



Cape Fear Public Transportation Authority

**MINUTES OF THE
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY REGULAR MEETING
June 25, 2020
Mr. Sterling Cheatham, Vice Chairman, Presiding**

MEMBERS PRESENT

Mr. Sterling Cheatham, Vice Chairman, City of Wilmington Manager
Mr. Kemp Burpeau, New Hanover County, Attorney
Ms. John Joye, City of Wilmington, Attorney
Mr. Paul Lawler, City of Wilmington Appointee
Ms. Abby Lorenzo, WMPO Designee
Ms. Laura Mortell, City of Wilmington, Budget and Research Director
Mr. Woody White, New Hanover County Appointee
Ms. Lisa Wurtzbacher, New Hanover County, Chief Finance Officer

MEMBERS ABSENT

Mr. Chris Coudriet, Chairman, New Hanover County Manager
Mr. Mike Kozlosky, WMPO, Executive Director

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
Ms. Kathy Williams, Customer Service Supervisor

CONTRACT MANAGEMENT STAFF PRESENT

Mr. Matt Daniels, Contractor Maintenance Manager, First Transit
Ms. Noel Fox, Craige and Fox PLLC, Attorney
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. Ben Andrea, Director of Planning and Inspections, Town of Leland
Ms. Tracie Barnhill, Citizen
Mr. Ehren Bingaman, Principal, TransPro Consulting
Mr. Kristopher Browning, Project Leader, TransPro Consulting
Mr. Terrence Dewberry, President, Amalgamated Transit Union (ATU) 1328
Mr. Bryon Dorey, Assistant Finance Director, City of Wilmington
Ms. Emily Featherston, WECT
Ms. Dianne Jinwright, Citizen
Ms. Deborah Dicks Maxwell, President, New Hanover County NAACP
Ms. Sherita McCullers, Amalgamated Transit Union (ATU) 1328
Ms. Laura Padgett, Citizen
Ms. Yozosne Riley, Citizen

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Secretary - Wave Transit

Mr. David Rhew, Executive Director, North Carolina Public Transportation Association
Ms. Martha Wayne, Deputy Chief Finance Officer, New Hanover County

CALL TO ORDER

- Vice Chairman Cheatham called the meeting to order at 12:30 pm
- The meeting began with a moment of silence

ROLL CALL

- Mr. Cheatham conducted roll call with attendance confirmed by all members and designees

APPROVAL OF MEETING AGENDA

- Mr. Cheatham presented the June 25, 2020 meeting agenda
- Mr. White moved to approve the meeting agenda as presented
- There was a second by Mr. Lawler and the motion carried

PUBLIC COMMENT

- Mr. Cheatham opened the public comment period
- Mr. Dewberry introduced himself as the President for the Amalgamated Transit Union (ATU) Local 1328
- He referenced the CARES Act funding and requested a percentage be allocated to front line employees in the form of heroes pay
- Mr. Dewberry requested consideration be granted to postponing the return to revenue service and front door boardings
- He stated operators have a right to safe working conditions and expressed concern for returning to revenue service in light of the additional restrictions recently implemented in North Carolina
- Mr. Dewberry stated operators should be treated like heroes and not zeros
- Ms. Barnhill expressed concern over the ability to social distance on a bus, especially when the front is blocked off and during peak times when the vehicle is crowded
- She stated since COVID-19 and the reservation of front door boardings for ADA customers, she has had a difficult time boarding the bus
- Ms. Barnhill confirmed only one operator will lower the bus and allow her to enter through the front door
- Ms. Maxwell introduced herself as the President of the New Hanover County NAACP
- She requested the board consider offering free transportation to the polls in November for individuals unable to drive
- Ms. Maxwell stated there are 120 days until election day to formulate a plan for providing transportation
- She thanked the board for their time and consideration of her request
- Ms. Riley introduced herself as the Chief Shop Steward for the Amalgamated Transit Union (ATU) Local 1328
- She stated restrictions have been eased and businesses are opening back up but requested consideration be granted to postponing the reinstatement of fare collection and front door entry on the buses
- Ms. Riley stated the temporary barrier around the operator compartment must be addressed with a permanent solution before fare collection is reinstated
- She thanked Ms. Jensen for the efforts of First Transit in protecting the operators and keeping them safe
- Ms. Riley reiterated that operators continue to risk their lives every day and are fearful of bringing home the virus to their loved ones
- She thanked the board and requested further consideration be granted to the union's request for front line hero appreciation pay brought forth during the May meeting

- Hearing no further comments, Mr. Cheatham closed the public comment period

CONSENT AGENDA

- Mr. Cheatham entertained a motion to approve the consent agenda
- Mr. Joye moved to approve items 1, 2, and 3 of the consent agenda
- There was a second by Ms. Mortell and the motion carried
- Ms. Lorenzo raised concern about the length of the Greyhound contract at five years and inquired about a shorter duration
- Mr. Eby referenced Section 5.1 of the agreement stating either party has the ability to terminate the agreement, without penalty, provided a thirty day written notice
- Mr. Joye made a motion to accept the contract extension with Greyhound
- There was a second by Ms. Lorenzo and the motion carried
- Mr. Lawler noted a typo in the minutes from the May meeting on page 4 of the agenda packet
- He confirmed that “Ms.” Eby and “Ms.” Coudriet should read “Mr.”
- Hearing no further comments, Mr. Cheatham moved to the next agenda item

PUBLIC HEARING FISCAL YEAR 2020-2021 BUDGET

- Mr. Cheatham entertained a motion to open the public hearing for the FY2020-2021 budget
- Mr. White made a motion to open the public comment period for the FY2020-2021 budget
- Ms. Mortell seconded the motion and the motion carried
- Mr. Cheatham recognized Mr. Eby to present the budget ordinance
- Mr. Eby summarized the budget modifications outlined on page 5 of the budget ordinance, or page 28 of the agenda packet
- He confirmed an increase of \$178,570 in operating expenses associated with the implementation of a \$15 healthy living wage for Authority employees requested by the board
- Mr. Eby stated staff received notification from NCDOT that the State Maintenance Assistance Program (SMAP) has been defunded for FY21
- He confirmed SMAP was roughly \$32 million dollars in the state budget
- The allocation of SMAP funds to the Authority for the upcoming fiscal year was \$600,000
- Mr. Eby stated the Rural Operating Assistance Program (ROAP) in the amount of \$18 million dollars was also defunded from the state budget for FY21
- He confirmed the allocation of ROAP funds to the Authority as \$41,040
- Mr. Eby stated communications with state officials to ensure deductions are not permanent
- He said given their financial challenges, the state is unable to offer any assurances past FY21 as to the reinstatement of these programs
- Mr. Eby stated to make up for these two losses, CARES Act revenues have increased by \$771,610 for FY21
- The total CARES Act appropriation of \$2,090,908 for FY21 will leave the Authority with roughly \$4,000,000 in available CARES Act funding
- Mr. Eby stated the amendment to the Greyhound contract, which was approved, will increase revenues next year by \$48,000
- He confirmed the *other income* line item are non-program revenues which include revenues from the Greyhound contract, the Authority’s Advertising Program and onsite vending
- Ms. Mortell requested Mr. Eby explain again the \$15 healthy living wage for the audience
- He stated the Authority has two groups of employees, contracted employees who work for Transit Management of Wilmington, a subsidiary of First Transit, and employees who work directly for the Authority
- The Authority contracts with First Transit for fixed route operations and vehicle maintenance
- Mr. Eby stated contracted employees are covered under Section 5333(b) which requires the Authority to recognize collective bargaining rights of union members

- He confirmed the healthy living wage applies only to Authority employees including paratransit operators and customer service representatives
- Mr. Eby stated at the May meeting, the board directed staff to include a healthy living wage of \$15 for Authority employees currently under this threshold and a 2% increase for Authority employees over this hourly threshold, in the FY2020-2021 budget
- Mr. Eby complimented the paratransit operators for their diligent work in providing essential services to customers, especially during the pandemic
- He reiterated a budgetary impact of \$178,570 in operating expenses associated with the implementation of a \$15 healthy living wage for Authority employees requested by the board
- Ms. Lorenzo stated it was referenced by staff that operator shields would be in place when bus fares were reinstated and inquired as to the status of the shields
- Mr. Eby stated the permanent protective barriers for the fixed route buses are scheduled to arrive at the beginning of July, and barriers for the shuttles and paratransit vehicles are scheduled to arrive mid-July
- He stated a date of July 6th for return to revenue service was established as tentative
- Mr. Eby stated a return to revenue service would help reduce the number of non-essential trips being performed
- He stated it has been communicated by fixed route operators that individuals, presumably homeless, might be taking advantage of the free service and riding without a particular purpose
- Mr. Eby stated a return to revenue service would address this issue; however, it would increase the interaction required between customers and operators
- He stated this is the dilemma in which the Authority is faced with and confirmed there is no easy or right answer on how to proceed forward
- Mr. Eby stated when we return to revenue service, should we proceed down this path, staff will ensure that installation of the permanent protective equipment is complete on all, if not majority of the vehicles
- He confirmed temporary barriers will remain in place to protect the operators until installation of the permanent barriers is complete
- Ms. Mortell asked if staff has secured barriers to outfit all vehicles
- Mr. Eby confirmed that barriers to outfit all revenue service vehicles have been ordered and the equipment is scheduled to be installed in the coming weeks
- Ms. Lorenzo requested confirmation as to the temporary barrier solution in place currently
- Mr. Eby confirmed the temporary barriers are a 15 -20 mil poly shower curtain and stated this temporary solution provides adequate protection and has been adopted widely by other transit agencies
- Mr. Sterling asked if there was any member of the public interested in providing comment on the FY2020-2021 budget
- Mr. Dewberry provided an introduction and asked what adjustments have been made to improve performance from the current fiscal year
- Mr. White requested further clarification as to his question
- Mr. Dewberry stated it was projected that the Authority would face a \$1.2 million dollar deficit at the conclusion of the fiscal year and asked what modifications have been made to address the shortfall
- Mr. White stated the former Wave board was replaced, the City and the City, the two primary partners, entered into an agreement for Wave 2.0 which is taking shape currently
- He stated TransPro was hired to guide the board in that process and in any policy decisions that are forthcoming
- Mr. White stated these changes are not reflected in this budget but confirmed these as measures undertaken to improve performance
- Mr. Dewberry inquired as to how the deficit was addressed
- Mr. Joye confirmed the budgetary shortfall will be address with CARES Act funds

- Hearing no further comments, Mr. Chatham entertained a motion to close the public comment period and adopt the FY2020-2021 budget as presented
- Mr. White made a motion to close the public comment period and approve the FY2020-2021 budget and requested an opportunity ask Mr. Eby some questions once the motion receives a second
- There was a second by Ms. Mortell
- Mr. White requested further clarification as to what life has been like since March 15th to present for bus drivers and riders, how is the Authority gauging ridership, how does staff know the demographics of riders, and how do we know if someone is homeless
- He requested further elaboration about the Wave Transit system in COVID, who are we seeing riding the bus and for what reasons, and has there been any data analysis of routes during the health crisis
- Mr. White stated this is a disruptive event worldwide, in every facet of life, and is fascinated on the impacts, other than financial, it has had on this entity
- Mr. Eby stated comments provided by Ms. Riley speak to the impact on operators
- He stated operators are concerned that through their interaction with the public they may expose themselves or their loved ones to the virus
- Mr. Eby stated paratransit operators who might be or might be are caring for a loved one who is immune-compromised or of a vulnerable population have been granted a leave of absence
- He confirmed the Authority's goal is to provide as much flexibility while still meeting our charge to provide essential service to the community as required
- Mr. Eby stated with respect to data analysis on the routes, we have an understanding, to a degree of the folks we encounter on a regular basis that are homeless
- Mr. White inquired about ridership figures pre-COVID as compared to current
- Mr. Eby stated the Authority has witnessed a 50% decrease in fixed route bus ridership since the onset of the health crisis
- Mr. White inquired about the availability of data at the route level
- Mr. Eby stated the variance in ridership for some routes might be higher or lower, the 50% decrease is standard across all routes
- He stated data that is not captured on a routine basis is trip purpose and ridership demographic
- Mr. Eby stated ridership surveys are conducted to secure this information but not on an ongoing basis
- Mr. White asked why July 6th was identified as the date to return to revenue service
- Mr. Eby stated July 6th coincides with the start of the new fiscal year
- He stated with businesses reopening under the second phase of Governor Cooper's *Safer at Home* initiative, this provided an opportunity to return to revenue service and reopen the facilities
- Mr. Eby stated there is no requirement to return to revenue service effective July 6th and will look to the board for guidance on a date as we move forward
- He stated a loss in fare box revenue will be realized if fare collection is suspended as we transition to the new fiscal year
- Mr. White thanked Mr. Eby for answering his questions
- Hearing no further comments or questions, Mr. Chatham reiterated the motion of the floor for approval of the FY2020-2021 budget and the second by Ms. Mortell
- All voted in favor and the motion carried unanimously

MANAGEMENT AGREEMENT ADDENDUM 8

- Mr. Cheatham recognized Mr. Mininni to present the contract addendum
- Mr. Mininni stated earlier in the year, the Authority went out for bid for a management contractor for fixed route operations and vehicle maintenance
- He said as the health crisis emerged, the Authority pulled the RFP and began negotiating directly with Frist Transit in order to secure one more year of their services

- Mr. Mininni stated the disincentives and incentives were removed from the contract and replaced with a flat fee for service
- He confirmed the FY21 fee for service as \$410,000; a 5% increase from FY20
- Mr. Mininni stated over the past four years, First Transit has not negotiated any increases in their contract
- Ms. Wurtzbacher inquired about the risk of removing the incentives and disincentives from the contract
- Mr. Mininni confirmed the risk to be minimal as the Authority has been pleased with First Transit's performance over the past three years
- He stated the biggest challenge as of current is overtime; however, First Transit is working diligently to address
- Mr. Mininni stated this is the Authority's biggest exposure under the revised contract
- Mr. Lawler moved to approve the Management Agreement Addendum
- There was a second by Ms. Wurtzbacher and the motion carried
- Hearing no further comments, Mr. Cheatham moved to the next item on the agenda

OPERATIONS UPDATE

- Mr. Cheatham recognized Ms. Matheny to provide an update on operational impacts resulting from the novel coronavirus (COVID-19) health crisis
- Ms. Matheny stated she would like to speak to Commissioner White's questions pertaining to ridership data posed earlier in the meeting
- She confirmed that from the onset of this healthy crisis, ridership data has been compiled and analyzed weekly, or more frequently as needed
- Ms. Matheny confirmed ridership statistics for the month of May can be found on the *Operational Statistics Report* located on page 40 of the agenda packet
- She confirmed a negative variance of 50% in fixed route ridership for May 2020 as compared to May 2019
- Mr. White inquired about the ridership trend prior to COVID-19 and stated the data referenced would be useful to the board and consultants in informing decisions moving forward
- Ms. Matheny confirmed that ridership data will be provided to the board and TransPro following the meeting
- She stated as discussed, a return to revenue service for fixed route operations and the reopening of transfer facilities is tentatively scheduled for Monday, July 6th
- Ms. Matheny confirmed preparations for both actives are underway and include, outfit of customer service counters and operator compartments with permanent protective barriers, installation of sanitizer and disposable mask dispensers on revenue vehicles, internal communications and notification to staff, and customer outreach
- Hearing no further comments, Mr. Chatham moved to the next item on the agenda

EVALUATION OF EXECUTIVE DIRECTOR

- Mr. Chatham entertained a motion to enter into closed session
- Mr. Joye made a motion to enter into closed session
- Ms. Wurtzbacher made a motion to go back into open session
- There was a second by Ms. Mortell and the motion carried
- Mr. Joye made a motion to amend the Executive Director's current contract, which would go into effect June 30, 2020, the date in which the agreement is scheduled to expire, to eliminate *Section 2*, which is the term and *Section 11*, which references severance; keep the rest of the contract, salary, benefits, etc. the same, and add a section that simply puts in place a mutual, 60-day notice requirement for termination for convenience, which means if the Executive Director wishes to terminate, he must provide a 60 day notice and it is a reciprocal on the part of the board

- There was a second by Ms. Mortell and the motion carried
- Mr. Joye stated it is his understanding that, once produced, the Executive Director will have an opportunity to consider and hopefully we can move forward from there
- Hearing no further comments, Mr. Cheatham moved to the next item on the agenda

NEW BUSINESS

- None

OLD BUSINESS

- None

ADJOURNMENT

- Mr. Lawler made a motion to adjourn the June 25, 2020 meeting
- There was a second by Ms. Lorenzo and the motion carried

SCHEDULING OF NEXT MEETING

- The board meeting will be held electronically and is scheduled for July 23, 2020 at 12:30 pm

Respectfully Submitted,



Megan Matheny
Interim Director
/Kathy Williams