

**THE COAST RTA-WACCAMAW RTA
BOARD OF DIRECTORS MEETING
JUNE 24, 2015
9:00 AM**

Board Present: Bernard Silverman, Chair
Joseph Lazzara, Vice Chair
Katharine D'Angelo
Chuck Ottwell
Lillie Jean Johnson
Ivory Wilson
Johnny Vaught

Staff Present: Brian Piascik, General Manager/CEO
Lynette Nobles, Executive Assistant/Board Liaison
Michelle Cantey, Marketing & Communications Manager

Also Present: Sid Blackwelder, Citizen
Jason Rodriguez, The Sun News
Jack Lanson, WPDE-TV15

In accordance with the Freedom of Information Act (FOIA), the 2014 meeting schedule was provided to the press at the beginning of the 2015 calendar year, stating the date, time and location. In addition, notice of this meeting was provided to the press, stating the date, time, and place on Monday, June 22, 2015.

CALL TO ORDER: Chairman Silverman called the meeting to order at 9:00 AM and welcomed everyone.

INVOCATION/PLEDGE OF ALLEGIANCE: Mr. Vaught gave the invocation. The Pledge of Allegiance was recited.

ANNOUNCEMENT OF QUORUM/ROLL CALL: Roll call was taken. A quorum was present.

ACKNOWLEDGEMENT OF VISITORS: Mr. Silverman welcomed Mr. Blackwelder, Mr. Rodriguez, and the TV15 reporter.

PUBLIC COMMENT: None

APPROVAL OF MINUTES: There was a motion and a second to approve the minutes from the May 27 and June 12 meeting board meetings. A voice vote was taken, with no nays being heard, the minutes were approved.

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EMPLOYEE RECOGNITION: None

GENERAL MANAGER'S REPORT:

Mr. Piascik began his report by reviewing the FY16 Budget. He spoke about the Capital Program, of which a portion is funding for the feasibility study that began in 2013. He and SCDOT will be contacting FTA to request that we be able to draw down the remainder of the funding (\$180,000) for that project, using the same contractor as before. The funds have been successfully transferred from FHWA to FTA. Mr. Silverman asked what would cause our share of the FTA formula funding to go up. Mr. Piascik explained that we're not taking advantage of the passenger miles. There's an incentive portion of the funding and it's like 10% of the money that comes, based on your revenue miles and passenger miles. For FY12, FY13, and FY14 we did not submit anything on passenger miles. We can track FY15 passenger miles, as we have that data; so we'll start back with FY15. That could be a \$40,000 - \$60,000 bump in federal dollars. We were able to get the NTD (National Transit Database) stuff taken care of over the weekend and they are reviewing it. There is a two-year lag (FY16 money is based on FY14 stats).

Mr. Piascik then called attention to the bottom the first page of the FY16 Budget. The negative numbers are the beginnings of contributing to an O&M Reserve. Every system should have an O&M reserve and we should have anywhere from \$500,000 to \$1 million. This is not going to happen overnight. We have to start squirrelling it away as we can. We have \$450,000 left at the end of July next year; the beginning of our nest egg to extend the fiscal year another three (3) months. On the next page, these are all the costs for an additional three (3) months of service. That has July and August in it, so it's really more than a quarter because it's the height of our service. It's really about 31% of the year. Mr. Piascik hopes to bump that \$450,000 up a little and borrow less from the future year to get it through the end of that. It'll take us a while to get there. There are other places from which we may be able to recoup some funding and that is the urbanized area has increased into North Carolina. There's a piece of Brunswick County that is now in the urbanized area and they are receiving some of the 5307 funds for that. Mr. Piascik shared that he has been talking with WRCOG, who's been working with them on trying to get them ramped up and they (WRCOG) are skeptical that they (Brunswick County) are going to be able to use the money anytime soon. His goal is to go up there and act as their consultant, and as long as they can give us a heads up on when they are going to need the money, maybe a year or two in advance, then he (Mr. Piascik) may be able to negotiate a deal and use that money now. We do not want to send any money back. We'll move forward with that and that might be another \$90,000. That's not taking money from them, we just don't want to send it back.

Mr. Piascik then moved to the financial plan, which is actually part of the information, from the Triennial Review, which should have been sent to FTA. This is a five-year plan. If we flat-lined all of our funding, all of the local funds would stay right where they're at over the course of the next five (5) years, we would start going into the red in 2019, assuming reasonable inflation for operating and maintenance costs. We would be forced to either reduce service or try to find revenue somewhere else; possibly both. The nice thing about planning is that, similar to artistic license, you can have planning license. A key thing between now and 2019 would be if we were to move our operations over to somewhere closer to the waterway, we can save \$250,000 and more than cover the issue of going over

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on operating costs. Mr. Silverman added that as a part of the Triennial Review, this five-year plan was supposed to have been sent to FTA by December 31, 2014. They've given us until June 30, 2015, so we need to approve the resolution for this today and get it to them before the 30th, so if there are questions or you don't agree with something, we need to work on them today and get this resolution signed.

Mr. Ottwell asked if there's any way we could have multiple bus storage facilities overnight so you don't have to deadhead all the way to Georgetown. Mr. Piascik replied that certainly you could do it that way; the issue is that there are certain functions that you have to repeat at each of those facilities, so it could be a wash. We could certainly look at that, but you're going to raise expenses on other parts of the operation by doing that. There are a lot of spots along 501, as well as, in the 2010 TDP we identified a place next to Myrtle Beach Public Works and that was \$250,000 in savings operationally. There are numbers similar to that rolled into this plan. There's a \$4 million facility in this plan, additional contributions to our O&M reserve; but, the basic expenses for operations are basically the same. We don't really put in a lot of increases until FY19. Also, North Myrtle Beach is added in FY18 and the City of Georgetown; those are all going to be things that we're going to go after. This plan will be completely acceptable to FTA, even though there's funding identified in here that's not currently available. It's reasonably available and if we play our cards right, he thinks we can get to it. Further, there is a potential buyer for this parcel, who must remain anonymous, at their request. That may be a fast track to a new facility, in conjunction with getting some land from one of our jurisdictions as local match and generating some cash through the sale of this property, and then lease it back from whomever is buying it from us, until we could get into the new facility. In talking with Doug Frate (SCDOT), finding a federal grant somewhere, whether it's 5309, 5339, or TIGER, he thinks we would have a pretty good shot, especially if we can identify those local funds. Starting FY18 in a new facility is really not that unreasonable. Doug did say that he doesn't think we should put all of that \$4 million in a 5339 grant because that's more than the entire state gets; 5309 would be our best bet. We will begin seeing additional revenue in FY18, once the payback to SCDOT has been completed. Mr. Ottwell asked if we had asked Doug Frate for any repayment relief. Mr. Piascik responded that he had not bothered to do that, as he'll be asking for more money for other things. Those are mistakes made in the past and we need to pay for them. What they've given us is more than reasonable (the pay back). They're not really pay back; they're reductions of revenue. This five-year plan will go to FTA as our response to the Triennial finding, by June 30. It'll change many times in the next five years. Mr. Silverman asked if there is anything else open from the Triennial. Mr. Piascik then gave an update saying that the maintenance stuff is done, Halsey completed that. With that and having a new maintenance manager, FTA should be satisfied with that. Mr. Ottwell then asked if the \$20,000 to rehab the DART buses is per bus. Mr. Piascik confirmed that it is \$20,000 to rehab each of the DART buses. He then asked if we know what type engine the buses have; to which Mr. Piascik said they are Detroit Diesel Series 50's, 4-cylinder diesel engines. He added that these buses have been very well maintained. The engines will be replaced with Cummins and the transmissions and some wiring will be changed, as well. The shells of these buses will go another ten (10) years. Regarding the tires, they put truck hubs on them that are 2" bigger radius/diameter than what came on them because they wanted more air in the brake chamber to avoid running hot brakes. They're running out on the highway and it's 105°, they put more in there. The tires that come on them are actually done only by Firestone Lease; you can't, technically, buy them. DART's made an arrangement where we'll be able to buy a full set, so they'll come with brand new tires on them. The tires are \$418 each. Mr. Lazzara asked if we will send the buses out to have the engines replaced. Mr. Piascik replied that they will be sent out and that we're not going to be doing rebuilds and

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such here anymore. It's going to be more a preventive maintenance style plan where you're replacing components, not tearing things apart and redoing gaskets and valves and all that stuff. That's just too much labor. The way to get to that is to have a homogenized fleet. With bringing in these ten (10 buses, we'll take three (3), possibly four (4), models out of our fleet. Ms. Johnson asked if we'll be replacing these tires as needed. Mr. Piascik replied that we will retread them, twice. We'll get one set of smaller hubs and run one (1) bus with the smaller hubs to see if we have issues with the brakes. If we can go to the smaller hubs, we'll do that.

Mr. Piascik then called the board's attention to the Revenue Vehicle Disposal list. The disposal begins today, but it will not be completed today. Mr. Silverman said that eventually we'll be able to stop using so much of the Piggly Wiggly Lot, for which we pay \$900 per month and will be able to meet the FTA regulation that we have our fleet secured. The vehicles have been appraised and Don's Car Crushing will be hauling them off and we'll receive about \$20,000 for them. Mr. Piascik invited the board members and press to join us for hamburgers and hot dogs as the staff celebrates the departure of these vehicles. He commended Kevin Parks for searching and tracking down the titles for these vehicles, dealing with the state and standing in line at DMV.

Mr. Piascik pointed out the brochure for the buses from DART, saying that we will have to fill in the chevron stripes as they are a trademark of DART. A Coast RTA logo decal will be on each side, the front, and the back of each of the buses. He then mentioned the FY14 NTD Issues and Responses were included in the board packets. All of the data has been collected, but it's in several different places. Going forward, it will be centralized and the procedure revised. In the July meeting, we'll go through what we've done in 2015.

Mr. Piascik then went through the Options for Periodic Reporting prepared by Mike Levitan. He spoke to the duplication of information and proposed combining the information into one report, with graphs to show trending. The presentation also said "*Too much data, too little information*", on which the board members agreed.

Mr. Piascik shared that the first week of summer service started out rough, but improved each day. With the extreme temperatures, we put coolers of ice and water on the buses and gave all the drivers and mechanics ice packs to go around their necks to help deal with the heat. Mr. Silverman said that he rode seven (7) buses on Tuesday and every bus was on time except one that was a few minutes late but got him where he needed to go on time, and every bus was air conditioned.

Mr. Piascik then directed attention to the May 2015 financials in the board packet. In the Cash Requirements, it shows a balance as of June 30, 2015, of \$157,076; on which the budget and the financial plan are based. That's a key number in this package.

Mr. Silverman asked that Mr. Piascik give an update on the accident that occurred on June 16th at the intersection of Hwy. 501 and Robert Grissom Parkway. He began by saying that we have video of the accident, except for about eight (8) seconds (upon impact the hard drive was jarred). The bus was

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travelling to Myrtle Beach and the car was travelling out of Myrtle Beach and made a left-hand turn in front of the bus, who had the green light. Mr. Jones, our driver, did everything he could. It was a horrendous impact and the Lexus did an amazing job in that accident. Those three (3) people had minor surgery to remove some glass and were discharged that day. We had eighteen (18) people go to the hospital and no one stayed overnight, including our driver. Mr. Jones is wearing a neck brace but seems to be doing well. The driver of the car was cited in the accident.

Mr. Piascik asked that the By-Laws Committee meet in July to rethink and restructure the committees. We need to give each of them a charge as to what we need them to do and make sure that they're all reasonable and have stuff that we need done. It was decided that the By-Laws Committee will meet on Friday, July 10, 2015 at 10:00 AM. Notification will be sent to the press, stakeholders, and all board members.

Ms. Nobles read the following resolutions into the record:

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUN2015-25
APPROVAL OF WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
FY2016 BUDGET**

A motion of the Board of the Waccamaw Regional Transportation Authority to adopt the FY2016 budget for the period July 1, 2015 to June 30, 2016 and authorizing the General Manager/Secretary-Treasurer to manage the fiscal affairs of the Authority in accordance to the fiscal year 2016 operating budget amounts

There was a motion and a second to approve the resolution. There was no discussion. A voice vote was taken; no nays being heard, the resolution was approved.

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUN2015-26**

AUTHORIZATION TO SUBMIT FIVE-YEAR FINANCIAL PLAN TO FTA

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing the General Manager/Secretary-Treasurer to submit the Five-year Financial Plan to FTA, in response to FY 14 Triennial Review findings.

There was a motion and a second to approve the resolution. There was no discussion. A voice vote was taken; no nays being heard, the resolution was approved.

NEW BUSINESS: Mr. Silverman said that there had been some talk of not having a board meeting in August; then having a November/December meeting, maybe the second week of December. That would still give us ten (10) meetings for the year. Mr. Piascik explained that we're hopeful that we'll be

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conducting an on-board survey in August, so there'll be a lot of data collection in August. The committees may still need to meet in August. Hopefully, we'll have preliminary information from the surveys to bring to the September meeting. Then in the meeting in December, we'd have final recommendations based on the information from the surveys and sort of a look forward. It was decided to move the board meetings from 9:00 AM to 9:30 AM beginning in July.

Mr. Vaught shared that Horry County has established a new standing committee, which he feels will benefit Coast RTA greatly. The Transportation Committee, with Gary Loftus (Chair), will also include Johnny Vaught, Mark Lazarus, and Bill Howard. This committee will oversee affairs of the council and Coast, as well as the council and the airports, and the affairs of the council and the railroad. Rather than the board working with the full council, they'll be working with the Transportation Committee. The meetings will be monthly at the court house.

ANNOUNCEMENTS: As this is Mr. Vaught's last board meeting as a board member, Mr. Silverman presented him a certificate and Mr. Piascik presented him a steering wheel from one of the Gillig buses.

Mr. Silverman took a look back at his two (2) years as Chairman of the Board and believes he is leaving Coast RTA better than he found it. Mr. Lazzara thanked Mr. Silverman for his job as Chairman and looks forward to meeting new goals and thanked everyone for the opportunity to serve as Chairman of the Board.

EXECUTIVE SESSION: There was a motion and a second that the board go into Executive Session at 10:17 AM to discuss contractual and personnel issues.

The board came out of Executive Session at 10:36 AM, with a motion and a second. During the session, there was no vote taken and no decisions made.

Ms. Nobles read the following resolution into the record:

**WACCAMAW REGIONAL TRANSPORTATION AUTHORITY
RESOLUTION NO. JUN2015-27**

AUTHORIZATION FOR CONTRACT MODIFICATION

A motion of the Board of the Waccamaw Regional Transportation Authority authorizing a contract modification of \$1,800 for the General Manager/Secretary-Treasurer for temporary housing expense.

There was a motion and a second that the resolution be approved. There was no discussion. A voice vote was taken; no nays being heard, the resolution was approved.

ADJOURNMENT: It was properly moved and seconded that the Board adjourn. A voice vote was taken. No nays being heard, the Board was adjourned at 10:40 AM.

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