

CHARLESTON AREA REGIONAL TRANSPORTATION AUTHORITY
BOARD OF DIRECTORS MEETING
August 21, 2019

The Charleston Area Regional Transportation Authority (CARTA) Board of Directors met on Wednesday, August 21, 2019, at the North Charleston Transit Center located at 4565 Gaynor Avenue in North Charleston, South Carolina.

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

MEMBERSHIP PRESENT: Ed Astle; Bob Brimmer; Virginia Jamison; Anna Johnson; James Lewis; Jim Owens; Michael Seekings; Jimmy Ward

PROXIES: Dennis Turner for Christie Rainwater; Jerry Lahm for Elliott Summey; Ray Anderson for Keith Summey; Keith Benjamin for John Tecklenburg; Lynn Christian for Alfred Harrison; Kristen Hess for Vic Rawl

STAFF PRESENT: Ron Mitchum; Andrea Kozloski; Robin Mitchum; Heater Brady; Sharon Hollis; Jon Dodson; Michelle Emerson; Kim Coleman

OTHERS PRESENT: David Bonner (Transdev); Daniel Brock (Rawle-Murdy Associates); Marquel Coaxum (Rawle-Murdy Associates); Raegan Loftis (Rawle-Murdy Associates); Charles Drayton (City of North Charleston); Scott Donahue (SCDOT); William Hamilton (public); Julia Hamilton (public); Louise Brown (public); Pastor Millicent Middleton (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: June 19, 2019 Meeting

Mr. Lahm made a motion to approve the June 19, 2019 Meeting Minutes as presented and Mr. Astle seconded the motion. The motion was unanimously approved.

3. Financial Status Report – Robin Mitchum

A) Farebox Revenue Analysis – Heather Brady

Robin Mitchum, Deputy Director of Finance and Administration, presented the financial status report for the period ending July 31, 2019. Ms. Mitchum noted that the agency ended the month with an excess of revenue of \$2,515,925 and reviewed the following activities for 2019:

- **Revenues:**
 - Community Pride is the remaining balance in the project from Palmetto Pride for the annual statewide clean-up initiative.
 - The Federal revenue includes operating and capital for the year-to-date. Federal revenue is recorded as eligible expenditures are incurred.
 - The State Mass Transit Funds revenue is the funds available and expended as match to the Federal 5307 funds and capital funds to purchase 4 2019 Champion LF Transport E450s.
 - HOP lot revenue includes the Charleston Area Convention and Visitors Bureau and the City of Charleston contributions towards the operation of the HOP route. This is their contributions from October 2018 through December 2018.

- Capital Revenue is local private capital contributions towards bench or shelter preparation and construction sites. The current amount is a contribution towards shelter construction at the Roper Hospital location and capital contributions from the Highland Exchange Apartments.
 - Insurance proceeds are a result of accidents.
 - Sale of Assets includes the sale of 5 Trolleys, 4 Cutaways and 16 Flexible Metros.
 - Miscellaneous revenue is a fee received from a motion picture company for use of a bus for a commercial.
- **Expenditures:**
 - Printing includes costs of printing route maps, brochures and passes.
 - Marketing includes costs associated with promoting the transit system. This includes the promotional supplies from the Community Pride Project which was part of the Great American Clean-Up project in our region.
 - Automotive costs include both parking expenses and mileage reimbursements to employees.
 - Accounting (Auditing) is the cost for CARTA's annual financial audit and NTD Audit reporting.
 - Dues/Memberships is CARTA's annual membership with 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.
 - Office Equipment Maintenance (OEM) includes the Swiftly Transit Time & Insights Software, the NetCloud Essentials for mobile routers and Zscaler internet security renewal, in addition to other IT support.
 - Rent includes the Ashley Phosphate Park & Ride lot, Leeds Avenue lot lease from SCE&G, SC Works Trident lease space and document storage.
 - Money Counting is the cost of the armored guard service, GARDA, to pick-up and transport cash deposits to the bank.
 - Professional Services include legal fees, audit fees, payroll processing system fees and the cost of the security guard for the HOP lot.
 - Contract Services (IGA & Management) is the extensive services the BCDCOG provides to CARTA.
 - Shelter/Bench Contract Services is engineering services provided through the IGA with BCDCOG for the Shelter/Bench Projects.
 - Melnick Property Contract Services is engineering services provided through the IGA with BCDCOG for the Melnick Property.
 - Vehicle Maintenance is the cost to maintain the fleet.
 - Operating Fees & Licenses include credit card transaction fees and vehicle title and registration fees.
 - Insurance includes the cost of liability insurance provided by the Insurance Reserve Fund. The amount will increase and decrease throughout the year as we add and remove items on the policy, but the amount shown is the bulk of the expenditure for the year.
 - Rolling Stock is the purchase of the 2018 Ford Starcraft Allstar cutaway, 2 2019 Ford Starcraft Allstar Cutaways, the 2018 Eldorado Amerivan, 16 Gillig buses, 4 2019 Champion LF Transport E450s and 1 2013 Alexander Dennis Enviro 200.
 - Bus Shelter Construction/Bench Installation is the cost to purchase and install shelters and benches.
 - Security Cameras & Equipment is the cost to purchase security cameras and security equipment for CARTA's buses and facilities.
 - Capital includes funds for Facility Maintenance, signage and other capital assets related to the operation of the transit system.

Ms. Mitchum also reviewed the HOP expenditures. As of July 31, 2019, total expenditures for the HOP program were \$796,456. Ms. Mitchum addressed questions and comments. The Board received the Financial Status Report as information. Ron Mitchum, Executive Director, then introduced Heather Brady, Staff Accountant. Ms. Brady presented the farebox revenue analysis. She explained how passengers are recorded by farebox. Ms. Brady

reviewed revenue and ridership history as well as the causes for drops in farebox revenue. Ms. Brady then addressed questions and comments. The Board received the Farebox Revenue Analysis as information.

4. FY19 Budget Revision – Request for Approval – Robin Mitchum

Ms. Mitchum presented the FY19 Budget Revision. She noted the following explanation of line item changes:

- **Revenues:**

- Farebox is the fares collected on the revenue vehicles. The average rider fares has reduced based on rider usage trends.
- HOP Lot Parking Fees are the parking fees received at the HOP Lot. The average has been reduced to usage trends.
- Federal revenue includes estimated 5307 Urban funds, 5324 Emergency Assistance funds, 5310 Enhanced Mobility for Seniors & Individuals with Disabilities, 5339 funds to purchase buses, Intermodal Center funds and discretionary funds to purchase new buses. CARTA receives funds as a direct recipient from FTA and Pass Through funds from the BCDCOG. Revenue is recorded as eligible expenditures are incurred.
- State Mass Transit Funds are funds received for operating. These funds are used to match Federal 5307 operating funds.
- Capital Revenue is local private capital contributions towards bench or shelter preparation and construction sites. Capital contributions are recorded as received. We received an additional \$20,000 from the construction of the Highland Exchange Apartment complex.
- Interest is interest received from SC Department of Revenue (SCDOR). CARTA has to submit for reimbursement of the SC Fuel Excise Tax each month. SCDOR periodically pays interest earned on the funds they have held in the reimbursement process.
- Insurance Proceeds are the result of accidents.
- Sale of Asset is from the sales of rolling stock. To date, this line includes the sale of 5 Trolleys, 4 Cutaways and 16 Flexible Metros.

- **Expenditures:**

- Supplies are increased to move facility maintenance operating supplies from the Capital Repairs and Maintenance line to Supplies.
- Printing is decreased to bring the budget in line with the average cost of printing.
- Automotive is decreased for the discontinued use of the John Street parking permit on the agency vehicle.
- Postage is decreased to bring the budget in line with the average cost for the fiscal year.
- Equipment Rental has slightly increased due to the increase in cost of the portable toilet at the SuperStop while the restrooms were out of order.
- Office Equipment Maintenance (OEM) includes IT services (managed server services, email hosting, website management and other general IT services), camera system maintenance and AVL software maintenance. We have reduced the line in order to bring it in line with average and actual expenditures.
- Rent is decreased to bring the budget in line with average costs. Included in the total is a small increase in rent due to the renewal of the Festival Centre lease agreement.
- Communications is decreased by discontinued internet service at the HOP Lot.
- Utilities is increased for the Melnick location and offset some by the decrease as it relates to the closing of the HOP Lot guard building electricity.
- Advertising has been reduced to zero. The CARTA marketing contract is through the BCDCOG inter-government agreement. The BCDCOG uses Rawle-Murdy for marketing services. We do not anticipate any advertising before the fiscal year end.
- Professional Services is showing an increase in auditing for the cost of the NTD Reporting audit and required supporting documents, a decrease in legal fees and a decrease from the discontinued security guard services at the HOP Lot. The Professional Service Shelter/Bench relocation cost was

moved from the Shelter/Bench Project line. Other services increased for training and inspection costs as they relate to the Gillig buses purchased in addition to cost associated with the closing of the HOP Lot building at Morrison Drive.

- Contract Services – This line increased to include the completion of the Melnick Property Engineering, Shelter/Bench Engineering and reduced by the HOP Lot Low Line. Money Transport was increased to bring the budget in line with the average cost for the fiscal year.
 - Vehicle Maintenance is reduced to average and anticipated cost for the fiscal year.
 - Facility Repair and Maintenance are outside vendor costs to maintain the facilities. The costs were previously shown on the Capital Repairs and Maintenance line.
 - Insurance is increased to add Directors' & Officers' insurance.
 - Fuel is increased to bring in line with the average costs.
 - Non-Capitalized Assets are a reclassification from Capital Repairs and Maintenance and Supplies. These are assets purchased that do not meet the \$5,000 threshold of capitalization.
 - Intermodal Construction increase reflects the completion of the Intermodal Center. CARTA worked with the City of North Charleston to construct the Intermodal Center. This project was funded both federally and locally by Charleston County, the City of North Charleston and CARTA. The bulk of CARTA's expenditures as it relates to the project will be incurred in FY19.
- **Capital Expenditures (Balance Sheet):**
 - Rolling Stock is being reduced to the amount of rolling stock CARTA anticipates receiving in this fiscal year.
 - The Melnick Park & Ride (PNR) is the cost to construct the park & ride lot. CARTA obtained a loan to purchase the land and contribute towards up-fitting. The total construction project is anticipated to be \$2,604,013.
 - Bus Shelter Construction/Bench Install is reduced to actual and anticipated costs. The non-capitalized portion of the budgeted line has been moved to the associated income statement expenditures.
 - Security Cameras and Equipment are to purchase security equipment at the facilities and rolling stock. The line item is reduced to anticipated capitalized costs. The non-capitalized portion of the budgeted line has been moved to the associated expenditures line.
 - Capital includes funds for capital assets related to the operation of the transit system. This has been reduced to actual and anticipated capitalized costs for the fiscal year. The non-capitalized portion of the budgeted line item has been moved to the associated expenditure line. Some of the projects completed this fiscal year include marketing videos, a gravel lot, garage door replacements, Bus Wash up-fitting, radio shop lighting and associated hardware for rolling stock.

Ms. Mitchum addressed questions and comments and noted that the budget will continue to be monitored to ensure revenues and expenditures remain aligned and recommended revisions will be made as needed.

Mr. Astle made a motion to approve the FY19 Budget Revision as presented and Chief Turner seconded the motion. The motion was unanimously approved.

5. Purchase of Used MIDIs – Request for Approval

Mr. Mitchum noted that Alexander-Dennis, Inc. had two demo buses for sale. Both buses are 2013s and are 30 feet with two doors. The buses have been well-maintained but will be sold "as is." One bus has a mileage of 43,261 and the other, 78,585. The buses could be available with a few weeks and are \$137,500 each (totals \$275,000). Mr. Mitchum sought approval to procure these buses while awaiting the new vehicles. He then addressed questions and comments.

Ms. Johnson made a motion to approve the Purchase of Used MIDIs as presented and Mr. Ward seconded the motion. The motion was unanimously approved.

6. Route 104 Proposed Changes – Request for Approval – Jon Dodson

Jon Dodson, Planner II, presented the proposed changes for Route 104. He noted that the goal for the service change is to increase ridership and provide community connections to multiple transportation modes at the newly constructed North Charleston Transit Center. Mr. Dodson discussed the changes in detail and stated that no changes to current funding are expected as part of the proposal. Also, no additional vehicles are necessary to provide the recommended service. Public input has been received and the appropriate outreach has been conducted. If approved, the implementation date would be September 16, 2019. Mr. Dodson then addressed questions and comments.

Mr. Anderson made a motion to approve the Route 104 Proposed Changes as presented and Mr. Brimmer seconded the motion. The motion was unanimously approved.

7. Students Ride Free Pilot Project – Request for Extension

Mr. Mitchum noted that staff is continuing to gather data for the Free Student Fare pilot program that was launched in April that the Board previously approved. He requested that the pilot project be extended until December so that staff may analyze the additional data collected as it relates to school-year ridership. If the extension is approved, staff will present their findings to the Board for approval. Mr. Mitchum then addressed questions and comments.

Mr. Astle made a motion to approve the Student Ride Free Pilot Project Extension as presented and Mr. Lahm seconded the motion. The motion was unanimously approved.

8. Airport Express Route Marketing Plan – Daniel Brock and Michelle Emerson

Michelle Emerson, Marketing & Communications Manager, and Daniel Brock, Account Director with Rawle-Murdy Associates, presented a Marketing Plan for Route 4: Airport Express. Ms. Emerson and Mr. Brock noted that BCDCOG staff is recommending the development of a six-month promotional Marketing Plan aimed to raise awareness and spur passenger volume on Route 4. The Plan would be to reach potential customers prior to arrival and during the trip planning process; strengthen communication efforts and partnerships; include multi-channel touch points (for example: promotional video with social media spend; partner with Charleston Visitors Bureau on digital spend out-of-market; Public Relations and Media Relations support; increased use of Airport Express branding; distribute marketing materials to hotels; partner with the Charleston County Aviation Authority for greater visibility). The Board received the Airport Express Route Marketing Plan as information.

9. Marketing/Outreach Report – Daniel Brock

Mr. Brock presented the Marketing/Outreach Report. He updated the Board on the App statistics for the last four weeks as well as Social Media engagements and link clicks. Mr. Brock also highlighted public outreach promotions and events as well as the new Rivers Avenue Park & Ride Ribbon Cutting Ceremony and the upcoming Back-to-School, CCPL and Rider Etiquette events. The Board received the Marketing/Outreach Report as information.

10. Executive Director's Report

Mr. Mitchum discussed the following matters:

- The FMO review is underway as a follow-up to past findings. A good review is anticipated with minor recommendations.
- We are required to “flex” dollars for several projects which has caused delays for the vanpool program, the transit design manual and the AVL/ITS system. The processes have been initiated and will be moved as quickly as possible.
- Through the VW Settlement Fund Grant Award, we will purchase two Proterra Electric Buses and Charging Stations. We will attempt to purchase a third bus out of the funding by leasing the batteries instead of buying them.
- The three Gillig commuter buses will be delivered within the next week.
- We have received good feedback regarding the new North Charleston Park & Ride lot.
- Design work continues with CDM Smith for the new HOP lot as well as with DHEC on mitigation options.

- Assistance is needed from the Charleston and North Charleston Police Departments regarding the SuperStop location and the transit mall location in downtown Charleston.
- Discussions are taking place with the potential buyer of the Naval Hospital site regarding a new transit hub to replace the SuperStop.

The Board received the Executive Director's Report as information.

11. Other Business, If Any

There was no other business to discuss.

12. Public Comments, If Any

There were three public comments:

- Pastor Millicent Middleton of Charleston expressed her concerns regarding transportation for residents of the Sea Islands to downtown Charleston.
- Louise Brown of Mt. Pleasant expressed her concerns regarding the safety of riders at the SuperStop, the Rivers Avenue/526 shelter and a homeless individual being told she was unable to ride the bus.
- William Hamilton, Executive Director of Best Friends of Lowcountry Transit, recognized and thanked the Board for the many achievements during the past year. He expressed his concerns regarding issues at the SuperStop and litter, etc. at the downtown location. He suggested AARP get involved with seniors to increase senior ridership. He also expressed his concerns regarding transit services for Summerville and Lincolntonville.

13. Board Comments, If Any

- Mr. Lewis commented on speaking with the Charleston Police Department regarding patrolling Mary Street and other downtown stops more frequently.
- Mr. Astle commented that he no longer wishes to chair the Route Advisory Committee; he suggested that Mr. Green become the new chair.
- Mr. Benjamin commented that will attend the upcoming CCAA Board meeting and will discuss marketing/outreach of the Airport Express service.
- Chairman Seekings announced the upcoming Grand Opening of the North Charleston Transit Center. He thanked that Board for their dedication to transit and the region.

14. Adjourn

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

Respectfully submitted,
Kim Coleman