The Charleston Area Regional Transportation Authority (CARTA) Board of Directors met on Thursday, June 21, 2018, at the CARTA Leeds Avenue Facility located at 3664 Leeds Avenue in North Charleston, South Carolina.

**MEMBERSHIP:** Ed Astle; Mary Beth Berry; Bob Brimmer; Dwayne Green; Alfred Harrison; Virginia Jamison; James Lewis; Minnie Newman; Pat O’Neil; Jim Owens; Vic Rawl; Dickie Schweers; Michael Seekings; Elliott Summey; Keith Summey; John Tecklenburg; Jimmy Ward; Craig Weaver

**MEMBERSHIP PRESENT:** Ed Astle; Bob Brimmer; Dwayne Green; Jim Owens; Vic Rawl; Michael Seekings; Jimmy Ward

**PROXIES:** Jerry Lahm for Elliott Summey; Stephanie Tillerson for Craig Weaver; Lynn Christian for Alfred Harrison; Warwick Jones for Dickie Schweers; Rodney Williams for James Lewis; Robbie Somerville for John Tecklenburg

**STAFF PRESENT:** Ron Mitchum; Andrea Kozloski; Robin Mitchum; Katie Paschall; Sharon Hollis; Michelle Emerson; Kim Coleman; Victoria Wornam (intern)

**OTHERS PRESENT:** Helen Hiser (MGC); David Bonner (Transdev); Alicia Wigfall (Transdev); Megan Madden (Transdev); Jason Woznac (Transdev); Kristen Carter (Transdev); Gloria Fulton (Transdev); Daniel Brock (Rawle-Murdy Associates) Jordan Fishman (Rawle-Murdy Associates, intern); Jim Frierson (SCDOT); Charles Drayton (City of North Charleston); Mason Leath (City of Charleston Council, intern); William Hamilton (public); Julia Hamilton (public); Larry Carter Center (public)

1. **Call to Order**
   Chairman Seekings called the CARTA Board of Directors Meeting to order at 1:05 p.m. followed by a moment of silence.

2. **Consideration of Board Minutes: March 21, 2018 and May 16, 2018 Meetings**
   *Mr. Rawl made a motion to approve the March 21, 2018 and the May 16, 2018 Meeting Minutes as presented. Mr. Owens seconded the motion. The motion was unanimously approved.*

3. **Financial Overview/Status Report – Ron Mitchum**
   Ron Mitchum, Executive Director, presented the Current Cost of Operations and the Charleston County Sales Tax Revenue Projections. Mr. Mitchum noted that current cost with Transdev for Operations is $57.45 per hour. With total annual hours of approximately 200,000, the cost equates to $12.6 million per year. The hourly rate includes the maintenance of the fleet (it does not include fuel, insurance or major repairs). The hours of service are spread out over 4 commuter routes, 10 fixed routes, 12 neighborhood shuttles as well as the mandatory paratransit service. On July 1st, the contract rate will increase to $59.19 per hour; therefore, the total cost for 22,000 hours will increase to $13.0 million per year. Mr. Mitchum presented details on the First and Second ½ Cent Sales Tax Referendums. Spreadsheets detailing how the revenue has been distributed to CARTA to date were provided to the Board for their review. Mr. Mitchum then turned the update over to Robin Mitchum, Deputy Director of Finance and Administration. Ms. Mitchum presented the financial status report for the period ending May 31, 2018. She noted that the agency ended the month with an excess of revenue of $2,406,915.
   - The budget to actual revenues for the month was mostly on target with projections:
     - The actual federal revenue includes operating and capital for the year-to-date.
     - The State Mass Transit Funds are being used as a match for urban funds and bus facility funds.
Insurance proceeds are a result of accidents.

Sales of Assets include the sale of four support vehicles and three cutaways.

- The budget to actual expenditures for the month was mostly on target with projections with the exception of the following items:
  - Marketing includes costs associated with promoting the transit system.
  - Automotive costs include both parking expenses and mileage reimbursements to employees.
  - Accounting (Auditing) cost is a portion of the fee for the annual audit.
  - Dues include the annual membership fee to the Charleston Metro Chamber of Commerce.
  - Office Equipment Rental includes the quarterly postage meter rental fee and the cost of the portable toilet rental for the HOP lot.
  - Rent includes the Rivers Avenue Park-N-Ride lot, Ashley Phosphate Park-N-Ride lot, Leeds Avenue lot lease from SCE&G, SC Works Trident lease space and document storage.
  - Professional Services include legal fees, payroll processing system fees and the cost of the security guard for the HOP lot.
  - Contract Services (IGA & Management) is the extensive services provided to CARTA.
  - Vehicle Maintenance is the cost to maintain the fleet.
  - Operating Fees & Licenses include credit card transaction fees, DMV fees, storm water fees and solid waste fees.
  - Insurance includes the cost of liability insurance provided by the Insurance Reserve Fund. The amount reflected is the bulk once a year renewal invoice. We will receive premium adjustments throughout the year as we add and remove assets, but this amount reflects the bulk of the expenditure for the year.
  - Security cameras include the purchase of additional cameras at the Super Stop, Leeds Avenue and additional security cameras for rolling stock.
  - Depreciation includes the quarterly fiscal year 2018 depreciation expense. The budget amount will be adjusted with the next budget revision.

Ms. Mitchum also reviewed the HOP expenditures. As of May 31, 2018, total expenditures for the HOP program are $233,538. The Board received the Financial Overview/Status Report as information.

4. **Financial Audit Services – RFP – Request for Approval – Robin Mitchum**

Ms. Mitchum presented the Financial Audit Services RFP noting that the Financial Audit Services selection committee met on May 31, 2018, and reviewed six proposals for the CARTA Financial Audit Services project. Proposals were received from the following firms: Clark Eustace Wagner, PA; Harper, Poston & Moore, PA; Love Bailey and Associates, LLC; Mauldin & Jenkins, LLC; Robert E. Milhous, CPA, PA & Associates; and RSM US, LLP. The selection committee recommends that CARTA award a contract to Robert E. Milhous, CPA, PA & Associates for Financial Audit Services. The terms of the contract will be one year for four consecutive year one-year periods. Mr. Jones made an inquiry regarding the criteria on which the selection committee made its decision. Ms. Mitchum explained that, overall, the firms are well qualified to perform governmental audits. However, the Milhous firm was priced at a lower cost.

*Mr. Rawl made a motion to approve the Financial Audit Services RFP as presented and Mr. Astle seconded the motion. The motion was unanimously approved.*

5. **FY19 Budget – Request for Approval – Robin Mitchum**

Ms. Mitchum presented the FY19 Proposed Budget. She explained, in detail, the following line item changes in Revenues:

- Farebox and Passes Revenue include projections based on current year activity.
- HOP Lot Parking Fees are the parking fees received at the HOP lot.
• Federal – Includes estimated 5307 Urban funds, the drawdown and utilization of the Intermodal Center funds, and discretionary funds to purchase new commuter buses.
• State Mass Transit Funds – Increase reflects additional funds for vehicle replacements.
• Sales Tax-Charleston County – Increase reflects the actual County contribution from the 1st and 2nd ½ cents sales tax.
• Charleston County – Intermodal revenue is the cash on hand. It is projected to expend these funds in FY18.
• Capital Revenue – Cash on hand restricted for bench construction.

Ms. Mitchum then explained that the majority of the changes in expenditures are reflected in the capital expenses related to the intermodal facility construction, rolling stock and other capital items. She explained, in detail, the following changes:
• Staff Salaries and Benefits – Increase reflects the increase in employer contributions for retirement, FICA and insurance benefits.
• Marketing – Decrease is due to Community Pride funds received and projected to be expended in FY18.
• Accounting (Auditing) – Decrease is the change in audit service providers.
• Office Equipment Rental – Increase is mostly due to the HOP lot expenditures for a portable toilet rental.
• Office Equipment Maintenance – Increase includes software maintenance (additional software to manage route run times).
• Rent – Decrease is from the termination of the Park-N-Ride lot on Rivers Avenue.
• Professional Services – Increased for projections to include HOP lot security guard.
• Contract Services – Decreased due to the completion of the Melnick property engineering.
• Insurance – The Insurance Reserve Fund has projected increases from 10% - 15% across provided services.
• Fixed Route – Increased by 3% based with the renewal of the Transdev contract for an additional year.
• Paratransit – Increased by 3% based with the renewal of the Transdev contract for an additional year.
• Intermodal Infrastructure Construction – Increase reflects the completion of the Intermodal Center.
• Rolling Stock – Reflects the amount of funds available for the acquisition of commuter buses and vehicle replacement funds through SCDOT.
• Bus Shelter Construction/Bench Installation – Includes estimated 5307 funds for Safety and Security in addition to previously awarded 5307 funds.
• Capital – Includes funds for Facility Maintenance, signage and other capital assets related to the operation of the transit system.

Ms. Mitchum noted that the budget will continue to be monitored to insure revenues and expenditures remain aligned; therefore, the budget is subject to revisions as necessary.

Mr. Green made a motion to approve the FY19 Budget as presented and Ms. Tillerson seconded the motion. The motion was unanimously approved.

Ms. Mitchum presented Low Floor Bus Procurement noting that the Low Floor Cutaway selection committee met on June 19, 2018, and reviewed two proposals for the Low Floor Cutaway RFP. Proposals were received from Alliance Bus Group, Inc. and Creative Bus Sales. Based on the overall score sheet rankings, the selection committee recommends that CARTA award a contract to Alliance Bus Group, Inc.
The cost per vehicle is $107,409.00 for the 27’ Champion LF Transport. The existing neighborhood cutaways will be transferred to Tel-A-Ride vehicles.

Mr. Astle made a motion to approve the Low Floor Bus Procurement as presented and Mr. Lahm seconded the motion. The motion was unanimously approved.

7. Route Advisory Report – Sharon Hollis
Sharon Hollis, Principal Planner, presented the Route Advisory Report. Ms. Hollis reviewed the ridership system-wide. She also delivered an update on the HOP – Route 7 noting the following preliminary findings:

- Hospitality workers are the primary users.
- Peak Times are difficult to stay on schedule.
- A new stop will be added at the SC Aquarium.
- Service Levels on Sundays and late nights could be reduced.
- Marketing and Outreach will continue.
- A service adjustment of the following could result in an annual savings of $150,000:
  - Monday-Thursday: Reduce service to one vehicle at midnight; service every 20 minutes; end service at 2:00 a.m.
  - Friday & Saturday: Reduce service to one vehicle at 1:00 a.m.; every 20 minutes.
  - Sunday: Reduce service to one vehicle all day; travel time 20-30 minutes, depending on traffic; end service at 2:00 a.m.

Ms. Hollis also gave an update on the MUSC/Calhoun – Route 204 noting that during a 4-month timeframe (January-April 2018), there were a total of 786 riders at one rider per hour. Revenue from fares totaled $450.66; however, operating costs totaled $39,199.12. An annual savings would total $115,000. The Board received the Route Advisory Report as information.

8. Project Status Reports – Sharon Hollis
   A. Regional Transit Framework Plan: Ms. Hollis delivered a Regional Transit Framework Plan update. She noted that the online meeting is available through July 6, 2018. She asked the Board and meeting attendees to share the links for the online meetings. The final plan date is projected for August 2018.
   B. Regional Park-N-Ride Study: Ms. Hollis delivered an update on the Regional Park-N-Ride Study. She noted that a short list of sites are moving forward for concept design and cost estimates. The final plan date is projected for August 2018.
   C. Intermodal Center: Ms. Hollis projected slides depicting the construction progress on the Intermodal Center noting that the building completion date is October 2018 and the project completion date is February 2019.
   D. Lowcountry Rapid Transit: Ms. Hollis updated the Board on the status of the Lowcountry Rapid Transit project and reviewed the timeline. She noted that negotiations with HDR Engineering are underway and a kick-off is anticipated for early Fall.

The Board received the Project Status Reports as information.

Daniel Brock, with Rawle-Murdy Associates, presented the Marketing/Outreach Report. He updated the Board on the “Dump the Pump” Day as well as Social Media engagements and link clicks. Mr. Brock also
highlighted various media and outreach events. Mr. Brock encouraged Board members to ride in order to gain feedback from riders. The Board received the Marketing/Outreach Report as information.

10. Executive Director’s Report
Mr. Mitchum highlighted the following matters:
- Low-No emissions grant application has been submitted.
- The agency will pursue the VW grant.
- The $3.8 million discretionary grant should be accessible by October; it will be used to acquire 8 buses.
- The Regional Transit Framework Plan will be presented at the next meeting.
- Discussions continue regarding service for hospitality workers on the Isle of Palms and Folly Beach.
- A study is taking place regarding ferry service.
- Discussions are taking place regarding the new West Ashley Senior Center bus stop.
- Will meet with College of Charleston regarding the DASH service.
- Reports were distributed prior to the start of the meeting which included ridership summary statistics, the monthly performance snapshot, upcoming events and activities.

The Board received the Executive Director’s report as information.

11. Other Business, If Any
There was no other business discussed.

12. Public Comments, If Any
There was one public comment:
- Mr. Hamilton, of Best Friends of Lowcountry Transit, acknowledged members of his team regarding their outreach efforts. He distributed materials and spoke about voting in the Republican primary for better transit, Folly Bus to Freedom campaign and Sol Legare and Mosquito Beach heritage.

13. Board Comments, If Any
- Chairman Seekings announced that Mr. Mitchum was recently recognized at the Charleston Visitors Bureau Annual Luncheon and received the Lawrimore Craven award which is awarded to governmental individuals who has advanced the tourism industry.
- Summer interns were introduced: Mason Leath, City of Charleston; Jordan Fishman with Rawle-Murdy Associates; and Victoria Wornam with the BCDCOG.
- Mr. Owens thanked Chairman Seekings and Mr. Mitchum for being proactive in planning during the bridge matter.
- Mr. Brimmer recommended that CARTA quickly contact the Town of Mt. Pleasant to get on the Finance Committee’s and Council’s agendas to present the Proposed Budget. He also requested that staff create a different type of graph depicting actual capacity regarding the HOP Average Daily Ridership.

14. Adjourn
There being no further business before the Board, Chairman Seekings adjourned the meeting at 2:25 p.m.

Respectfully submitted,
Kim Coleman