

**SUMMARY MINUTES
MEETING OF THE BOARD OF DIRECTORS
CAPE FEAR PUBLIC TRANSPORTATION AUTHORITY
January 26, 2023**

A meeting of the Cape Fear Public Board of Directors was called to order at 12:30 pm on Thursday, January 26, 2023, by Board Chairman Chris Coudriet at 505 Cando St., Wilmington, North Carolina and virtually via telephone and video conference.

Board Members Present

Tony Caudle, Chairman
Chris Coudriet, Vice-Chairman
Eric Credle, NHC Chief Finance Officer
Meredith Everhart, City of Wilmington Deputy Attorney
Shawn Hunt, City of Wilmington
Paul Lawler, City of Wilmington Appointee
Abby Lorenzo, WMPO Deputy Director

Staff Members Present

Marie Parker, Executive Director
Jonathan Dodson, Deputy Director
Lance Flint, Director of Finance
Sylvia Armstrong, Human Resources Generalist
Mary Crawford, Accounting Coordinator
Brianna D'Itri, Mobility Manager
Lawrence Kahn, Accounting Manager
Cliff Rode, Paratransit Manager
Kathy Williams, Customer Service Supervisor

Board Members Absent: Kemp Burpeau, Deb Hays, Mike Kozlosky, Laura Mortell

Others in Attendance: LaWanda Andrews, David Cook, Noel Fox, Jim Longenbach, Pamelyn U. Miller, Tom Pacelli, Yzosne Riley, Shawn Spencer

Call to Order – Chairman Coudriet opened the meeting with members confirmed as present. A moment of silence was observed followed by the reciting of the Pledge of Allegiance.

Approval of the January 26, 2023, Board of Directors Meeting Agenda – Mr. Coudriet presented the meeting agenda for approval. Mr. Lawler moved to approve the meeting agenda as presented. Ms. Everhart seconded, and the motion carried.

Annual Rotation of Officers– Mr. Coudriet presented the interlocal agreement amendment (#2), dated February 4, 2020, by and between the City of Wilmington and New Hanover County. Section 3 - Authority Composition requires annual rotation of Chair and Vice Chair seats based on year. The Wilmington City Manager shall be the Chair in odd numbered years and the New Hanover County Manager shall be the Vice-Chair in even numbered years. Mr. Lawler entertained a motion to approve Mr. Caudle as Chair for the calendar year 2023. Mr. Credle seconded, and the motion carried.

Public Comment –Ms. Riley, the Local 1328 shop steward, spoke about payroll concerns. She explained that Human Resources sent a letter to employees stating that the company has up to five business days to correct compensation errors. She said this has brought financial hardship to employees. Ms. Riley claims this process is against federal law and the union will file a grievance with the Labor Board.

Mr. Coudriet asked the Authority to briefly explain the process. Mr. Flint summarized that the issue is a timekeeping problem by the contractor. He explained that the Authority provides payroll processing services to the contractor, but not timekeeping services. The contractor calculates and records time, inputs it into a spreadsheet, which is submitted to the Authority for upload. He stated that timekeeping errors have increased. Mr. Flint stated that when errors are brought to the Authority's attention, a manual check is generally issued to the employee in one or two business days, after being requested and authorized by the contractor.

Approval of the January 26, 2023, Consent Agenda – Mr. Coudriet moved to approve the consent agenda as presented. Ms. Everhart seconded, and the motion carried.

Director of Finance Briefing – Mr. Flint stated that at the end of December main bank account had a cash balance of \$2.4 million and there was \$3.023 million in the bank currently. At the end of the month there was a \$1.362 million receivable from FTA mostly for November and December subsidies, but that \$1.047 million had been collected since the month of December closed. Mr. Flint stated that YTD operating revenue is under budget, primarily due to DSS. Mr. Flint stated that December YTD operating expenses are under budget by 12%. He said that the YTD wages, salaries, and payroll taxes are under budget due to payroll expenses that will occur later in the budget cycle. He said that professional services were also under budget and the only expense that is over budget is marketing.

Mr. Flint provided an update on active federal grants. He stated that ARP funding remained for two to three months of Operating support and six to seven months of maintenance support. Mr. Flint explained the types of costs that are funded by the FTA 5310 program, which has sufficient funding for the balance of the year. Mr. Flint reported that the NCDOT ConCPT Grant will fully fund microtransit through May or June and that SMAP funds will be depleted by April.

Mr. Flint projected that Wave would end FY23 with about \$1.6 million in reserve, but that Wave will end FY24 with nothing in reserve if the same level of service is provided without any increase in funding. Mr. Caudle noted that municipalities are required to maintain a minimum reserve of 8% of expenses and suggested the Board consider adopting a similar policy for Wave. Mr. Lawler remarked that the Board had previously received a projection of the Authority experiencing a funding gap at the end of FY23 and Mr. Flint confirmed an estimated \$2 million funding gap. Mr. Credle asked if the Authority would be experiencing this funding gap in the current year without the non-recurring FTA relief grants, which Mr. Flint confirmed.

Mobility Manager Briefing – Ms. D'Itri presented a six-month community outreach update. She reported that Wave Transit's social media has experienced consistent growth, reaching nearly 30,000 unique accounts on Facebook and Instagram between July and December. Ms. D'Itri outlined dozens of local events, travel trainings, and community education opportunities she has led or participated since her last update.

Wave Transit hosted three new events in partnership or with participation from other community organizations. In partnership with NHC Libraries, the NHC Office of Diversity and Equity, and NHC Commissioner Rob Zapple, kids and families rode the bus through downtown while enjoying a bilingual story time. Ms. D'Itri reports that the first annual Fall Festival was held where more than a dozen nonprofits and vendors attended. The festival featured a food truck, coffee truck, and a photobooth. She concluded her presentation reporting that 862lbs of food were donated for the first annual Stuff-the-Bus food drive benefitting Mother Hubbard's Cupboard and Nourish NC.

Deputy Director Briefing – Mr. Dodson presented the Monthly Operations Reports, beginning with RideMICRO. He reported that December was the second highest month for ridership at 1,423 rides. Three of the four zones saw increased ridership as compared to November and there was a 1.5% overall increase in shared rides as compared to the previous month, with 20% of all trips as shared rides. Ms. Lorenzo asked what percentage of rides shared is a realistic target. Mr. Dodson responds that per the NCDOT, RideMICRO generally has a higher percentage of shared rides than any other program in the state and that the Authority does not have a set target as microtransit is still relatively new.

Mr. Dodson reported the fixed route system on-time performance at about 80% for January and is 87% over the past few weeks, which is up substantially from December. He reported a dramatic decrease in early departures from December to January. He reports that sufficient staffing and training allowed management the ability to ensure compliance and identify issues. Ms. Parker and Mr. Dodson explained the technology and procedures in place to track schedule data and invited the Board to see the processes firsthand.

Mr. Lawler asked if staff are making any adjustments to runs that are always late. Mr. Dodson responded that staff are analyzing adjustments to be implemented in August. Ms. Everhart asked for an update on staffing and training of operators. Mr. Dodson reported a service requirement baseline of 55 operators, with 52 operators currently in revenue service and four more in training.

Mr. Dodson presented the monthly operational statistics. He reports a 5% increase in overall ridership between December of FY22 and December of FY23 for fixed route and RideMICRO Zones 3 and 4. Fixed route alone saw a 3% decrease in ridership during the same period. Average ridership on fixed route was up during the weekdays but down on the weekends. Trolley ridership is down due to the seasonal schedule change. He reports that December's service delivery was 98.4%.

Mr. Dodson presented the summary of changes for the six-month period since the service improvements in July 2022. He reported a 54% increase in ridership on Route 107, 25% increase on Route 108, 19% increase on Route 201, and a 12% increase on Route 205. All routes with changes experienced an average increase of 16%, and those with frequency increases alone saw an increase of 19%. Mr. Dodson showed a 4% decrease along routes that were unchanged. Mr. Coudriet asked for staff perspective on where services are going forward and what revisions could be made considering budget issues. Ms. Parker said the return so far has been great and that it typically takes twelve months or more to see real results from major service changes.

Executive Director Briefing – Ms. Parker presented her monthly updates. She stated that in February of last year, staff presented recommendations that were adopted of the routes and schedules currently in place. She says that leading to that meeting, staff presented the budget with the anticipated fiscal cliff and that staff acknowledges the budget issue exists. She stated that staff are working strategically and proactively on the issues. She details staff efforts, explaining the evaluation of route level performance and optimizations at a segment level, hours of the day and days of the week, focusing on the highest productivity.

Ms. Parker stated that transit agencies produce a short range plan every five years and that the Authority drafting an RFP to engage a consultant in creating its next plan. She explains that the selected agency will be tasked with presenting two models – one for retaining the current service and budget level, and another for future funding potential. She said that after publishing the RFP, the Authority will work with the Board to ensure it aligns with County, City, WMPO, and FTA expectations on changes to be implemented in FY25.

Ms. Parker stated that in February 2022 the Board discussed retaining the same level of service for two years. However, this cannot be accomplished without consuming reserves in the second year. She says a decision must be made to either move forward with the second year as it was adopted, make changes to retain the 8% as expected, or a third option. She plans to include a work session in next month's agenda.

Mr. Coudriet asked about a timeline for receiving the plans from the consultant. Ms. Parker responded that she anticipates a finished report in fall or winter of 2023.

Mr. Caudle complimented Ms. D'Itri's outreach efforts and asked if staff was hitting the mark and reaching the target audience. He acknowledged that this could be difficult to prove but will be key going forward about service delivery and making sure to create as much farebox revenue as possible.

Ms. Parker responded that she agrees and is confident that staff has been aggressively out in the field engaging with the community. She summarized that Wave Transit has consistently been on local media, social media, in print publications, and doing speaking engagements, to inform and redefine what transit means locally. Ms. Parker said that staff has been actively getting that information out and will continue to do that. She asked the Board for feedback on any outreach gaps so that staff can address.

Mr. Caudle stated that staff's effort is not at all questioned and what Ms. D'Itri and staff has done is tremendous. He suggests that someone on the Board will ask if targets are being met.

Mr. Coudriet asked for clarification if Mr. Caudle wants an answer sooner rather than later for next year's budget to determine whether to retain current frequencies. Ms. Parker reiterated that in February 2022 the Board elected for a two-year plan, and although there is enough funding for FY24 as planned, reserves will be depleted. Mr. Coudriet asked if meeting the internal projection of 8% in reserves is slim to none. Ms. Parker confirmed. Mr. Coudriet asked Ms. Parker if she will work with Mr. Flint to forecast FY24 with a fund balance of 8-10% maintained, to ensure adequate planning to maintain service at this year's level.

Ms. Parker's next item was the Mobility for Everyone, Everywhere in NC Project. Ms. Parker summarized that North Carolina approved a grant to provide more public transportation in rural areas. Twenty systems applied and eleven were selected. Ms. Parker stated the total ask was \$32 million but USDOT only awarded \$10.4 million for the projects. The expectation from USDOT is that all 11 systems will get a portion of funding. Options for using funds include adding microtransit vehicles or software.

Ms. Parker provided an update on the Zero Emissions Transition Plan. She stated that staff are working with a consultant (HDR) and are in the beginning stages of gathering information. Next steps include stakeholder engagement and meeting with local government. A representative from the consultant group is tentatively planned to attend the next meeting.

New Business and Comments from the Board – Mr. Caudle stated that the Board meeting needs to be changed due to schedule conflict for all City representations. By agreement the next board meeting has been rescheduled to Monday, February 27th, 2023, at 12:30 in the Forden Station boardroom.

Adjournment – Mr. Coudriet made a motion to adjourn the board meeting. Mr. Lawler seconded, and the motion carried.