



Western Piedmont Regional Transit Authority

MINUTES OF REGULAR BOARD MEETING

Western Piedmont Regional Transit Authority (WPRTA) Board of Directors

Time and Place: 10:00 a.m. on Thursday August 18, 2011

Location: Greenway Conference Room, 1515 4th ST. SW, Conover, NC 28613

Attendees: Rick French, Donald Duncan, Todd Clark, Warren Wood, Stan Kiser, and Tom Lundy.

Others: Ed Clifford, Suzette Bradshaw, Camille Sterling, Olivia Greenhill, Patti Foster, Scott Young, Erin Todd, John Tippet (Authority Clerk), and Terry Taylor (Authority Attorney).

1. **Call to Order** – Mr. French, Chairman called the meeting to order at 10:05 AM and welcomed all present.

Items for Individual Consideration

2. **Executive Director's Report** – Mr. Clifford presented the Board with an update on the following items:

- a. FTA Site Visit
 - i. FTA conducted a site visit on Monday, August 15 to monitor ARRA Projects
 - ii. Reviewed project documentation, budgets, schedules and procurement practices
 - iii. Awaiting report from FTA
- b. Revised Rural Operating Assistance Program Agreements
 - i. All four counties have approved the revised agreements
 - ii. Copies to be submitted to NCDOT on Friday, August 19, 2011
 - iii. Follow-up with NCDOT to ensure initial disbursement of ROAP funds are sent to the Authority
- c. Meeting on Hybrid LTV's
 - i. Recent reliability & service issues with 5 hybrid LTVs
 - ii. Met with manufacturer (Azure Dynamics) and bus sales company (National Bus)
 - iii. Design issue with key motor control component causing failure under high (over 100) heat conditions
 - iv. Manufacturer has campaign underway to replace/upgrade the problem part
 - v. Manufacturer is also working on replacing the service contractor
- d. Government Sponsored Services
 - i. Burke County Water Treatment Training Seminar – transported 150 people over a 2 day period
 - ii. Caldwell County Heritage Museum - transported 20 people
 - iii. Statewide Council of Government Officials – transported 30 people

Mr. Duncan asked that staff contact Bebe Leitch at the Hickory Metro Convention and Visitors Bureau regarding shuttle service for their events as needed due to maintenance issues with their vehicle. Mr. Clifford indicated that they did provide a driver when requested, but he would discuss it with Mr. Duncan after the Board meeting

3. **Public Hearing on FY 2012 Rural Operating Assistance Program (ROAP)** – Mr. Clifford reviewed the FY 2012 Rural Operating Assistance Program as follows:

- a. Staff Presentation:
 - i. Request – Conduct a public hearing on August 18, 2011 to allow the public to comment on the Authority's FY 2012 application for funding under the Rural Operating Assistance Program (ROAP) Grant and approve the certified statement authorizing staff to submit the funding application to NCDOT.
 - ii. Background – The ROAP is a state funded public transportation grant program administered by the NCDOT Public Transportation Division. ROAP includes the following programs:
 - Elderly and Disabled Transportation Assistance Programs (EDTAP)
 - Employment Transportation Assistance Program (EMPL)

- Rural General Public (RGP) Program
- Supplemental ROAP Program

The FY 2012 application stipulates that county governments and regional public transportation authorities are the only eligible applicants for ROAP funds. The Authority has agreements with Alexander, Burke, Caldwell & Catawba counties which allow the Authority to be the direct recipient of these funds. As part of this agreement the Authority is to pass through the employment funds to the counties that have historically administered this element of the program. The Authority is also responsible for the public hearing process and overall fund administration.

During FY 2012 there will be a reduction of about 20 percent in ROAP funds allocated to the region. ROAP funding for the region will total \$756,877 during FY 2012 compared to \$948,440 during FY 2011. The reductions for FY 2012 by program are as follows:

- EDTAP – 16.5%
- RGP – 26.7%
- Employment – 7%

The deadline for applications is September 30, 2011.

- iii. Next Steps – The Authority will conduct the travel survey and complete the application documentation for submittal by September 30, 2011. NCDOT has announced that they will disburse one-third of the county’s allocation of funds on August 5 prior to the receipt of the application package. Additionally they are developing an MOU that must be executed by the Authority and the four counties to reaffirm the agreement to have the Authority be the direct recipient of these funds.
- b. Conduct Public Hearing – A motion to open a Public Hearing on FY 2012 Rural Operating Assistance Program (ROAP) was made by Mr. Duncan and seconded by Mr. Wood, the motion was unanimously approved. As there was no one present to comment, a motion to close the public hearing was made by Mr. Duncan. The motion was seconded by Mr. Wood and approved unanimously.
- c. Consider Approval of ROAP Certified Statement – Staff requests that the Board approve the Certified ROAP Statement. After a brief discussion, a motion to approve as presented was made by Mr. Duncan. The motion was seconded by Mr. Wood and approved by a unanimous vote.

4. Warlong Lease Update – Mr. Clifford

- a. Background
 - i. Warlong project to provide administrative space for Authority
 - ii. Involves a FTA funded interior renovation in exchange for lower rent over a 30 year lease
 - iii. Objective was to leverage capital dollars to reduce on-going lease costs
- b. Project Status
 - i. \$400,000 has been programmed in the STIP
 - ii. A 5307 grant application has been submitted for the project and is under review
 - iii. Final cost estimates are being developed for the project, an architect has been contacted for refined cost estimates
 - iv. A draft lease is being developed as part of the process
 - v. Project will take about 18 months to go from grant application the completion of construction
- c. Lease Issues
 - i. Paragraph 2B
 - ii. Paragraph 2C
 - iii. Paragraph 5
 - iv. Paragraph 8
 - v. Paragraph 23a
- d. Cost Comparison:

Monthly Expense	Existing	Warlong
Rent	\$4,321	\$4,000
Storage Units	\$283	\$0
Utilities	\$0	\$0
Janitorial	\$433	\$650
Trash (dumpster)	\$100	\$0 per Mr. Duncan

Casualty Insurance	\$0	\$125
Parking for 75 Vehicles	\$0	\$0
Other	\$0	\$0
Total	\$5,137	\$4,775

- e. Project Payoff – Monthly savings of \$263 (\$5,172-\$4,875) with an annual savings of \$3,122. **(1) Local share of savings is \$1,572.** (Payoff in less than 30 years)

Estimated Project Cost	\$320,000	\$400,000
(2) Local Share of Cost	\$32,000	\$40,000
Project Payoff in Years (2/1)	20.4	25.4

- f. Warlong Lease vs. Lease for Comparable Size Property

i. Assumptions

- 8,000 sq ft of office space required
- Current market value for leased office space based on a full service gross lease is \$120,000 in base year (\$15 sq ft/year based on input from local listing commercial realtors).
- All leases would increase by CPI under either option
- Assumed average CPI of 1.5% over life of project
- Site improvement costs for Warlong Building estimated at \$400,000
- Lease cost for Warlong Building is \$49,500 year

ii. 30-year Cost for Warlong

- Lease cost \$1,858,165
- Capital Improvements \$400,000
- **Total Cost \$2,258,165**

iii. 30-year Cost for Alternative Site

- **Lease Cost/Total Cost: \$4,385,000**

g. Next Steps

- Complete Negotiations
- Complete project cost estimates
- Finalize grant application
- Modify FY 2012 Capital project ordinance for construction

Mr. Duncan indicated that the City of Conover will have no profit from the lease. The funds cover cost only; any funds above cost will be placed in an account used only for building upkeep.

5. Monthly Financial Report – Ms. Bradshaw gave a brief review of the operating expense budget as follows:

Western Piedmont Regional Transit Authority - July 2011

Operating Expense Current FYTD Actual to Budget to FY2011 Actual to FY2012 Actual

Expenses	10-Jul	11-Jul	Budget	\$ Over Budget	% of Budget
4100 · SALARIES AND BENEFITS	187,596.16	186,075.30	2,848,569.00	-2,662,493.70	6.53%
4200 · INSURANCE/ LEASE/ UTILITIES	39,140.88	41,753.19	297,275.00	-255,521.81	14.05%
4300 · PAYROLL SERV/ COMPUTER SUPPORT	20,489.07	21,787.44	66,000.00	-44,212.56	33.01%
4400 · PROFESSIONAL SERVICES	1,980.00	0.00	222,500.00	-222,500.00	0.00%
4500 · ADVERTISING AND PROMOTIONS	5,952.04	2,353.65	35,000.00	-32,646.35	6.73%
4600 · TRAVEL, TRAINING AND DUES	2,150.95	595.13	16,960.00	-16,364.87	3.51%
4700 · GENERAL EXPENSES	3,868.42	5,579.32	100,000.00	-94,420.68	5.58%
4800 · FUEL	26,742.59	10,496.60	698,100.00	-687,603.40	1.50%
4900 · OTHER OPERATING EXPENSES	8,287.83	1,631.05	50,000.00	-48,368.95	3.26%
7996 · SALES TAX	1,436.69				
5000 · FLEET MAINTENANCE	18,475.45	5,746.54	492,400.00	-486,653.46	1.17%

5100 · CONTINGENCY 0.00 50,000.00 -50,000.00 0.00%

Total Expense 316,120.08 276,018.22 4,876,804.00 -4,600,785.78 5.66%

The Board requested that future reports show actual figures up to the date of the report with the understanding that there will be some outstanding invoices. Ms. Bradshaw stated that there are currently no revenues for July 2011. The Authority is currently on target with the budget, she feels that the finance department is working proactively rather than reactively. The auditors have begun the audit.

6. Approval of Contract with Bowman, Pegg, and Starr CPAs to Conduct the FY 2011 Financial Audit – Ms. Bradshaw asked that the Board approve the Contract to Audit Accounts with Bowman, Pegg, and Starr for FY 2011. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end (October 31, 2011). Fees will be \$16,500 for the audit and \$2,000 for preparation of the annual financial statements. After discussion, a motion to approve the contract as presented with Bowman, Pegg & Starr was made by Mr. Wood. The motion was seconded by Mr. Duncan and approved by a unanimous vote.

7. Bus Shelter Update – Mr. Tippett said the WPRTA will be contracting with the WPCOG (subject to contract approval later on the agenda) to manage the bus shelter installation program. Twenty-five (25) shelters were purchased with ARRA funding and an installation company is under contract. The WPCOG will identify replacement shelter locations and sites for new shelters. Fourteen (14) are located in Hickory, six (6) in Conover and five (5) in Newton. The WPCOG’s primary responsibility will be to develop site plans, work with local governments and NCDOT to secure the necessary easements and obtain all zoning and building permits prior to shelter installation. There were some general comments and questions about bus shelter locations. Mr. Tippett was encouraged to proceed as quickly as possible to move the program along.

8. Schedule a Public Hearing on Proposed Service Changes for September 15, 2011 – Ms. Foster presented the following information to the Board:

- a. Proposed Service Changes
 - i. Three new Flex Routes (Burke, Caldwell & Catawba Counties)
 - ii. Trimming the last 2 weekday trips on the Highway 70 Bus Route due to low ridership (less than 2 boarding per day)
 - iii. Lenoir-Rhyne Saturday Route – Test trips conducted July 30 (0 riders), August 6 (2 riders) and August 13 (13 riders). Students return to campus August 20, 2011. There will be a Ridership/Orientation Day on campus. The route is a roundtrip running once per hour from LR campus, to downtown transit station to the mall area and back to LR.
 - iv. A public hearing is required for all proposed service changes
- b. Flex Route Implementation

Service	Origin	Destination	Corridor	Daily Round Trips
Burke County	Glen Alpine	Hickory	Highway 70	3
Caldwell County	Lenoir	Hickory	Highway 321	3
Catawba County	Sherrills Ford/ Claremont	Town of Catawba	Catawba Blvd	2

Flex Route Implementation						
County	Route	Planning		Operation		Target Date
		Initial Planning	Scheduling	Start-Up	Public Hearing	
Alexander	Taylorsville					7/10/2011
	Stony Point					11/10/2011
	Friendship					11/10/2011
Burke	Hwy 70			8/22		8/22/2011
Caldwell	Hwy 321			8/22		8/22/2011
Catawba	E. Hickory					10/10/2011
	W. Hickory					10/10/2011
	Newton					10/10/2011

Catawba	8/22	8/22/2011
---------	------	-----------

c. Fixed Route Implementation

Fixed Route Implementation						
County	Route	Planning		Operation		Target Date
		Initial Planning	Scheduling	Start-Up	Public Hearing	
Catawba	Lenoir Rhyne					7/30/11
Catawba	Hwy 70 Inbound					10/31/2011
Catawba	Hwy 70 Outbound					10/31/2011

d. Next Steps

Ms. Foster requested the Board schedule a public hearing on the Proposed Service Changes for September 15, 2011. After a brief discussion, a motion to schedule the public hearing was made by Mr. Duncan. The motion was seconded by Mr. Clark and approved by a unanimous vote.

AGENDA ITEMS FOR REVIEW, CONSIDERATION AND POSSIBLE ACTION:

9. **Consent Agenda** – Mr. French announced consideration of the consent items and asked if anyone was requesting removal for discussion of any of these items. Mr. Lundy requested that the minutes of July 21, 2011 (9b) reflect the motion to return from closed session made during the July 21, 2011 closed session of the Board. Mr. French asked for a motion to approve the consent agenda. A motion to approve with the change Mr. Lundy requested was made by Mr. Duncan and seconded by Mr. Lundy. The motion was unanimous.
 - a. July 14, 2011 Board Committee Minutes – for informational purposes
 - b. Approval of July 21, 2011 Board Meeting Minutes
 - c. Approval of Support Services Contract with the Western Piedmont Council of Governments
 - d. Approval of Car Free Day Promotion on Thursday, September 22, 2011
 - e. Approval of Revised Marketing Plan
10. **Discussion of Items Removed from the Consent Agenda** – There were no items removed from the consent agenda.
11. **Public Comment** – There was no one present for Public Comment at this time.
12. **Other Business** – The next regular Board meeting will be held at 10:00 AM on the third Thursday, September 15, 2011.
13. **Adjournment** – A motion was made by Mr. Wood to adjourn the meeting at 11:05 AM. The motion was seconded by Mr. Duncan and approved unanimously.

Respectfully Submitted,

Todd Clark, Board Secretary

John Tippett, Board Clerk