



Cape Fear Public Transportation Authority

**MINUTES OF THE
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY REGULAR MEETING
January 28, 2021
Mr. Sterling Cheatham, Chairman, Presiding**

MEMBERS PRESENT

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

MEMBERS ABSENT

Mr. Kemp Burpeau, New Hanover County, Attorney

STAFF PRESENT

Ms. Marie Parker, 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
Mr. Matt McBride, Contractor General Manager, First Transit

GUESTS PRESENT

Mr. Ben Andrea, Director of Planning and Inspections, Town of Leland
Mr. Robbie Bitner, Senior Manager, PBMares
Ms. Abby Lorenzo, Deputy Director, WMPO
Mr. Tom Pacelli, Transportation Program Coordinator, NHC Senior Resource Center
Ms. Laura Padgett, Citizen
Ms. Martha Wayne, Deputy Chief Finance Officer, New Hanover County

CALL TO ORDER

- Chairman Coudriet called the meeting to order at 12:00 pm
- The meeting began with a moment of silence

ROLL CALL

- Mr. Coudriet conducted virtual roll call with all members confirmed as present except for Mr. Burpeau
- Mr. Coudriet confirmed Mr. Burpeau has a County obligation to tend to and will not be in attendance

APPROVAL OF MEETING AGENDA

- Mr. Coudriet presented the January 28, 2021 meeting agenda
- Ms. Wurtzbacher made a motion accept the meeting agenda

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Secretary - Wave Transit

- There was a second by Mr. Kozlosky, the motion carried by roll call vote

RECOGNITION OF NEW HANOVER COUNTY APPOINTEE

- Mr. Coudriet recognized and welcomed Commissioner Deb Hays to her first meeting as newly appointed member of the Wave Transit Board of Directors
- The Board welcomed Commissioner Hays
- Hearing no further comments, Mr. Coudriet moved to the next item on the agenda

APPOINTMENT OF OFFICERS

- Mr. Coudriet stated the Memorandum of Understanding (MOU) signed between the City of Wilmington and New Hanover County defines who should serve as Chair and Vice-chair, but we still, as the governing board, must validate those appointments
- Ms. Fox stated that the local agreement does state how the board elects the Chair and Vice-chair; however, the enabling legislation for the Authority, specifically 160(a).577 indicates that the members must elect the Chairman and Vice-chairman from the membership of the authorities
- The interlocal agreement would not have control here, you would need to take action today as a board
- Mr. Coudriet entertained a motion for Chair
- Mr. Joye made a motion to nominate for the calendar year of 2021 that Mr. Cheatham be the Chair of the board in the spirit of the interlocal agreement and in compliance with it
- There was a second by Mr. Kozlosky seconded the motion and the motion carried with a majority seven (7) of nine (9) roll call vote
- Mr. Coudriet attempted to hand over the meeting Mr. Cheatham; however, Mr. Cheatham was unable to confirm acceptance due to technical difficulties
- Mr. Joye recommended that until such time as Mr. Cheatham is able to reconnect with us we proceed to the vote for Vice-chairman and whoever is selected as Vice-chairman continue until we have a Chair functioning again
- Mr. Kozlosky concurred with Mr. Joye's recommendation
- Ms. Fox asked if Mr. Joye would like to make a motion for the Vice Chair
- Mr. Joye moved that Chris Coudriet be elected Vice Chair for the calendar year 2021
- There was a second by Mr. Kozlosky and the motion carried by roll call vote
- Hearing no further comments, Mr. Coudriet moved to the next item on the agenda

PUBLIC COMMENT

- Mr. Coudriet opened the public comment period
- Ms. Parker confirmed the Authority has not received any written comments and no members from the public are signed up to provide comment
- Provided the update, Mr. Coudriet closed the public comment period and moved to the next item on the agenda

AMENDMENT TO THE FY21 MEETING SCHEDULE

- Mr. Coudriet entertained a motion to approve the amendment to the FY21 meeting schedule
- Mr. Lawler entertained a motion to approve as presented
- There was a second by Ms. Mortell seconded the motion and the motion carried unanimously by roll call vote
- Mr. Coudriet stated with that, Madam Attorney, I am glad to turn the meeting over to Mr. Cheatham beginning with item #9 *Consent Agenda*
- Mr. Cheatham confirmed acceptance and thanked the board

CONSENT AGENDA

- Ms. Fox acknowledged the Chairman and requested that the board not consider as part of the consent agenda items #3 and #5 due to issues regarding who may vote on those items
- Mr. Cheatham entertained a motion to remove items #3 and #5 from the consent agenda
- Mr. Coudriet made a motion to remove items #3 and #5 from the consent agenda

- Mr. Joye seconded the motion and the motion carried unanimously by roll call vote
- Mr. Joye made a motion to accept items #1, #2, and #4 of the consent agenda
- There was a second by Ms. Mortell and the motion carried by roll call vote
- Mr. Cheatham opened item #3 *Agreement with WMPO for planning assistance for FY21* for discussion
- Ms. Fox stated that item #3, because of the parties involved, would require the city, not the city appointees, but those who are employed by the city, to not vote on this item as well as the MPO representative
- She stated that because Mr. Burpeau is not present, she does not foresee that the board is able to move this matter forward with Mr. Lawler who would not be prohibited from voting in favor if he was so inclined from participating
- Ms. Fox stated item #3, because of the conflict that exists for Mr. Kozlosky, Mr. Joye, Ms. Mortell and Mr. Cheatham, will not be able to receive majority votes at this meeting
- Mr. Cheatham asked if the board should catalog this item until the next meeting
- Ms. Fox confirmed yes, and stated the second item would be #5, Mr. Kozlosky should refrain from voting but the rest of the members are free to vote
- Mr. Cheatham entertained a motion to catalog item #3 for the next meeting
- Ms. Mortell made a motion to carry item #3 over to the next meeting
- There was a second by Ms. Wurtzbacher and the motion carried by roll call vote
- Mr. Cheatham entertained a motion to approve item #5 of the consent agenda
- Ms. Matheny confirmed a typo in the resolution located on page 82 of the agenda packet
- She stated the final whereas should reflect a local match commitment of 20% or \$40,000 and not a total of \$200,000 as stated in the resolution
- Mr. Kozlosky asked to be recused from this item
- Mr. Lawler reiterated the financials included in the resolution for vote as \$40,000 in local match commitment and not \$200,000
- Ms. Matheny confirmed the resolution should reflect a total project cost of \$200,000 and a local match commitment of \$40,000
- Mr. Cheatham called the vote
- Mr. Kozlosky asked if he could first be excused or recuse himself from the vote
- Mr. Cheatham entertained a motion to recuse Mr. Kozlosky from the vote
- Ms. Wurtzbacher made motion to recuse Mr. Kozlosky from the vote
- There was a second by Ms. Mortell and the motion carried by roll call vote
- Ms. Fox stated Mr. Kozlosky should refrain from voting on item #5
- Mr. Cheatham entertained a motion to approve item #5 as revised
- Ms. Mortell made a motion to approve item #5 with the correction of the typo of \$200,000 to \$40,000
- There was a second by Mr. Coudriet and the motion carried by roll call vote
- Hearing no comments, Mr. Cheatham moved to the next item on the agenda

PRESENTATION OF FY20 FINANCIAL AUDIT REPORT

- Mr. Cheatham recognized Mr. Bitner to present the FY20 financial audit report
- Mr. Bitner recognized the members of the board and stated he appreciates the continued service RSM, now BPMares, has been able to provide the Authority
- He provided a brief overview of the recent acquisition of RSM Morehead City and New Bern by BRMares, LLC
- Mr. Bitner stated as auditors, we are tasked with providing an opinion on the financial statements
- He confirmed the Authority received an unmodified or “clean” opinion, the highest level of assurance for FY20
- Mr. Bitner stated in addition to our opinions on the financial statements, we as part of our audit in accordance with government auditing standards, are required to issue a report on internal control and compliance as for items we note during the course of our audit
- He stated he is happy to report that we did not have any material instances of noncompliance noted during the course of the audit

- Mr. Bitner stated the report also requires that we report to the board any significant deficiencies or material weaknesses that are identified in internal control
- He reported the Authority did not have any material weaknesses or significant deficiencies in internal control over the financial statements noted during the course of the year
- Mr. Bitner stated they have issued an unmodified opinion on compliance to the Authority as no material weaknesses or significant deficiencies in internal control were identified
- These are a material weakness being a weakness in internal control that has or could cause a material misstatement in the financial statements
- He confirmed a control deficiency is not as serious as a material weakness but still warrants attention by those charged with governance, on in this case the Board of Directors
- Mr. Bitner stated he is happy to report that we did not have any material weakness or significant deficiencies in internal control over the financial statements noted during the course of the year
- The full audit report and subsequent discussion can be found at time stamps 56:00 thru 1:15 of the recorded meeting located at the following link:
<https://transcripts.gotomeeting.com/#/s/17265c09b6322a03035e46d8cc68686a60b0bd536f2f26a0c1ef7de1a1e94047>.
- Mr. Cheatham confirmed the presentation and stated the Board is not approving the audit report
- Ms. Fox stated the Board can accept the report but is not approving the report
- Mr. Cheatham entertained a motion to accept the independent audit report
- Ms. Mortell made a motion to accept the audit report as presented
- There was a second by Mr. Lawler and the motion carried unanimously by roll call vote
- Hearing no comments, Mr. Cheatham moved to the next item on the agenda

GOVERNANCE STRUCTURE UPDATE

- Mr. Cheatham recognized Mr. Joye to present the governance structure update
- Mr. Joye said they are working on an amendment to the interlocal agreement that would put into place what was presented to the board, and the board had at least tentatively accepted with the caveat that we must work through the issue of the vehicle tax and what a dedicated source of funding would be
- He stated he believes that City Council has a joint meeting with the County Commission and is hopeful some guidance will come from this meeting
- Mr. Joye confirmed he has nothing substantive to report at this time
- Hearing no comments, Mr. Coudriet moved to the next item on the agenda

FUNDING MODEL UPDATE

- Mr. Cheatham recognized Ms. Mortell to provide an update on the funding model
- Ms. Mortell stated this item was placed on hold at the December meeting
- She stated she believes Ms. Wurtzbacher was going to walk through the spreadsheet that was created so that a discussion could occur
- Ms. Wurtzbacher added we did share the information that was shared with the board with the County Commissioners so those discussion have begun
- Mr. Cheatham confirmed a summary of the options was shared with City Council and are awaiting feedback
- He confirmed discussions need to occur as quickly as possible
- Hearing no comments, Mr. Cheatham moved to the next item on the agenda

STAFF REPORT

- Mr. Cheatham recognized Ms. Matheny to provide the staff report
- Ms. Matheny presented the draft route profiles and project timeline for the system network redesign
- She confirmed engagement and outreach to community partners and key stakeholders has begun

- Ms. Matheny stated targeted outreach to organizations most impacted by the route modifications is underway
- She confirmed meetings with Cape Fear Community College, Carolina Beach, Wilmington ILM and the VA Healthcare Center have occurred and meetings with the New Hanover County Jail and Port City Trolley focus group are scheduled or forthcoming
- Ms. Matheny said public outreach activities and route profiles for fixed route buses included in the adopted framework are being finalized by staff
- She said targeted public engagement efforts are slated for implementation in March 2021 and will conclude April 30, 2021
- Ms. Matheny said that the 90-day public comment period is slated to open on March 25, 2021 and conclude on June 25, 2021
- She said any additional feedback received from the public will be incorporated in the final recommendation which will be presented to board for adoption July 22nd for implementation on August 15th
- Ms. Matheny stated staff is also focusing on the Microtransit service delivery alternative for continued access to areas in which fixed route bus service, Route 207 North and Route 301 Pleasure Island, is slated for elimination
- Ms. Matheny stated the Microtransit service alternative is implemented through a full turnkey solution or technology platform solution
- She confirmed the Authority has the resources for self-operation if the Microtransit service; therefore, the recommendation is for a program that adopts the technology platform solution
- Ms. Matheny stated a formal request for proposals for technology vendors for a Microtransit solution is scheduled for release in March with a go-live program date of August 15, 2021
- Mr. Kozlosky requested further clarification on the timeline for the
- Ms. Matheny stated the draft profiles for the fixed bus routes included under the adopted framework will be presented to the board for consideration
- Changes requested by the board will be addressed if/as needed before the final set of draft route profiles is presented to the public for comment beginning March 25, 2021
- Hearing no further comment, Mr. Cheatham moved to the next item on the agenda

DECEMBER 2020 FINANCIAL REPORT

- Mr. Cheatham recognized Mr. Mininni to provide an update on this agenda item
- Mr. Mininni confirmed we are halfway through the fiscal year and revenues and expenditures remain within adopted budget levels
- He stated December is the first full month in which fares were collected since the return to revenue service on November 16, 2020
- Mr. Mininni confirmed the Authority collected about \$34,000 in fares for the month
- He stated operating subsidies, federal grants and CARES Act funding percentages exceed 50%
- Mr. Mininni confirmed the positive net position in other income is attributed to the decommissioning and sale of vehicles, income from the Authority's Advertising Program, and insurance reimbursements
- He stated the positive variances realized in expenditures is attributed to payroll reductions associated with reductions in UNCW Seahawk Shuttle and Paratransit services realized from COVID-19
- Mr. Mininni stated a preliminary draft of the FY22 budget is underway
- He reported a budget projection of \$8.3 million dollars, total service hours of 54,000, and zero State Maintenance Assistance Program (SMAP) funding
- Mr. Mininni projects roughly \$2.1 million dollars of CARES Act funding is needed for FY22, leaving a balance of \$1.9 million in CARES Act funding for FY23
- Hearing no comments, Mr. Coudriet moved to the next item on the agenda

LOCALLY COORDINATED PLAN UPDATE

- Mr. Cheatham recognized Ms. Lacer to give the plan update
- Ms. Lacer reported to date, staff has completed three focus group meetings, conducted stakeholder interviews and one virtual town hall event, and launched a web survey
- She confirmed data received through the above noted efforts will be used to inform updates to the Authority's Locally Coordinated Plan (LCP)
- Ms. Lacer noted the plan requires an update every four years
- She confirmed the town hall event garnered decent media coverage, the web survey will remain open through January 31, 2021 and additional stakeholder interviews are planned
- Ms. Lacer stated New Hanover County Senior Resource Center has assisted with survey distribution through their meals on wheels program
- She confirmed the public comment for the LCP opens March 1st and concludes on March 31st
- Ms. Lacer stated the final plan will be presented to the WMPO board and the Authority board for review and adoption beginning April 2021
- She reported staff is developing a *Customer Service Program* that will launch in the spring
- The Authority has joined the American Public Transportation Association pledge for health and safety during COVID-19
- Ms. Lacer stated on February 4th the Authority will be observing Rosa Parks Day
- She said placards will be placed in the front seat of all Wave Transit service vehicles in honor of Ms. Rosa Parks
- Hearing no questions or comments, Mr. Cheatham moved to the next item on the agenda

CONTRACTOR REPORT

- Mr. Cheatham recognized Mr. Harned to give the report
- Mr. Harned introduced Mr. McBride, the new contractor General Manager
- He reported First Transit is working diligently to fill the Assistant General Manager, or Operations and Safety Manager, position
- Hearing no questions or comments, Mr. Cheatham moved to the next item on the agenda

EXECUTIVE DIRECTOR BRIEFING

- Mr. Coudriet recognized Ms. Parker to provide the Executive Director update
- Ms. Parker stated she has had a heavy focus on data
- She said the Authority is witnessing a reduction in ridership consistent with the trend experienced by transit agencies across the county due to COVID-19
- Mr. Parker stated transit experts project a rebound of ridership levels to about 80% by the end of the calendar year
- Staff will continue to closely monitor ridership for protective changes related to the distribution of the COVID-19 vaccination
- Ms. Parker said that they are making great strides in establishing baseline data and creating *Key Performance Indicator (KPI)* standards
- She stated it is increasingly important to establish reliability and usability of Wave Transit as a service
- Ms. Parker reported notable progress in the Authority's ability to obtain reliable on-time performance data and confirmed address of this item remains a high priority
- She noted address of programming issues and operator training as measures taken to address the reliability of the data
- Ms. Parker illustrated the Authority's on-time system performance is roughly 72% but noted program issues and operator training are still being addressed
- She stated on-time performance will be included in the monthly reports once all issues are addressed and discrepancies in the data are not identified
- Ms. Parker stated she has received several inquiries regarding the future of the Port City Trolley Program
- She reported that fare boxes were installed in both trolley vehicles to increase the accuracy of ridership data

- Ms. Parker illustrated ridership trends for the Port City Trolley noting a sharp decline in ridership after 4:30 pm on most weekdays
- Ms. Parker said that the trolley is known benefit to downtown residents, workers and businesses and there have been several discussions on what level of service to retain
- She stated she would strongly advise against a seasonal trolley because putting revenue units out of service for half of the year would have adverse effects mechanically, operationally and for the sustainability and performance of the route
- Ms. Parker said that it is a known fact that once people get off transit it is much more difficult to get them back
- She said discussions with businesses in the downtown area on behalf of the Authority's advertising firm are underway
- A marketing plan targeting downtown business as well as the larger market of Wilmington businesses for the sale of advertising on the electronic screens onboard the trolley vehicles and on the bike racks for fixed route vehicles is in development
- Ms. Parker stated potential revenues from this advertising medium is projected at \$34,000 for the first year and are expected to increase in the following years as the economy recovers
- She proposed to retain service at current levels but reduce the operating hours during the least productive months of November, December, January, and February
- Ms. Parker said that the proposed budget shows a reduction of service hours for the Port City Trolley Program of 50%; however, she is proposing a reduction of hours of only 25% for FY22
- She stated she would like to use FY22 to heavily engage with the community, see how much advertising dollars can be generated as well as analyzing the data better and more effectively and have more detailed data
- Ms. Parker's stated her professional opinion on the TransPro reported was requested on behalf of several members
- Ms. Mortell had asked Ms. Parker if she could look at TransPro's recommendations for tweaks to see in her opinion if they would really work for the Authority and if any changes needed to be made or if any at all not the overall foundation
- Ms. Parker stated that most of the other transit systems ridership is trending downward and the Authority is following this trend
- Ms. Parker stated regarding the TransPro study, she agrees that if there is no anticipated resolution for dedicated funding in the present, that from a micro level that is certainly the right angle to take from a business perspective
- Ms. Parker stated reducing the coverage area and focusing on the most productive routes, but the highest transit dependency was the best choice made
- She said that staff has been evaluating routes and detail and there are still some outstanding matters that need to be addressed as a system to make sure they are not creating any transit desert even with the implementation of Microtransit and we want to ensure that they are best serving the population and those areas are not if it is not necessary
- Ms. Parker said the WMPO has been kind enough to fulfill her request for GIS mapping assistance
- She said they want to make sure they are not leaving individuals and populations, particularly those most vulnerable, without access to transportation services
- Ms. Parker stated a Microtransit service solution for the northern and southern part of the county may garner increased ridership due to the attractiveness of this service delivery alternative
- She said she is hopeful the budget for the Microtransit service will support the demand
- Ms. Parker said that she was able to meet with the Mayor, Town Manager, and Assistant Town Manager of Carolina Beach to discuss elimination of Route 301 Pleasure Island and the Microtransit service delivery model
- She said that they pledged their ongoing support for public transit for their community and are very interested in a continued partnership
- Ms. Parker said that they have a partnership with DHHS and was originated by the state to provide free transportation to vaccine distribution sites to community members in need of transportation

- She recognized staff, Paratransit Manager Cliff Rode in particular, for their quick action and response in meeting this need
- Hearing no questions or comments, Mr. Cheatham moved to the final items on the agenda

NEW BUSINESS

- None

OLD BUSINESS

- None

ADJOURNMENT

- Mr. Cheatham entertained a motion to adjourn
- Mr. Lawler made a motion to adjourn the January 28, 2021 meeting in honor of Ms. Jalisa Bellamy, the Wave Transit operator who lost her life on Christmas Day
- There was a second by Mr. Kozlosky and the motion carried

SCHEDULING OF NEXT MEETING

- The next board meeting is scheduled for February 25, 2021 at 12:30 pm
- The meeting will be held remotely through video conference and audio

Respectfully Submitted,



Megan Matheny
Interim Director
/Kathy Williams