATE**

- Mr. Coudriet recognized Mr. Eby to provide an update on the Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Mr. Eby referred members to page 17 of the agenda packet for a CARES Act funding update and action plan
- The CARES Act provides \$25 billion to transit agencies nationwide to help to prevent, prepare for and respond to the COVID-19 pandemic
- He announced an apportionment of \$6,856,517 in CARES Act funding to the Authority
- He confirmed funds must be used for operating assistance and confirmed the period of performance as January 2020 thru January 2024
- Mr. Eby spoke to experience with management of stimulus funding confirming the Authority received roughly \$2.5 million in America Restoration and Recovery Act (ARRA) funding in 2009
- He confirmed that unlike CARES Act funding, 2009 ARRA funds could only be used for capital expenditures
- Mr. Eby stated the application for funding was approved by FTA and the funds are available for reimbursement in accordance with the application
- The impact of the pandemic remains unknown; however, CARES Act funding is expected to be available to aid the Authority over the next four years
- Mr. Joye asked if the grant operates on a traditional reimbursement basis with expenses incurred before funds could be drawn
- Mr. Kozlosky asked if preventive maintenance and ADA were eligible expenses under the CARES Act
- Mr. Eby stated the funds are on a reimbursement basis of eligible expenses
- He stated that projects identified in the application were operating assistance and preventive maintenance
- Mr. Eby stated that certain but not all ADA expenses are eligible as operating expenses
- Mr. Kozlosky stated his reason for inquiring and for the revision to the agenda is to determine if the CARES Act funding could be used in lieu of STBGP-DA funds to support preventive maintenance and ADA activities
- Mr. Kozlosky inquired as to whether or not the Authority had any vehicles that have met or exceeded their useful life and are eligible for replacement

- Mr. Eby confirmed that four fixed route buses have been identified for replacement under the Volkswagen settlement grant as they have met or exceeded their useful life
- Mr. Lawler stated CARES Act funding will provide an increased level of stability for the Authority during which a revised service delivery model, one built on convenience, could be studied
- Mr. Eby stated the funds could allow the Authority to maintain current service levels in the short term while long term recommendations provided by TransPro are identified and evaluated
- Mr. Coudriet asked if FY 2021 would be an appropriate time to decrease reliance on STBGP-DA funding
- Mr. Lawler spoke in favor of advancing the STBGP-DA resolution as the Authority should pursue all funding opportunities
- Mr. White stated if the suggestion is to for CARES Act funding be used to continue to support low performing routes then he is not in favor of such action
- He stated he is in favor of accelerating efficiencies in services and sought clarification from Mr. Lawler as to the service model referenced in his statement
- Mr. Lawler stated the transition referenced previously is to a service model that reflects frequency or convenience and confirmed support for improving current or existing services
- Mr. White agreed and stated acceleration to a revised service delivery model could equate to increased solvency for the organization
- Mr. White inquired as to the status of the loan payment on behalf of New Hanover County
- Mr. Wurtzbacher stated the city and the county have provided \$350,000 toward the \$700,000 loan
- Mr. Mininni stated the draft FY 21 budget reflects repayment of the loan in full
- Mr. White asked if the loan repayment could be expedited and applied in FY 20 in light of the award of CARES Act funding
- Mr. Mininni stated repayment of the loans this fiscal year could present cash flow challenges
- Mr. Joye stated cash flow was his reasoning for posing the question regarding loan reimbursement status
- Mr. Coudriet deferred to city and county finance and budget staff as to the financial advantages an expedited loan repayment may have
- Ms. Mortell stated advancement in loan repayment from FY 21 to the current fiscal year carries no financial impact on fund balance and provides little advantage to the City
- Ms. Wurtzbacher confirmed that if payment is not marked as a receivable, then it is not identified in the fund balance percentage for that fiscal year
- Mr. Coudriet spoke in favor of expediting the loan repayment to the current fiscal year if feasible
- Mr. White stated that although the loan comprises a very small percentage of the county's overall budget, payment will help to offset decreases in sales taxes as a result of COVID-19
- He stated if reimbursement could occur this fiscal year, it should be encouraged
- Ms. Mortell concluded that the Authority should be fiscally conservative with the CARES Act funding and continue to seek other sources of revenue moving forward
- Mr. White stated the CARES Act funding should be used to accelerate policy decisions to cut costs and save money
- He reiterated that funds should not be used to support growth in services
- Ms. Wurtzbacher asked for confirmation as to whether or not the \$500,000 in STBGP-DA funding is included in the draft FY 21 budget
- Mr. Mininni confirmed funds are not included in the draft FY 21 budget
- Hearing no further comments, Mr. Coudriet moved to the next item on the agenda

## **RESOLUTION REQUESTING SURFACE TRANSPORTATION BLOCK GRANT FUNDING**

- Mr. Coudriet recognized Mr. Eby to present the resolution

- Mr. Eby stated the resolution was drafted in response to a recommendation brought forth by Mr. Kozlosky during the February 27, 2020 meeting
- Mr. Eby stated the Authority has been a recipient of STBGP-DA funds since 2015 and confirmed the average annual subsidy as approximately \$400,000
- He stated the resolution requests the WMPO consider apportionment of \$500,000 in STBGP-DA funds for FFY 21 for preventive maintenance and Americans with Disabilities Act (ADA) compliance
- Mr. Eby stated FHWA funds are available to the region through block grant funding appropriated to the WMPO
- He stated STBGP-DA funds are apportioned to local jurisdictions and eligible agencies for transportation projects through a formal grant process established by the WMPO
- He confirmed funding provided by the WMPO through the STBGP-DA program decreases the Authority's request for local subsidy which minimizes the impact on the local funding partners
- Mr. Coudriet inquired alternate ways in which the WMPO could use STBGP-DA funds previously apportioned to the Authority
- Mr. Kozlosky stated the funds could be used to support transportation projects submitted by other local jurisdictions within the Wilmington urbanized area
- He provided examples of transportation projects including construction of multi-use paths, sidewalk and pedestrian network improvements, traffic signal upgrades and construction of WMPO offices at the Wilmington Multimodal Transportation Center (WMMTC)
- Mr. Coudriet entertained a motion to approve the resolution
- Mr. Lawler made a motion to approve the resolution as presented
- There was a second by Mr. Cheatham
- Ms. Wurtzbacher asked Mr. Kozlosky to speak to the grant process and any potential negative impacts for the Authority that could result in moving this resolution forward
- Mr. Kozlosky stated a call for projects is typically announced by the WMPO for transportation projects submitted by local jurisdictions through a formal application
- He confirmed the WMPO has not yet released a call for projects in FFY 2021; the intent of the resolution was to provide direction to the Authority as to whether or not to apply for these funds
- Mr. Kozlosky stated support, or lack thereof, of the resolution on behalf of the WMPO board will provide guidance to the Authority on how to respond to the next call for projects
- Mr. White requested clarification from Mr. Kozlosky for modifying the resolution to consider the item at a later date and asked if support from the WMPO Board was expected should an application be submitted
- Mr. Kozlosky stated he was unsure if the WMPO board would support a request for funding from the Authority
- Mr. Joye stated difficult decisions regarding funding are always present
- He confirmed the resolution makes an ask and the WMPO board will have to decide how the funds are allocated to support transportation needs
- Mr. Coudriet inquired as to expenses that may be replaced in the FY 2021 budget should the STBGP-DA grant funds be awarded
- Mr. Eby stated it would allow the Authority to extend CARES Act funding and divert non-program revenue to fund balance
- Mr. Kozlosky stated he would be willing to present the resolution to the WMPO board
- Mr. Cheatham stated pursuit of regional transportation funds is a proactive method of securing funding which minimizes the impact on local budgets
- Mr. Cheatham spoke in favor of moving the resolution forward
- Ms. Wurtzbacher asked if the STBGP-DA funds could be used on items funded by the CARES Act
- Mr. Eby stated preventive maintenance activities and some ADA activities are eligible for funding under the CARES Act

- Mr. Kozlosky requested consideration be granted to a revision of the resolution to reflect \$150,000 to support ADA activities that may not be eligible for CARES Act funding
- Mr. Lawler solicited feedback from Mr. Eby
- Mr. Eby stated the item could be tabled until a formal call for projects is released by the WMPO board offering a board more current data in making a recommendation
- Mr. Lawler withdrew his motion and made a new motion to table the request until a formal call for projects is released by the WMPO board
- There was a second by Mr. Cheatham and the motion carried unanimously

#### **FY 20 BUDGET AMENDMENT**

- Mr. Coudriet recognized Mr. Eby to present the FY 20 budget amendment
- Mr. Eby recognized Mr. Mininni to present the item
- Mr. Mininni stated a line item in the amount of \$620,000 titled *FTA Cares Act* is reflected in the budget amendment
- Ms. Wurtzbacher requested confirmation that the amount under this line item would adequately address the anticipated deficit and provide a balanced budget by fiscal year end
- Mr. Lawler requested confirmation that the amended budget meets all of the requirements noted in previous discussions
- Mr. Mininni stated the budget ordinance provides a balanced budget, assumes no changes in the fund balance and ensures adherence with all requirements
- Ms. Wurtzbacher made a motion to approve the FY 20 budget ordinance amendment as presented
- Ms. Mortell seconded the motion and the motion carried

#### **FY 21 BUDGET UPDATE**

- Mr. Coudriet recognized Mr. Eby to present the draft FY 21 budget
- Mr. Eby confirmed the draft presented reflects a 5% increase for the upcoming fiscal year as compared to the amended FY 20 budget
- The projected budget deficit has been addressed with CARES Act funding
- The draft budget includes no service reductions but continues reductions made in January 2020
- Mr. Eby stated recommendations from TransPro will be reflected in the FY 21 budget as developed and implemented by the board
- Hearing no comments, Mr. Coudriet moved to the next agenda item

#### **TRANSPRO DIAGNOSTIC REPORT #2**

- Mr. Coudriet recognized Mr. Kristopher Browning, Project Manager with TransPro Consulting, to present the second diagnostic report
- Mr. Browning thanked the board and Authority staff for their assistance in the analysis
- Mr. Browning confirmed the CARES Act funding is a unique opportunity and not considered in the effort to increase revenue and reduce expenses
- Mr. Browning referenced the three pathways or key considerations to service excellence referenced in the initial report
- The first is financial sustainability, meaning how does Wave Transit provide a transportation network to the community that delivers value
- The second consideration is efficient and effective service delivery, and the third is customer experience
- Mr. Browning elaborated on a potential cost savings of \$210,000 under administrative opportunities, between \$700,000 to \$900,000 in service opportunities and \$485,000 to \$700,000 in revenue opportunities
- Mr. Joye spoke to the feasibility of a potential increase in the amount of \$450,000 to \$650,000 in UNCW contracted services referenced under revenue opportunities

- He stated an increase in UNCW contributions could conflict with FTA charter regulations
- Mr. Aesch spoke to his experience with FTA charter regulations and public transportation services delivered to educational institutions
- Mr. Joye spoke to the implication and positive impact of UNCW passenger on the Authority's federal formula allocation
- Ms. Mortell asked for clarification regarding the associated cost recommendations
- Mr. Browning confirmed the associated costs for each recommendation need to be more thoroughly vetted
- Mr. Lawler inquired about unintended consequences on the expense side should UNCW Seahawk Shuttle services no longer be provided by the Authority
- Ms. Scofield spoke to the fixed and variable costs associated with providing UNCW Seahawk Shuttle services and confirmed impact on expenses for providing services were considered
- Mr. Browning stated projected cost savings identified under service opportunities includes transition of inefficient and low performing routes to an on-demand service delivery model
- Mr. Coudriet solicited additional questions and/or for the TransPro team
- Hearing no further comments, Mr. Coudriet moved to the next item on the agenda

#### **FTA SECTION 5310 COMMUNITY GRANT FUND PROGRAM**

- Mr. Coudriet recognized Ms. Lacer to present the resolution
- Ms. Lacer provided a summary of the FTA Section 5310 Grant and WaveConnect Program
- She presented a resolution authorizing award to eligible community organizations including the Senior Resource Center (SRC), Brunswick Senior Resources, Inc. (BSRI) and Elderhaus under the FTA Section 5310 community grant program
- Hearing no questions, Mr. Coudriet entertained a motion to approve the resolution as presented
- Mr. Kozlosky moved to approve the resolution
- Ms. Wurtzbacher seconded the motion and the motion carried

#### **OLD BUSINESS**

- None

#### **NEW BUSINESS**

- None

#### **ADJOURN**

- Ms. Mortell made a motion to adjourn the April 23, 2020 meeting
- There was a second by Mr. Lawler and the motion carried

#### **SCHEDULING OF NEXT MEETING**

- The next board meeting is scheduled for May 28, 2020 at 12:30 pm

Respectfully Submitted,



Albert Eby  
Executive Director  
/mc/mm