

Salisbury, North Carolina
May 7, 2019

SPECIAL MEETING

PRESENT: Mayor Al Heggins Presiding; Mayor Pro Tem David Post; Council Members Karen Alexander, William Brian Miller, and Tamara Sheffield; City Manager W. Lane Bailey; City Clerk Diane Gilmore, and City Attorney J. Graham Corriher.

ABSENT: None.

Salisbury City Council met in Council Chambers in City Hall located at 217 South Main Street. The meeting was called to order by Mayor Heggins at 4:02 p.m.

PUBLIC TRANSPORTATION MASTER PLAN

Transit Director Rodney Harrison introduced Architecture Engineering Construction Operations and Management (AECOM) Technical Services of North Carolina, Inc. Transportation Planner Kurt Neufang who is the Project Manager for the City's Long-Range Public Transportation Master Plan.

Mr. Neufang indicated AECOM has worked on the City of Salisbury's Transit System Long-Range Plan since November 1, 2018 and presentations were provided to Steering Committee members and the Transportation Advisory Board. He indicated he presented a portion of the five-month evaluation plan to Council at its March 19, 2019 meeting, and Council requested an update regarding route recommendations and demographic information.

Mr. Neufang stated the developed funding analysis provides an overview of the City's existing Special Transportation Service (STS) fixed-route system, and he recommended a revised STS fixed-route system. He pointed out the recommended routes would provide service to all major traffic generated areas such as the Veterans Affairs (VA) Medical Center, Walmart, Rowan County Department of Social Services, and various downtown areas. He presented Route One that

would begin at the Train Depot and travel toward the Rowan County Department of Social Services with a round-trip duration of 30 minutes. He recommended routes be coordinated so riders know when to disembark and how to board other vehicles to get to their destination. He noted Route Two would serve Rowan-Cabarrus Community College (RCCC), Ruffy-Holmes Senior Center, Salisbury Customer Service and Civic Centers, Trinity Living Center, and the United States Postal Office with a round-trip duration of 30 minutes. He indicated Route Three would primarily serve the Main Street area, Courtyard Apartments, Salisbury High School, Southgate Shopping Center, and the State Employees Credit Union (SECU) with a round-trip duration of 30 minutes. He stated Route Four would serve areas such as Brenner Crossing Apartments, Harris Teeter, Livingstone College, and the YMCA with a 30 minute round-trip time. He commented Route Five would primarily serve the VA Medical Hospital area to help provide direct transit services for out-of-town patients. He indicated Route Six is referred to as the Spencer route and is a looped route starting in Spencer and returning on the East Spencer side. He noted Route Six also includes a Walmart stop, and he stated the survey indicated Walmart is a place which people want to travel. He stated Route Seven is referred to as the East Spencer route and is a bi-directional route with stops at the Greyhound bus station, North Rowan High School, Novant Health Rowan Medical Center, and senior housing in East Spencer. He referenced Route Eight as the Jake Alexander route that would extend services to the Shoppes at Summit Park area.

Mr. Neufang stated staff received 249 surveys with input from citizens regarding their transportation needs. He provided additional information relating to population density for the proposed routes as requested by Council, and he indicated the transportation plan is a 20-year plan to attract new riders and better accommodate current riders. He noted the Americans with Disabilities Act (ADA) is a federal requirement that requires transit to provide service within a three-quarter mile area of all fixed-routes and provide operations during the same days and hours of fixed-route services. He stated Safe Ride Salisbury (SRS) is a route recommended for Catawba and Livingstone Colleges for safer transportation services to the Walmart and Tinseltown areas, and he noted there could be opportunities for partnerships with local colleges to provide matched funding for services.

Mr. Neufang discussed micro-transit as an option that could be implemented by using smaller vehicles similar to a taxi service. He stated the on-demand service would need to be available from 9:00 p.m. until 1:00 a.m. to serve Catawba and Livingstone Colleges, Innes Street area, Southgate Shopping Center, Walmart, and Tinseltown theater. He recommended revising the City's current fixed-routes before looking to be innovative and creative in other areas. He suggested feeder points to connect riders from a micro-transit service to fixed-route services. He noted micro-transit services can be operated directly by the City of Salisbury or contracted through a service provider.

Mr. Neufang noted Rowan Express extends its services into Kannapolis, and he added NCDOT has implemented a plan to regionalize services for connectivity. He commented the proposal highlights and includes growth from the surrounding regions.

Mr. Neufang indicated recommendations have been combined into five scenarios to provide the City with different transit options and levels of investments. He stated he has worked closely with the Finance Department and staff has requested at least one cost neutral scenario and

four full funding scenarios. He stated full funding scenarios include fixed-route services such as micro-transit services which would be operated by a contracted provider, regional and college service, administration, and capital service. He indicated there is a need for additional administration support such as transportation mechanics, dispatchers, and planners. He presented the cost neutral scenario with a base budget of \$1.59 million in relation to the City's current budget. He stated there would be a 1.9% increase in operating costs moving forward, and he added the increase is considered typical for the transit system industry. He stated electronic fare boxes are an example of technology that should be considered a necessity to keep track of rider information to help determine needs as they change throughout the community. He noted the surveys indicated there is a need for operational hours to be extended and the number of weekday routes increased during peak hours. He stated there is required investment for full funding scenarios, and he added 50% of the operating cost would be funded by the federal government through grant programs. He pointed out there is a scenario that includes all recommended routes and zones and is the most expensive proposal, and he added federal and state funding is available.

Mr. Neufang indicated the City's bus fares offset operating expenses by 6% which is a little over \$70,000 per year. He commented advertising could generate revenue and help the City move toward offering free transportation services and increase ridership sufficiently. He recommended adjusting the routes and times before adjusting the fares.

Mr. Neufang pointed out concerns regarding transit services provided to the East Spencer and Spencer areas because no funds are provided by those towns in return for services received. He stated there was an analysis completed for transit trips per resident and East Spencer's averages were high with 9.2 transit trips per resident. He stated the estimated cost of Spencer's share would be \$47,000 and East Spencer's cost share would be \$58,000. He added figures were based on transit's percentages of revenue hours of service provided to the areas. He noted looped route services for Spencer would cost the City \$202,000 and using the percentage of rides Spencer's cost would be \$40,000 and East Spencer's would be \$54,000. He stated another option would be to implement a bi-directional service to include two vehicles and two additional routes, and he indicated expenses would then double.

Mr. Neufang noted current funding is provided through the Federal Transit Administration (FTA) Section 5307 which is 50% of federal funds to cover operating cost and Section 5303 is considered a planning fund that includes a 20% local match. He stated FTA Section 5339 offers separate funds for bus and facilities expenses with 80% federal funding and 10% state funding. He indicated State Maintenance Assistance Program (SMAP) is a state discretionary fund offered to smaller urban systems, and he added vehicle registration fees are a transit expense the County would help to offset.

Mr. Neufang noted there are potential sources for alternative funding such as the NCDOT intercity bus program, advertising fees, rental car sales tax, increased fare prices, and contract revenue. He commented if fares were increased \$1.50 there would be an additional \$30,000 in revenue but there could be a decrease in ridership.

Mr. Neufang presented an implementation plan including short-term, medium-term, and long-term projections for fixed-route service. He pointed out scenario 'D' would extend weekday

operating hours to 11:00 p.m. and modify operating times for Saturday services. He presented an implementation plan for micro-transit service and recommended keeping the micro-service scenario in the plan. He commented the Vanpool rideshare transit program would add businesses to routes and form partnerships with local colleges in the future. He presented short-term and long-term implementation plans for administration and operations, and he recognized City transit drivers for their work in the City. He provided the implementation plan for Capital and the future replacement of vehicles and alternative fueling.

Councilmember Alexander asked what alternative fueling options were included in the research. Mr. Neufang stated the hybrid-electric vehicle was considered, and he noted the technology to operate those vehicles is very expensive and the City is in a non-attainment area. He recommended the City consider energy efficient vehicles at a later time because there are other needs to be met first. Councilmember Alexander asked how other cities are paying for energy efficient vehicles. Mr. Neufang stated some are funded by grants and some are funded locally. Transit Director Rodney Harrison commented grants are competitive and have minimum size requirements transit vehicles.

Mayor Pro Tem Post asked how many buses are owned by the City and the operating expense for each bus. Mr. Harrison stated there are six buses in the Transit fleet, and he noted buses cost around \$500,000. Mayor Pro Tem Post asked how reliable grant funding is based on what the City currently receives. Mr. Neufang stated he believes federal funding will be very reliable in the future, and it currently funds 50% of the City's operating cost. Mayor Pro Tem Post noted 6% of the City's funding is from rider fares and asked how the remaining 44% is funded. Mr. Harrison commented the Section 5307 grant is the main source of revenue and a portion of that grant is used for operating expenses. He noted the grant offers capital funding for mechanics and maintenance of the facility or vehicles. Mayor Pro Tem Post asked if the majority of the expenditures are funded by a grant. City Manager Lane Bailey commented the General Fund contributes an estimated \$600,000. Mr. Neufang pointed out the City receives SMAP funding as well.

Mayor Pro Tem Post asked if consideration has been given for an experimental based micro-transit operation. Mr. Neufang stated the Triangle Transit Authority implemented micro-transit programs that focused on areas with high density, and he noted the experiment was a failure. He added the results of the interview process and surveys indicated if transit systems are designed correctly there would be more riders using the transit system, and he recommended looking into transit design to enhance ridership.

Mayor Pro Tem Post asked if electronic monitoring would be an expense to add to City buses. Mr. Neufang noted the Automatic Passenger Counter (APC) devices are not a large expense, but he noted electronic fare boxes collect rider fares and track route stops. Mayor Pro Tem Post asked how many passengers the buses carry. Mr. Harrison commented 35-foot buses have capacities of 50 to 52 people. Mr. Neufang stated adding an APC would be a great investment, and he noted he would provide expense information to Mr. Harrison. Councilmember Miller asked if leasing the APC is an option. Mr. Neufang stated he is not sure. Councilmember Alexander asked if there are grants that could help fund the APC. Mr. Neufang stated there are grants available and the City has shown a definite need.

Councilmember Miller asked how people responded to the surveys. Mr. Neufang stated there were 249 survey participants who expressed that they liked the transit service and are thankful to have a ride, but he noted there is so much potential to attract new riders. Councilmember Miller asked if the City's six buses could handle proposed routes one through five and eight. Mr. Harrison stated they could not. Councilmember Miller asked for clarification regarding the cost neutral proposal in Scenario A. He asked if Scenario A would require additional vehicles. Mr. Neufang stated it would require one additional vehicle. Mr. Harrison stated the City has several buses that are beyond their useful life, and he noted in a typical situation one spare bus would be sufficient. Councilmember Miller asked what percentage the federal government participates in capital investment. Mr. Neufang stated 80% is funded by the federal grant. Councilmember Miller asked how many buses are needed. Mr. Harrison stated at least two to three buses are needed. Mayor Pro Tem Post pointed out Scenario A, the cost neutral plan, does not include services to Spencer and East Spencer areas.

Councilmember Sheffield stated transportation systems are about creating a better culture. She stated Spencer and East Spencer are a big part of the Transit system. She recommended obtaining more data because there will be an expense associated with replacing assets and additional routes. She asked how critical the timeline is relating to making changes to the Transit system. Mr. Bailey commented a budget will need to be adopted before July 1, 2019, and budget allocations would fund the Transit system. He pointed out the fund balance for the Transit fund has decreased, and he added he is working with Finance Director Shannon Moore to address the concern this year. He noted right now the General Fund appropriation to Transit is \$630,000. He stated he thinks Transit operations and routes can be adjusted at any time throughout the fiscal year. He noted a portion of federal funding received is based on bus mileage and population density. He indicated he does not believe routes need to be selected before July 1, but funds would need to be allocated.

Mayor Heggins asked why there is a decrease in fund balance. Mr. Bailey stated each fund has its own retained earnings and there have been withdrawals from the Transit fund from previous years. He commented several years ago the City's Transit system was changed from a rural system to a large urban transit system and added to in the Concord and Kannapolis areas without increased funds. He pointed out former Interim Planning Director Brain Hiatt helped with the transition and the state provided some funds to help with the conversion into the larger transit system.

Mayor Heggins asked if micro-transit service pick-up and drop-off locations are the same as bus sites. Mr. Neufang stated the goal is to try and find bus stops that are centrally located.

Mr. Neufang indicated electronic fare boxes are \$18,000 each and an APC would cost \$10,000. Mayor Pro Tem Post asked if the tracking devices would qualify for the 80/20 capital contribution. Mr. Neufang stated it would qualify for Section 5339. Councilmember Alexander stated she would support adding the data tracking devices to Transit vehicles. Mayor Pro Tem Post stated the data would help the City make better decisions for Transit services.


Mayor Heggins asked about the methodology used to obtain data. Mr. Neufang commented over a five-month period AECOM implemented onboard survey's, held community meetings, and spoke with drivers, community leaders and people who attend the local colleges, and they also received online responses. Mayor Heggins asked how the Transit department currently tracks ridership. Mr. Harrison stated ridership is tracked manually, and he pointed out one route has an estimated 80 to 90 stops.

Councilmember Miller asked Mr. Neufang if he could provide examples of a municipality where taxpayers are paying for another municipality's ridership who do not contribute. Mr. Neufang stated recently a transit plan was completed for the City of Jacksonville, North Carolina that served the Marine Corps Base at Camp Lejeune who are not a part of the City's tax base, but Camp Lejeune does pay to support Jacksonville's transit service. He stated he has not had a City in North Carolina where the transit service serves a community that does not provide support for transportation services. He recommended retrieving a payment based on the hours of service being provided to those areas. Councilmember Alexander asked if there are any grant funds available for those communities to receive out of town transit services. Mr. Harrison stated he is not aware of any grants available. Councilmember Miller asked if a community would have to have a transit system to qualify for federal funds. Mr. Neufang agreed. Councilmember Miller asked if a contracted transit system could be classified as a community's transit system. Mr. Neufang stated that would be a creative approach and considered a capital cost of contracting, and he noted he would look into that information for options. He pointed out East Spencer's Mayor has indicated the town wants to partner with the City to provide transportation service to the community.


Councilmember Sheffield asked if the City currently has a partnership with RCCC for rideshare services. Mr. Harrison commented it does and RCCC service will continue. Councilmember Sheffield asked if the Safe Ride Salisbury program is a current program. Mr. Harrison indicated it is not. Mr. Neufang stated Safe Ride Salisbury would be a new program. Mr. Bailey commented the City has previously partnered with Livingstone College to offer students free fares and transit times were extended on weekends to accommodate student needs. Councilmember Sheffield commented RCCC is looking to bridge a connection to its second campus located in Kannapolis, and she asked if the connection referenced in the proposal would be near RCCC's south campus. Mr. Neufang commented he does not believe so, and he pointed out recommendations are for services to be offered near the Kannapolis train station and its future development. Mr. Harrison commented staff is working to provide a more convenient route for RCCC's Kannapolis campus.

ADJOURNMENT

Motion to adjourn the meeting was made by Councilmember Miller. All Council members in attendance agreed unanimously to adjourn. The meeting was adjourned at 5:27 p.m.



Diane Gilmore, City Clerk



Al Heggins, Mayor