

# **FINAL REPORT AND TDP ACTION PLAN**



**Craven County  
Transit Development Plan**

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## Summary

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## Summary

The previous technical memorandum provided information regarding baseline conditions and system evaluation, which are included in the appendix in this final plan report. Based on discussions with staff, the content of this report is focused on an Action Plan which includes phased implementation and lead responsibility recommendations with specific emphasis on the short term actions required both prior to and immediately after July 1, 2015, the date that will transition CARTS service exclusively from NCDOT governance to a shared NCDOT and Federal Transit Administration model. The format of the report is based on the FTA Triennial Performance Process which will require a number of specific processes to be either newly created (e.g. ADA paratransit), modified from prior state or federal processes (e.g. safety plans), or updated from previous FTA submittals (e.g. CARTS Civil Rights Plan).

The most immediate consideration is the impact of the changes from NCDOT to FTA regulations and funding in the urbanized area. In general, CARTS staff has historically done an outstanding job of mixing NCDOT funding and agency fees to provide a range of services within the service area. However, the urbanized area is no longer eligible to receive operating funds based on NCDOT regulations, thus there will be effects as the process in that area transitions to federal regulations. The evaluation of the impacts of this transition has several levels of consideration, which include:

- First, identify how many persons will be affected by the change and what that impact would be with respect to potential fares, and what, if any, modifications could be considered from a rider perspective.
- Second, also identify what the financial ramifications will be based on the reduction in NCDOT funds and what Federal dollars will be required to offset that reduction.
- Third, identify other financial considerations modifications with respect to the CARTS 2015-2016 budget.
- Finally, considering all of the above, develop options and alternatives to move forward through the public input process.

### **Action Plan Recommendations**

The implementation plan contained below provides a summary of the actions needed, the priority rank of those actions and the responsible parties. The complete text for each of the areas of activity is contained in the body of this report.

### **Complete the Staff Infrastructure Plan and the Triennial Review Matrix Work**

The preliminary review of the 18 plus steps required to prepare for the FTA Triennial Review indicated a number of instances where current NCDOT required processes and thus future required FTA processes were not current or completed. These processes include those that are specific to the CARTS system, primarily related to service related issues and practices, and those that are related to CARTS interaction within the Craven County infrastructure.

In order to have the time and resources to accomplish those activities, all proposed staff positions have to be filled and the new infrastructure proposed for staffing must be implemented. The Director must take the responsibility for moving forward with all items in the Action Plan, and communicating with and working with the Craven County management staff as

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necessary. The attached detailed evaluation of the Action Plan has identified priority activities; those listed as immediate should be addressed first; however, all need to be completed. The Director should report progress on each of the Action Plan Components as part of monthly written communications with Craven County management.

In addition, opportunities to receive training and instruction, especially related to the FTA infrastructure should be actively pursued. These training opportunities should also include understanding of the associated aspects of the FTA processes by other County staff, especially those that have financial responsibilities.

### **Monitor All Aspects of the Transition from NCDOT Only to NCDOT/FTA Service**

As indicated previously, the primary goal of year one of the transition and hence the TDP is to minimize impacts to riders, agencies and Craven County and assess the next steps necessary to move forward. The primary initial actions will involve finalizing and implementing the fare and fee recommendations, then monitoring and addressing, as required, the impacts on riders and agencies. Since NCDOT and FTA programs and processes are different, adapting and adjusting to actual impacts that result from the transition will be an important activity during the first year.

Consistent and continuous monitoring and understanding of the new system will then provide additional information to be considered in preparation of recommendations for subsequent year services as described below.

### **Develop a Five-year Operating and Capital Plan**

Although some draft concepts have been developed for out-year planning and budgets, those concepts should be evaluated anew based on actual results of the service modifications. CARTS staff should work in concert with the staff from the NBAMPO to blend the operating and capital components into the long-range plan, both with respect to the urbanized area, but also as part of a broader plan that include Jones and Pamlico counties and also interaction with other proximate organizations regarding longer distance trips and multi-modal interfaces.

The future of public transportation in the region would appear to be a combination of working with the current services to continuously examine their operation, but also to think outwards about other unmet or poorly met needs, other potential partnering entities and offering services that attract new riders to the system. There is the potential for CARTS to take a more prominent role in communicating the availability of public transportation options in the region, through broadening of web information, working to maximize the capabilities of existing software, acquiring new technology options, enhancing the presence in the communities served, etc.

That outward thinking would recognize that although the current Loop routing serves a number of different areas and activities, it does so in a way that limits the viability to attract a number of riders – due to long headways, limited hours of service, etc. A more detailed operations plan, that more specifically addresses the interaction of rural and urban service ridership, fares/fees and costs, could address some of these issues.

Both the operating and capital plan have to balance the understanding of the state and federal funding programs and the associated infrastructure. It appears that historically some processes have not been effectively addressed or updated. Given the new management structure at CARTS, those all should be updated and options and alternatives considered. Examples of some of the operating and capital issues range from fare media and revenue accountability to secure parking and over-night storing of vehicles.

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## Coordinate the Planning Process with NBAMPO and Other Affected Agencies

CARTS must effectively work with the NBAMPO and other affected agencies to broaden the community and customer involvement, the policy maker understanding and the communication with others in the region regarding the system and the service. Not only are these activities required as part of the federal planning process, but they also make good sense in building a system that the public can understand and use.

These activities will require setting aside the appropriate time and resources to make the interactions a priority. Initial program modifications, such as drafting the ADA paratransit plan components, including certification, order taking, scheduling, etc. and determining half-fare eligibility for fixed route based on FTA rules will affect the potential riders and thus be subject to the processes identified in Title VI and Environmental Justice guidance. All of these are similar to activities undertaken by NBAMPO.

In addition, as discussed during the financial planning work, the infrastructure fees and costs for services provided to other agencies have not been updated to reflect current costs. Infrastructurally, interacting with those agencies should be a process that attracts them to the Transportation Advisory Board meetings. As noted in a review of that process, the TAB membership structure should also be updated, including the addition of agencies affected by the urbanized area service.

## Fares/Fees/Public Input

The near term financial plan approach summary would be:

Fares:

- Maintain existing rural fares
- Increase the fee for fully allocated cost per revenue mile for all urban and rural trips based on current costs
- Recommend the following urban fare structure:
  - Fixed Route - Loop
    - Base fare - \$1.00
    - Half-fare - \$0.50
    - Complementary ADA paratransit - \$2.00
  - Demand Response
    - RGP Zone Fare Structure

Costs:

- Monitor Loop costs – estimated annual subsidy required is approximately \$100,000.
- Monitor RGP costs – estimated annual subsidy required is approximately \$168,000
- Monitor DSS and Agency Fee costs – estimated local match generated is \$124,000 and \$57,600, which would total \$181,600 which could be matched by FTA funds for a total of \$363,200 of service.
- Develop “attributable share” costing process to capture DSS and Agency Fee data for trips partially made in the urban area and include those in the eligible match accounting. This attributable share analysis would also add more agency funded trips that would

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further be eligible for a local match for FTA funds.

**Budget:**

- If the above demand and cost figures track for the first year of service, there should be more than sufficient resources to fund the initial program as described above.
- However, the overall impact on the services, both rural and urban, need to be accurately accounted for and understood.

**Public and Agency Input**

- Although the base fare for the Loop will remain the same, fares currently subsidized by NCDOT funds will need to be replaced by agency funds, if the intent is for those persons to ride without paying a fare.
- Those that qualify for EDTAP funds will likely be eligible to ride for half-fare, but that ID process has to be created.
- The ADA paratransit infrastructure also has to be developed.
- Appropriate fare media and fare collection processes also have to be put in place.
- Potential impacts on low income and minority populations should be addressed using planning processes in the CARTS and NBAMPO processes.

Craven County TDP					
Action Plan Recommendations					
		Implementation Lead	Timeline	Impacts	External Involvement
<b>Staffing and Organization</b>					
A	Modify structure; hire staff	Craven County/CARTS	1-3 months	Immediate action	CC Oversight
B	Systematically Address all Action Plan issues	CARTS/CravenCounty	3-6 months	Develop processes, mauals, etc.	CC Oversight
C	Director Status Reports	CARTS Director	Monthly	Complete matrix	CC Oversight
D	Training and Instruction	CARTS/Craven County	Quarterly	Develop budget plan	CC/MPO/NC/FTA
E	Address high priority immediate action activities				
1	Fares/fees/public input	CARTS/Craven County	ASAP	Plan and processes - riders	CC/NBAMPO
2	ADA paratransit plan (certification, et al.)	CARTS/Craven County	1-3 months	Plan and processes - riders	CC/NBAMPO
3	Half-fare eligibility	CARTS/Craven County	ASAP	Plan and processes - riders	CC/NBAMPO
4	Communicate service changes to public	CARTS/Craven County	1 month	Input and feedback	CC/NBAMPO
5	Discussions with agencies/counties	CARTS Director	ASAP	Explain proposed modifications	CC/NBAMPO
				Complete MOU/LOA - all agencies	
F	Address medium-lower priority items	CARTS	3-6 months	Coordinate all aspects of program	CC/Agencies/MPO
G	Prepare for Triennial Review	CARTS Director	6-12 months	Address all Action Plan items	CC Oversight
<b>Monitor Transition</b>					
A	Assess impacts				
1	Riders	CARTS	Monthly	Ridership; fare media; etc.	Community input
2	Agencies	CARTS Director	Monthly	Fees; issues; etc.	TAB meetings
3	Budget; develop attributable share and urban trip info	CARTS Director	Monthly	Compare actuals with budget	CC
4	Draft development of recommendations for year 2	CARTS Director	4-6 months	Use monthly reports as basis	CC/NAMPO
<b>Operations and Capital Plan</b>					
A	Operations				
1	Implement half-fare and ADA paratransit	CARTS	1-6 months	Consider public input	TAB/NBAMPO/CC
2	Develop and communicate unmet needs process	CARTS	3-6 months	Reach out to jurisdictions, agencies	CC/NBAMPO
3	Develop bus stop and amenities program	CARTS	1-6 months	Reach out to jurisdictions, agencies	CC/NBAMPO
4	Coordinate rural and urban services	CARTS	1-6 months	Re-evaluate processes	Agencies/TAB
5	Consider Loop modifications; other service additions	CARTS/CC	3-9 months	Consider year 2 and beyond options	Jurisdictions/MPO
B	Capital				
1	Vehicles	CARTS/CC	1-6 months	Initial FTA funding/NCDOT coord	FTA/NCDOT
2	Develop plan for other capital	CARTS/CC	1-6 months	Communicate with peers, localities	CC/FTA
3	Develop five year plan process	CARTS/CC	1 year	Process development	CC/NBAMPO/FTA
C	Operations and Capital Plan	County	1 year	Annual update for 5-yr plan	CC/NBAMPO/FTA
<b>Coordinate Planning and Other Processes</b>					
A	Ensure consistency with NBAMPO processes	CARTS Director	3-6 months	Part of ongoing annual cycle	NBAMPO
B	Develop public input processes (incl. Title VI, EJ)	CARTS	3-6months	More outreach to urbanized area	NBAMPO/FTA
C	Include more input into TAB	CARTS	3-6 months	Include urban area with rural issues	TAB
D	Follow up on prior planning thoughts	CARTS	6-9 months	Annual review process	CC/other agencies
1	Expand hours or span of service				
2	Operate a fulls chedule 6 or 7 days a week				
3	Expand fixed route to other areas				
4	Coordinate/communicate rideshare or other services				

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## Action Plan

## Overview

In order for CARTS to be compliant with all FTA rules and regulations, and thus continue to receive existing funding and be eligible for any new funding sources that might be approved in the future, an evaluation of all aspects of the service, the organization and the processes is completed by the FTA which is called the Triennial Performance Review. Since every aspect is reviewed in that process, it was determined that a comparison of the current CARTS system with that Triennial Performance Review would provide the appropriate roadmap to follow for the implementation of services and processes during FY 2016 and subsequent years.

The FTA process includes the following areas: Financial Management and Capacity; Technical Capacity; Maintenance; ADA; Title VI; Procurement; DBE; Legal; Satisfactory Continuing Control; Planning/Program of Projects; Public Comment on Fare Increases and Major Service Reductions; Half Fare; Charter Bus; School Bus; Security; Drug Free Workplace and Drug and Alcohol Program; Equal Employment Opportunity; NTD; and new regulations regarding safety, asset management and reasonable accommodations regarding the ADA, which will be finalized within the next six to twelve months.

In the following section each of these areas will be discussed with respect to the CARTS system, including relative priorities and areas of emphasis.

## Background

As a 'sub-recipient' of FTA grants and funding sources through the NCDOT-PTD, CARTS has over the years been instructed by PTD to develop certain programs, policies, and procedures that are in keeping with the Federal requirements placed on NCDOT-PTD (as the Federal grantee or 'direct recipient'). Within the past five years specifically, following an FTA audit of the NCDOT-PTD office plus a random selection of PTD's 'sub-recipient' transit systems (which receive dollars passed on from PTD), PTD has been very aggressive in holding its sub-recipients to compliance to applicable FTA regulations. As a matter of law, any sub-recipient of FTA dollars is held to the same standards as a direct recipient. Thus, theoretically, CARTS has complied with many federal processes. However, the difference is that now CARTS will be responsible for that compliance as described below.

The following are two primary differences between CARTS' current status as a sub-recipient and, effective July 1, 2015, as a direct recipient:

- CARTS will have a direct reporting relationship to the Region IV FTA Office located in Atlanta, Georgia. Almost all of the required reports will be sent electronically via Federal software programs, such as TEAM (soon to be Trams) and the National Transit Database (NTD). Timely responses and report submittals will be critical, avoiding the potential for the withholding of funds and/or Federal

reimbursements.

- FTA will be definitive and timely in its oversight, much more than PTD, as the FTA has executed multi-year contracts with consulting firms that regularly and routinely, i.e. Triennial Reviews, correspond with and conduct on-site visits at direct recipients' facilities. The consultants will not only look at the support data but, as important, the processes, procedures, and programmatic systems that exist to ensure that Federal monies are controlled and not subject to abuse, misuse, and/or waste. A site visit for a system the size of CARTS will normally last two to three days and will be conducted by a team of approximately three auditors.

As previously noted, NCDOT-PTD is to be commended for instituting some new approaches in the way it has operated in the past, using its own FTA audit findings as a means to prepare the State's transit systems for the transition from rural Community Transportation Programs to becoming FTA direct recipients. To show the comparisons between FTA requirements and PTD requirements, the 'FTA Transition Work Plan Activities' matrix was developed to reflect CARTS' progress in moving from State to Federal requirements. The following narrative is intended to work in concert with that Matrix, providing more in-depth information on each of the various System Review Components that are encompassed in an FTA Triennial Review. Explanations of what programs and documents CARTS currently has in place are listed and also what is required in the future. While it is understandable that many tasks cannot be accomplished before July 1, 2015, an indication of the priority – ranging from immediate (0 to three months) to low (on or before July 1, 2016, i.e. FY2017 when CARTS is scheduled for a Compliance Review by NCDOT-PTD) - on which activities commence soon and those that can be deferred is provided. It is recommended that the Matrix be updated as actions / programs are instituted, using it as a management tool to track progress and to guide future activities and responsible parties for fulfilling the objectives.

### Action Plan Components

1. **Financial Management and Capacity** - The FTA will hold CARTS accountable for a financial management system that meets the requirements of the Common Rule (49 CFR Part 18.20) where an internal control environment exists with established public accounting standards.

Currently CARTS obtains only annual and not multi-year grants so tracking of expenditures is not difficult. While CARTS' vehicles are subsidized by Federal grants, NCDOT-PTD has maintained records for tracking expenditures and warranties. A spreadsheet was provided to CARTS staff as an example that could be used to develop a management tracking tool.

A 'best practice' in the industry is to establish separate accounts for urban and rural revenues and expenditures, i.e. two separate 'divisions'. Budget line items need to be established for each division. Additionally, multi-year grants must be easily tracked in

the County's financial database.

Staff has indicated that this type of staffing process is being developed as follows:

“Currently there is a vacant Administrative Support Assistant II position and a filled Administrative Support Assistant III position. We are working to develop a job description and justification to reclassify/rename both positions to either an Accounting Technician II or Accounting Technician III position. One position will focus on the accounting and administrative support for the rural side of our operations and the other will focus on those same duties for the urban side. Both positions will be cross trained for backup support of each other. Additionally, we have reclassified the Transportation Coordinator position to Assistant Transportation Director. The Assistant Transportation Director will supervise/manage operations, vehicle maintenance, driver supervision, and overall safety and security procedures. It will also be the responsibility of the Assistant to work more closely on the rural financials, thereby freeing up the Director to work more closely on the urban side of operation.

Our understanding is that the County's Finance Department has a 'Policies and Procedures Manual'. It would be timely to review; make modifications based upon current practices and operations or that should be instituted for fiscal controls of assets; and notify affected staff of pertinent changes. Identification of the flow of funds, both receivables and payables with thorough and detailed documentation will be necessary for the FTA Triennial Review. Applicable financial job duties and responsibilities will need to be identified by position. CARTS provided a sample document dated March 2010, but it is simply a statement that the County's Finance Department is responsible for all financial matters. We would note that it is essential that regularly scheduled reports are generated and forwarded to CARTS management for review and also shared with NBAMPO.

Restaffing and reclassifying CARTS staff is consistent with best practices, however, it is also recommended that a single point of contact be identified within the County financial team that can be familiar with the FTA processes and indicate to the review staff how the CARTS processes are consistent with the County processes. That would ensure internal reviews by persons in authority and adequate 'checks and balances' by staff with specific skill sets are in place.

CARTS' current 'Cash Handling Policy' (drafted on 4/28/2010) also needs to be reviewed. As written, there seem to be some inadequacies in the control of cash received from fares, and the draft may need some modifications. Instituting a more controlled form of cash handling is also recommended. Since any new fare structure may result in more cash fares by riders or the need for more subsidized fare media by agencies, introducing other forms of fare media, such as passes or bus ride tickets which are purchased from outlets (transit system office; County government offices where funds are exchanged, such as the water or tax department; and grocery stores' Customer Service counters) which have established procedures for tracking and

reconciling passes or tickets with fund receipts is the most preferred practice by other transit systems operating fixed route service. Recent discussions have indicated the opportunity to utilize a punch card process similar to use in the trash collection process.

The FTA will also examine the timeliness of payables, particularly to DBE-certified and SBE vendors. The County's written procedures should provide timeframes in which each step of the financial process the action should occur. FTA auditors will then examine documents to verify that the timeframes are achieved in a 'timely', as stated, manner.

Since Procurement is a division of the Finance Department, any and all processes, procedures, and practices should be documented in the Finance Department's 'Policies and Procedures Manual'. It should include information on the County's DBE program, certifications regarding lobbying, and certifications that the vendor has no suspension or debarments from obtaining contracts paid through Federal funds. (See System Components #6 and #7 that follow).

It should also be noted that opportunities for FTA training should be pursued whenever possible, since these offer the ability to both network with FTA staff and other grantees to share best practices and avoid errors that others have had to work around in the past. Similarly, there are a number of North Carolina systems that have urban and rural components and working with those peers is also logical.

Appropriate staff should also review the FTA website ('Funding & Finance' – Guidance for Transit Financial Plans') to learn more about requirements, expectations, and its responsibilities as the overseer of CARTS' financial matters.

Additional information regarding the financial and other impacts of the shift to FTA funding in the urbanized area as well as the overall review of the CARTS funding structure is contained in the next section of this report

## **PRIORITY: IMMEDIATE**

2. **Technical Capacity** – This System Component focuses on grant administration, program management, and project management. FTA evaluates grantees on the timeliness of Milestone/Progress Reports (specifically for inactivity and delays in closing grants), timeliness of Financial Status reports, and the effective monitoring of third party contractors.

NCDOT-PTD has performed oversight of CARTS' grants administration. Applications have been completed by CARTS and forwarded to NCDOT for processing and handling. This will not be the case as of July for the County's Federal grants. It is important that there be a link with NBAMPO on process and programmatic controls, with NBAMPO staff

lending direction and assistance. A highly skilled and proficient level of expertise is needed to provide oversight and management of all System Components. Overall programs cannot be delayed due to day-to-day operations of the transit service because attention must be paid to tracking the processing of grants in a timely manner and ensuring that third-party contracts and contractors' performance are being met. Assistance and connection with the NBAMPO would also be enhanced when all of the CARTS staff positions are filled. NCDOT-PTD has been known to allow transit systems extensions on its submittal of reports, recognizing the demands of Transit Directors' time. This is not the case with the FTA. When deadlines are established, these must be met, otherwise they result in negative findings when Project Management Oversight consultants conduct a review.

**PRIORITY: IMMEDIATE**

3. **Maintenance** - This Component encompasses not only the servicing and maintenance of vehicles by any equipment vendor (County Central Maintenance garage employees or contractors) but also facilities that are constructed with Federal monies. The focus is two-fold: safety of employees, passengers, and the general public operating on city streets; and the responsible upkeep of Federally-funded physical assets.

Using Federal grant funding, NCDOT-PTD purchased AssetWorks software for transit systems throughout the state. For approximately three years PTD has been promoting the various aspects of the software, specifically the entry of daily mileage data; vehicle repairs and services; collision accidents and incidents; equipment malfunctions; and status of warranties on the equipment. PTD relies upon CARTS to maintain records and electronic data on equipment assigned to Craven County but purchased through PTD. This ensures the State's compliance with Federal requirements placed on it as the direct recipient of capital assets.

CARTS' AssetWorks database, specifically the entry of work orders, is not currently reported due to lack of staff resources and time previously re-directed to this study and other administrative duties. Also, FTA requires written vehicle maintenance policies and procedures, outlining the 'who, what, when, how' vehicles will be serviced and maintained. Some documentation exists, but it seems to be in draft because there is no prepared date indicated. It states that the County's Central Maintenance Garage is responsible for ensuring that work is performed on the vehicles. There is no reference to the minimum qualifications of personnel assigned to work on the fleet. It also states that the Transportation Coordinator is responsible for tracking mileage to perform preventive maintenance inspections in a timely manner. NCDOT-PTD typically does not regularly check CARTS' AssetWorks database, however CARTS needs to adopt procedures that meet timeline goals on all aspects of the system.

CARTS staff provided a document entitled 'Vehicle and Equipment Maintenance Policy'

but it has no date on it to know when it was prepared. The multi-page document outlines the targeted vehicle miles when preventive maintenance inspections are to occur and what specific services are to be performed for each inspection period. There is no narrative regarding the oversight of contracted maintenance activities. If the County does not have a documented Facility /Equipment Maintenance Program, one needs to be developed. An example of a comprehensive, FTA-approved Facility / Equipment Maintenance Program has been provided to CARTS staff.

**PRIORITY: MEDIUM**

4. **ADA** - The Americans with Disabilities Act of 1990 requires public transportation agencies to provide paratransit service that complements its regular fixed-route bus service for individuals who are ADA-certified. In addition, each jurisdiction has other ADA responsibilities with respect to buildings, streets, etc.

CARTS staff provided a written statement (dated September 1, 2015) that indicated the transit system's ADA Policy, which can only be assumed to be the County's policy, is located in the Personnel Policy in the Human Resources Department. Since NCDOT-PTD has never conducted its own review of the County's ADA Policy or program, it is unknown whether or not the FTA requirements are met. There are programmatic tasks that NCDOT-PTD requires, per FTA regulations, of CARTS. These include conducting Operator training annually on the ADA regulations and Passenger Sensitivity Awareness. CARTS fulfilled its annual training on April 28, 2015. Operator training also regularly occurs on vehicle accessibility and effective operations for ensuring the safety of passengers requiring the lift. This is a requirement for both the State and FTA.

It is unknown whether or not the one 'garage' mechanic who performs vehicle services and maintenance on the CARTS vehicles is fully qualified to perform inspections and determine the operability of vehicle lifts. It is expected that person is, indeed, qualified since there have been no instances where adverse situations occurred involving a passenger, and equipment defects reported by Operators have been remedied with vehicles placed back in service.

CARTS' two Operators on the loop have Commercial Driver's Licenses and are both qualified to transport persons with mobility devices and assigned equipment to facilitate their movements. Procedures for providing ADA Paratransit or complementary service are somewhat being met by CARTS' demand response service, as is the case with many fixed route services located in small urban areas. FTA requirements, however, are more restrictive. For example, a rider who is ADA-certified must be provided transportation within 24-hours of requested service. This is less than the current 48-hours notification for CARTS' demand response service. Also, ADA eligibility is determined by a formal certification process that differs from CARTS' certification for elderly and disabled riders. Thus, a fully compliant ADA program containing the FTA requirements needs to be developed and documented, which, in all likelihood, greatly expands upon what the

County's existing policy states. This program must be in place to 'complement' the fixed route service that is to be federally funded on July 1<sup>st</sup>. It should be noted that prior to July 1 the CARTS Loop service has been characterized as deviated fixed route; after July 1 that service will be designated as a fixed route, thus requiring the full ADA complementary paratransit process.

To assist CARTS in the development of a compliant ADA program, examples of ADA plans that have already been approved by the FTA for other NC transit providers have been given to the Transportation Coordinator. Additional guidance has also been issued regarding reasonable modification; the APTA oversight document for this guidance has also been forwarded to staff.

**PRIORITY: IMMEDIATE**

5. **Title VI** – CARTS must be committed to ensuring that no person is excluded from participation in or denied the benefits of its transit services on the basis of race, color or national origin, as protected by Title VI of the Civil Rights Act of 1964.

On October 20, 2014 the FTA Office of Civil Rights approved CARTS' initial submittal of its Title VI Program. The transit system is required to submit its three-year updated Program on or before October 1, 2017 in TEAM (now Trams). Included within the 2014 Program was the following:

- a. Application
- b. Public Information/Complaint Process
- c. Siting of Facilities
- d. Limited English Proficiency
- e. Outreach
- f. Sub-recipient Monitoring; and
- g. Copies of Public Notices advertising the Program and offering the general public the means to obtain additional information on the Program, to file complaints &/or lawsuits; and to have means of contact with CARTS' management.

In collaboration with the MPO (Civil Rights and LEP plans are posted on NBAMPO website), CARTS must be cognizant and consistent in keeping NBAMPO apprised of its Title VI activities and ensuring that the MPO is actively engaged in the CARTS program. Also, as the result of this study, it will be necessary for CARTS to ensure compliance with its Title VI program as it institutes any fare and/or service changes. FTA Circular 4702.1B will be a useful management tool for staff because it explains FTA's requirements to integrate the goals of environmental justice into CARTS' existing operations, ensuring that consideration of Environmental Justice principles are part of all programs, policies, and activities, from the inception of the planning process through

project completion, operations, and evaluation. One particular requirement requires development of service standards and EJ analysis for any change in fares. All documentation of the process (e.g. minutes of meetings, worksheets, data analysis, public hearing notices, etc.) and materials prepared for affecting a new fare policy (flyers, inserts in newspaper, written narrative of radio / television announcements, etc.) should be maintained.

One industry 'best practice' is to contract a minority (often Hispanic) vendor that has been certified as a DBE/WBE through the County's Procurement Department to assist in the Public Meetings, serving as an interpreter for the LEP. Two organization objectives are being met: (1) receiving valuable input from the citizens; and (2) commencing to reach the system's DBE Goal (See Criterion #5 – DBE).

## **PRIORITY: IMMEDIATE**

6. **Procurement** - The FTA holds transit systems and their procurement officers responsible for the following: (1) ensuring full and open competition and equitable treatment of all potential sources in the procurement process; (2) planning, solicitation, award, administration and documentation of all federally funded contracts; and making comprehensive business judgments based upon the application of sound procurement policies and procedures, such as : Policies and Procedures Third-Party Contracts, Bus Testing, Suspension/Debarment, Lobbying Certification.

As previously discussed in **Financial Management and Capacity**, this is an area that requires review and possible modifications to the County's current procurement practices. For example, major purchases by CARTS, specifically anything more than \$1,000, is currently handled by the Procurement representative who is within the Finance Department. It is logical that the County, as recipients of other federal grants and funding, has process infrastructure in place for standard federal conditions such as third-party contracts, lobbying certification and suspension/debarment, for example. Bus acquisition is typically done through the NCDOT procurement process. If federal funds are to be used for bus procurement in the future, those procurement policies would need to be developed and include all applicable FTA requirements.

NCDOT-PTD adheres to the FTA regulations when it obtains services and products, but there has been no oversight of Craven County's procurement standards by PTD. It is recommended that the County's Procurement Officer go on the Internet to the FTA Home page and research the information contained with the Procurement tab. A 'Best Practices Procurement Manual' exists that will aid the Procurement Officer in performing the steps necessary to ensure public funds are expended properly and will protect the integrity of CARTS' procurement process. There are also training sessions conducted around the country, and attendance is recommended.

**PRIORITY: MEDIUM**

7. **DBE** – a compliant DBE Program plan sets forth in detail the steps taken by the County to facilitate competition by small business concerns and disadvantaged business enterprises.

CARTS staff provided a copy of a Policy Statement (dated 2009) for the County’s DBE Program. The statement conveyed that the County’s Human Resources Department oversees the Program. Staff indicated that the transit system has contracts with vendors, specifically for promotional items and office supplies, and that the aforementioned have been certified by the County. The Policy also states that the County has adopted the State of North Carolina DBE goal of 13%. Validation of the achievement of this goal can only be obtained through financial reports from the Finance Department.

It would be prudent for the Human Resources Director and Procurement Officer to confer after reviewing the FTA regulations and, if necessary, to modify the DBE Program. The Policy Statement provided referenced a ‘DBE Liaison Officer’ but it does not specify to which County job position this designation falls. It will also be beneficial for the County to work with the NBAMPO to determine what assistance and insight it can lend to this task. The FTA sponsors webinars on this subject, and participation by the DBE Liaison Officer and/or Human Resources Director may be beneficial.

**PRIORITY: MEDIUM**

8. **Legal** – It is in the County’s best interest to have a legal representative review all contractual matters before submittal to the FTA, ensuring complete and accurate information is provided.

Input we received was that the duties of the County Attorney’s office, reporting to the County Manager, were handled under contract with the New Bern law office of Sumrell Sugg Carmichael Hicks & Hart. The designations are already on file with the FTA, and NCDOT-PTD is aware of CARTS’ grant filing. Maintaining ongoing appropriate legal oversight in all issues pertaining to the FTA is recommended.

**PRIORITY: IMMEDIATE**

9. **Satisfactory Continuing Control** - The FTA must be assured that: there are adequate property records: inventory is reconciled to property purchased with Federal funds: and the property is utilized for its intended purpose.

CARTS’ vehicles, acquired by NCDOT-PTD with FTA funds, are inventoried through a

State-controlled system. Annual reports are prepared by CARTS and forwarded to PTD. The reports list the vehicles by VIN, odometer mileage, and condition of the operating equipment. AssetWorks software is the means for PTD to verify that warranty standards are being met. As previously stated, CARTS is behind in making journal entries of vehicles' work orders.

A physical inventory of other capital assets is conducted annually by the County's Finance Department. CARTS management is provided a list of items that exceed an established monetary threshold, and staff reports the condition and/or operability of the furnishing / fixture. Currently, the only asset besides the vehicles that has been inventoried is the photocopier.

When vehicles have reached the 'useful life' threshold, NCDOT-PTD advises CARTS and then the required paperwork is prepared by PTD to remove the asset from its inventory. Craven County has the opportunity to dispose of the equipment according to the County's policy.

As with many of these other processes there is an opportunity for CARTS to develop a multi-year capital improvement plan that combines federal and state resources. Keeping abreast with processes and developing implementable plans should be a part of staff responsibilities.

**PRIORITY: MEDIUM**

**10. Planning/Program of Projects** – Elements of this requirement include: Established in 2013, the New Bern Area Metropolitan Planning Organization (NBAMPO) is the principal agency charged with planning for the future transportation needs of the New Bern Metropolitan Area.

One of NBAMPO's primary purposes is to address current issues while also looking toward the future to craft a vision for the region in a long-range plan. NBAMPO is charged with leading the Metropolitan Planning Process; the Coordinated Planning Process for Human Services Transportation; and the Program Of Projects (POP), to name just a few of its planning objectives / requirements. Since Craven County is the designated recipient of Section 5307 FTA funds, CARTS staff is an active member of the NBAMPO's Transportation Advisory Committee (TAC) and a partnering agency in the planning of how projects are prioritized and determining what and how funds are needed to not only maintain but enhance CARTS service. The agencies already have a collaborative and cooperative relationship for both short- and long term objectives, evidenced by NBAMPO's 'FY2016 Planning Work Program' that was approved by the TAC in March 2015.

Future years planning processes should include re-evaluation of the Loop system and

any other unmet needs that are communicated in the urban area.

The Metropolitan Transportation Improvement Program (TIP) for 2016 – 2025 is the Program that outlines the regionally agreed upon list of priority transportation projects, as required by federal law (i.e. ISTEA, TEA-21, SAFETEA LU, and MAP-21). The TIP lists all projects that intend to use federal funds, along with all non-federally funded projects that are regionally significant. As the County begins to develop the needs for CARTS, this list will be provided to NBAMPO for inclusion in the regional projects submission process. Public notice of public involvement activities and time established for public review and comments on the Transportation Improvement Program (TIP) will occur to satisfy the Program of Projects (POP) requirements.

For many years CARTS has not conducted formal public meetings since there have been no significant fare or service modifications. However, the transition to FTA funding will affect some riders in the system, which includes understanding the requirement to develop a local process to determine potential impacts on low income and minority populations.

NBAMPO's website outlines its public awareness plan and is an excellent guide for the County to follow. In addition, NBAMPO has created a citizens advisory committee, which could be a good sounding board for CARTS urban programs and issues.

**PRIORITY: IMMEDIATE**

- 11. Half Fare** – The FTA mandates that Fares charged elderly persons, persons with Disabilities, and individuals with a Medicare card during non-peak hours must not exceed one-half of the rate charged to others during peak hours.

CARTS currently has a 'reduced' fare program for the elderly (age 60 and older) and persons with disabilities. There is a certification process in place where a passenger with a disability must obtain medical certification to validate the disability and an indication as to whether it is permanent or temporary. Persons wanting eligibility for reduced fares because of their age must also present proof of age. CARTS' RouteMatch database is used to track passengers' profiles and certifications.

The FTA requirement uses the threshold age of 65 and this certification needs to be part of the overall certification which includes ADA paratransit. In addition, the new fare structure may require those that previously rode free based on NCDOT EDTAP subsidization to pay half fare.

**PRIORITY: IMMEDIATE**

- 12. Charter Bus** - Private charter operators are protected from unauthorized

competition from recipients, like CARTS, of Federal financial assistance.

CARTS developed a policy dated June 2005 to address its 'incidental' charter service. However, after changes in the Federal regulations regarding transit systems competing with private providers for charter service, CARTS ceased to accept any and all such work assignments. When, or if, CARTS decides to resume charter transports, Management should thoroughly research the Federal regulations; develop processes and procedures to ensure compliance with the charter regulations; and be prepared to administer all the various tasks associated with generating any revenue from movements. As a point of information, within North Carolina, most transit systems have made the decisions to forego the processes for this work. YVEDDI (in the Yadkin Valley, north of the Triad) and AIM (Alleghany County) are the only two systems that we have encountered that perform charter service. Both operate in very rural service areas where transports are often needed during the holidays and summer months to CLT Douglas airport. For CARTS, the potential to generate an additional revenue source is probably the only reason that is viable for commencing this service.

**PRIORITY: LOW**

**13. School Bus** – Some transit systems, but not CARTS, often provide supplemental service to local public school systems.

This area of reporting is not applicable to CARTS' operations as all school bus service in the State of North Carolina is under the auspices of the Department of Public Instruction. CARTS does not currently provider any 'tripper' services to augment the school system's transportation.

**PRIORITY: LOW**

**14. Security** – Since '9/11', not only has safety but also the security of employees of transit systems and the riding public become of paramount importance to the FTA.

As required by NCDOT-PTD to be compliant with FTA regulations, CARTS has a formal System Security Program Plan (prepared April 2015) and soon to be approved by the County's Board of Commissioners and then to be forwarded to NCDOT-PTD. Other County department representatives that are critical to the success of CARTS' safety and security programs are the Risk Manager (Finance Department); the Central Maintenance Garage (Motor Vehicle Supervisor and Mechanics); and the County's Emergency Management Director.

Additional federal regulations will be forthcoming with respect to safety and CARTS staff should maintain due diligence of those regulations, as well as asset management and

other new FTA processes.

**PRIORITY: LOW**

**15. Drug Free Workplace and Drug and Alcohol Program** - FTA's goal in requiring a substance abuse testing program is simple: to protect public safety. The means to do so is through compliant drug and alcohol programs.

CARTS' Drug and Alcohol Testing Program must be updated as its content is not current, evidenced by names of former CARTS personnel on the documents. The last update was published 9/29/2011 by NCDOT in its oversight role by FTA requirements; Commissioners approved the latest Program on October 17, 2011. There is no fully executed, i.e. signed by the Commissioners, copy on file at CARTS.

Items that should be considered:

- Clear, concise language indicating that tests, specifically alcohol screens whenever the employee is in uniform, are beyond the scope of the FTA regulations and are not DOT-certified screens. It is imperative to differentiate screens mandated by the FTA from those authorized by the Craven County Personnel policies.
- CARTS is currently not in compliance with FTA regulations since the organization has no Drug and Alcohol Program Manager (referred to by the FTA as 'DAPM'). The Transportation Coordinator, for example, cannot be the DAPM because that position is in the collection pool of selected employees. The County's Human Resources Manager is currently fulfilling one of the assigned duties of a DAPM, but is not fully responsible for the Program and its oversight.
- To gain a full understanding of the drug and alcohol program, seminars are held throughout the country (the most recent was conducted April, 2015 in Atlanta). It is strongly suggested that Craven County update its program, monitor the FTA processes and consider attendance at future seminars.

**PRIORITY: IMMEDIATE**

**16. Equal Employment Opportunity** – Every three years the FTA requires CARTS to provide a detailed, results-oriented set of procedures designed to achieve prompt and full utilization of minorities and women at all levels and in all parts of the contractor's workforce, including EEO Program, Oversight of Subrecipients and Contractors

The County's Human Resources Department oversees EEO matters and works with CARTS when recruiting new hires. The HR Director assists CARTS on other personnel matters, as previously explained in System Component # 16. Since there has been no review of the County's EEO Program and Plan, it is recommended that the Human

Resources Director review the FTA guidelines to ensure that the current Program is compliant.

**PRIORITY: LOW**

**17. Other: National Transit Database Program** -The National Transit Database is the primary source for information and statistics on transit systems in the US.

As a FTA grant recipient under the Urbanized Area Formula Program (§5307), CARTS must enter operating and safety data for transit services offered during the previous year. CARTS is already reporting, as required by NCDOT-PTD, ridership and financial data into the FTA's National Transit Database (NTD). CARTS staff has been in contact with the FTA and is currently meeting the requirements for reporting.

**PRIORITY: LOW**

### **Financial Plan Analysis**

#### **FINANCIAL ANALYSIS - Fares, Fees and Budget Options and Alternatives**

The goals of the analysis and discussion of related issues are to:

- First, identify how many persons will be affected by the change and what that impact would be with respect to potential fares, and what, if any, modifications could be considered from a rider perspective.
- Second, also identify what the financial ramifications will be based on the reduction in NCDOT funds and what Federal dollars will be required to offset that reduction.
- Third, identify other financial considerations modifications with respect to the CARTS 2015-2016 budget.
- Finally, considering all of the above, develop options and alternatives to move forward through the public input process.

As previously discussed, the funding for the CARTS operation consists of a variety of grants, written and verbal agreements and other arrangements with approximately 17 other agencies. These include continuing funding from NCDOT, Pamlico and Jones counties, DSS, one-time use funding and processes, discounted trips and passenger fares. Those sources provide the funding for all CARTS services, both in the rural and UZA areas.

In general, NCDOT funds have historically been used to effectively subsidize services for the elderly and persons with disabilities, employment and general public trips throughout the County. Effective July 1, 2015 those funds will not be eligible to

subsidize those trips that occur entirely within the urbanized area and will require that an “attributable share” process be developed for determining the amount of federal funds for trips that occur partially within the urbanized area. Although federal funds are available to subsidize those trips, the federal process is different than the state, which requires CARTS to fully understand the associated costs and recommend a financial plan.

For preliminary planning and budgeting purposes, a draft fare structure has been proposed and is shown below:

<u>Urban</u>	<u>Rural</u>
\$1.00 Fixed Route (Loop)	
\$0.50 Half-fare E&PWD*	
\$2.00 ADA Paratransit	
\$2.00 Elderly DAR	\$2.00 Elderly PWD
\$3.50 General Public DAR (Entire UZA County)	\$3.50 General Public DAR (Entire County)
\$6.00 Same Day	\$6.00 Same Day

\*PWD is persons with disabilities

The methodology used for this analysis is to “disaggregate” each of the components of the revenue/fare arrangements and then, once we have identified and understood each piece, to re-aggregate those in a way that develops issues, options and alternatives for discussion.

We then explored each type of service and the numbers of riders to get a sense for impacts both on the riders as well as the fiscal ramifications. For example, the first type of service discussed was the Loop, as shown below.

## **LOOP**

### Fares

Types of fare funding for the Loop include:

- General Public unsubsidized that pay \$1.00 per boarding
- EDTAP eligible clients that are subsidized by state funds
- DSS and Employment clients do not pay a fare, but DSS/Work First are charged a \$3 per passenger fee
- RCS and Interfaith riders are billed at a rate of \$1 per trip

From a percentage use basis, using March 2015 as a typical month with 1669 passengers:

- 1022/1669 or 61.2% of riders were General Public
- 496/1669 or 29.7% of riders were EDTAP
- 127/1669 or 7.6% of riders were RCS/Interfaith
- 24/1669 or 1.4% were DSS/Employment

Thus, with respect to how fares would change from current to proposed, the 30% of riders now eligible for EDTAP would be required to pay a fare, but as indicated below they would be eligible for a half-fare of \$0.50. Strictly from a fare change view, the remainder of the riders would not be affected.

Costs and Subsidies

The current Loop costing was reviewed, which indicated that the yearly cost, based on 2013 numbers, is \$117,262, which equates to \$475 per day. It should be noted that the current work sheet uses a daily cost of \$420. This is one of several instances where actual cost numbers differ from those used in calculations, which in this case results in a 12% undervaluation of the cost, with associated impacts shown below:

• Daily Cost	\$474.75
• Working Days	22
• Monthly Cost	\$10,444
• Credit from NCDOT Operating Funds	\$3,601
• Net Cost for Month	\$6,843
• Total Passengers	1,669
• Cost per Passenger	\$6.26

Less Funding received:

• DSS/Employment billed at \$3/passenger	\$72
• EDTAP at \$1/passenger	\$496
• General Public at \$1/passenger	\$1,196
• Subtotal	\$1,717
• Amount billed to RGP (3 X Public)	\$3,447
• Shortage/Net Cost (Total – Credit – Collected)	\$5,126

With respect to Loop costs for 2016, NCDOT Operating Funds, EDTAP, and RGP will not be available, so the CARTS costs of \$10,444 would only be offset by general public fares and enhanced fares by DSS/Employment, which total \$1,221 leaving a subsidy per month of \$8,576, or an annual subsidy requirement of \$102,912.

It was also noted that the Loop cost includes two full time drivers with benefits, compared with the use of part-time drivers throughout the remainder of the system. Thus, the cost for DAR service will be less than for Loop service.

### Budgeted Funds

The draft CARTS 2015/2016 budget includes revenues and expenses of \$1,579,523, which includes line items of \$445,022 for formula funds and \$207,000 from DSS, which was communicated as the potential local share to match the federal funds (those funds require a 50% local share which excludes farebox revenue. Based on the above calculations, it would appear that a demand for \$102,912 in non-NCDOT funds has been identified.

### **HALF-FARE**

The FTA requirements for fixed route service are that, persons over 65, with a valid disability or having a Medicare card, may ride for half fare. Based on the monthly passenger totals above, it appears that once an eligibility process is established, all those eligible for EDTAP, (496/1669 or roughly 30% of the Loop riders), would qualify for that discount. That would further decrease the amount of farebox revenue by approximately \$250/month and would require an additional subsidy of \$3,000 per year.

### **ADA PARATRANSIT**

ADA paratransit is required to be offered to persons with disabilities that: meet certification criteria; cannot access the fixed route service; and reside within three-quarter miles of the fixed route service are eligible for ADA paratransit service. Fares for ADA paratransit cannot exceed twice the base fare. Estimates for persons with disabilities by county were included in the 2000 census, but not the 2010 version. The definition of disability was much more liberal than the ADA eligibility definition; for example in 2000 it was estimated that 26% of the county population had some disability. The average eligible ADA paratransit demand, however, is usually much closer to one or two percent of the total population. Given the current level of persons with disabilities using CARTS, there was a thought that perhaps 5% of the population might be eligible for the ADA service.

Although the fare is twice that of fixed route, there are no restrictions with respect to number of trips requested and no restrictions regarding trip destinations. The ADA paratransit process requires an additional infrastructure and the development of a specific plan. Portions of that infrastructure, such as a reservation process that includes reservations made twenty-four hours in advance of the trip, are different than the current CARTS process (which is based on forty-eight hours).

Experience would suggest that for a relatively small service area the trip demand would be relatively low, but the time/energy required to develop the plan and the component parts (e.g. eligibility/certification process) will be high and communicating the nuances of this service compared with other services to agency representatives and customers will also require allocation of staff resources. Historically, ADA paratransit costs are higher than system averages for fixed route services, to some degree because there are additional costs associated with the trip-taking and record keeping processes.

In our view, the additional operating costs for ADA paratransit will not be significant.

It should also be noted that federal funds do not subsidize the fares for those eligible for half-fare or ADA paratransit. Thus if agencies are interested in funding those costs, arrangements must be made with CARTS. Also, the half-fare requirement is not applicable for dial a ride services that are open to the general public.

### **SAME DAY**

The initial thinking was that additional revenue could be generated by developing a same day fare of \$6. Based on the evaluation and analysis, this fare would not appear to be sufficient to generate revenue, thus is not recommended for implementation.

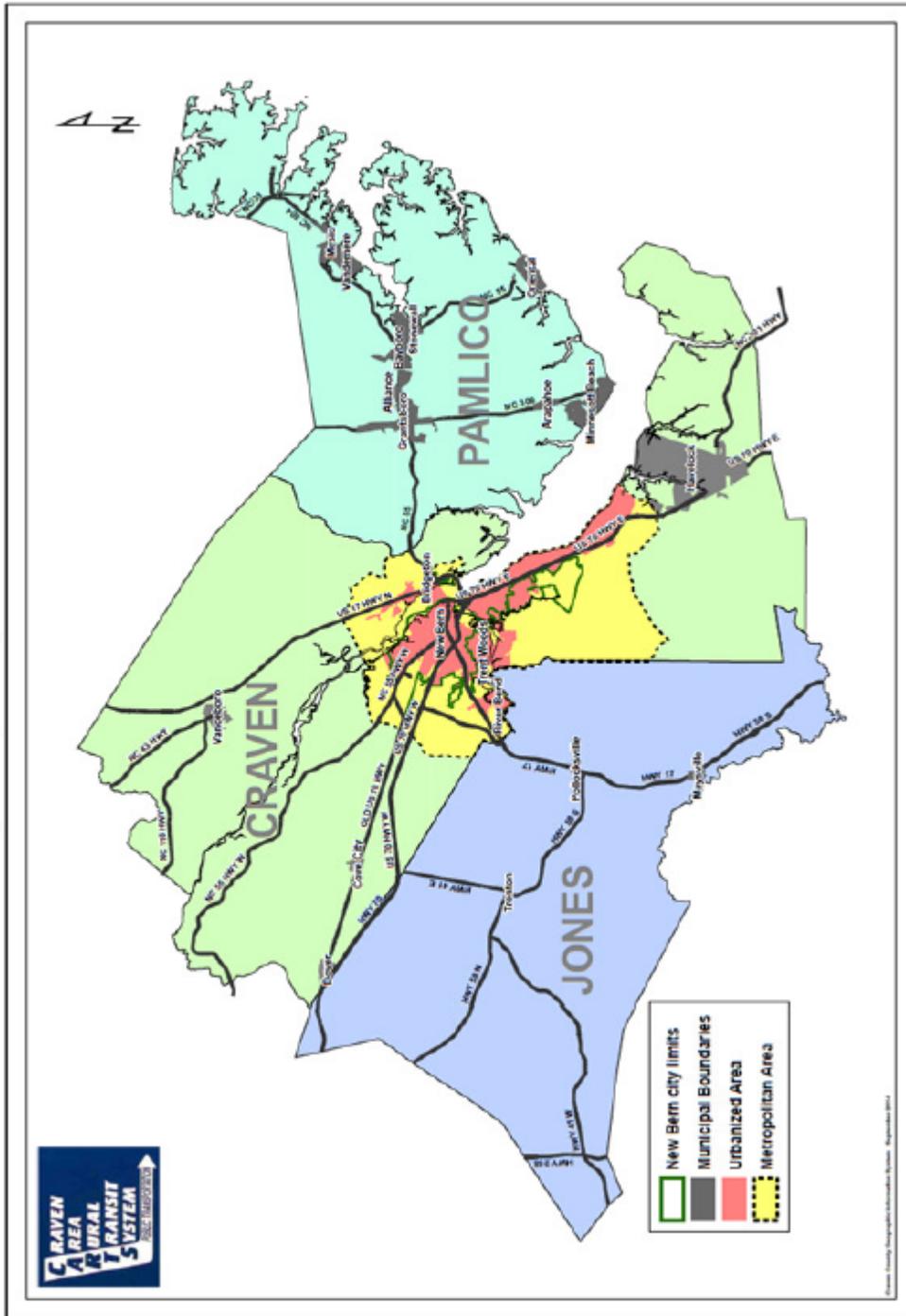
### **DIAL A RIDE AND RURAL GENERAL PUBLIC**

The remainder of the riders on CARTS, again looking at the impact in the urbanized area of Craven County only, consist of the agency or grant subsidized dial a ride and the grant subsidized rural general public riders. In order to estimate the impact on the riders, subsidies and budgets requires knowing how many trips are made in Craven County and what percentage of those trips occur in the UZA (since NCDOT funds cannot be allocated to those trips).

Based on discussions with CARTS staff, it was concluded that the best methodology for determining those impacts was to use the existing software capabilities and factor up the number of riders for a typical month, then compare that demand with the fully allocated cost that has been developed (and is charged various agencies for the service).

EXHIBIT 1 - CARTS' SERVICE AREA MAP

Craven Area Rural Transit System (CARTS) Service Area



The table below indicates the variety of CARTS billing rates for various agencies:

CARTS Billing Rates																		
Agencies	GRANT	Flat Fee	Zone Rate	Cost Per Mile Shared Rev	Cost Per Mile Shared Service	PER TRIP OR MILE	up to 10 miles	10.1-15 miles	15.1 to 20 miles	20.1-30 miles	30.1 - 40 miles	40.1 -	No Show					
Coastal Community Action (CCA)			x				\$5.00	\$6.50	\$8.00	\$12.50	\$14.00	\$17.00	\$5.00					
Croatan Village Assisted Living		x/\$4.25											\$5.00					
Monarch/CCE ARC			X				\$5.00	\$6.50	\$8.00	\$12.50	\$14.00	\$17.00	\$5.00					
New Bern House			X				\$5.00	\$6.50	\$8.00	\$12.50	\$14.00	\$17.00	\$5.00					
Promise Place			X				\$5.00						\$5.00					
VR			X				\$5.00	\$6.50	\$8.00	\$12.50	\$14.00	\$17.00	\$5.00					
ECU-ID Clinic				x		\$1.35							\$5.00					
<b>HCCBG GRANT</b>																		
HCCBG - Craven		x				\$7.25/\$6.52												
HCCBG - Jones		X				\$7.52/\$6.52												
<b>CORE AGENCIES</b>																		
Craven DSS				x		\$1.35							\$5.00					
Jones DSS				X		\$1.35							\$5.00					
Pamlic DSS				X		\$1.35							\$5.00					
<b>ROAP GRANT</b>																		
Pamlico County Senior Services				X		\$1.35							\$5.00					
PCC				X		\$1.35							\$5.00					
Pamlico EDTAP					X	\$1.20							\$5.00					
Jones EDTAP					X	\$1.20												
Pamlico RGP - Public		x				\$18.00/\$2.00							\$18.00/\$2.00					
Jones RGP-Public		x				\$18.00/\$2.00							\$18.00/\$2.00					
Pamlico EMP		x				\$18.00/\$2.00							\$18.00/\$2.00					
Jones EMP		x				\$18.00/\$2.00							\$18.00/\$2.00					
Craven EDTAP					X	\$1.20							\$5.00					
							up to 7.5 miles	7.5-9.5 miles	9.5 - 11.5 miles	11.5 to 13.5 miles	13.5 - 15.5 miles	15.5- 17.5 miles	17.5-19.5 miles	19.5-21. miles	23-25 miles	25-27 miles	31-33 miles	No Show Same as zone
Craven EMP			X				3.25	3.5	3.75	4	4.25	4.5	\$4.75	5	5.5	5.75	6.5	
Craven RGP			X				3.25	3.5	3.75	4	4.25	4.5	\$4.75	5	5.5	5.75	6.5	

### Dial a Ride

These riders include agency funded trips for DSS and other agencies listed above; many of those trips are funded based on a “shared use per mile” that is costed at either \$1.35 or \$1.20 (with the lower fee also including deadhead). Understanding the number of DSS urban area trips is important, since the agency fees for those trips are anticipated to be the primary source of the local match for FTA funding. A preliminary review of the monthly data indicated that 60% of the DSS trips are made entirely within the urbanized area. That would suggest that, given the anticipated DSS funding of \$207,000, that 60% of that total, or \$124,000, would be eligible as the local match.

In addition, based on an evaluation of agency fees for their trips made entirely within the urbanized area, another \$4,800 a month for those fees, or \$57,600 annually would also be available as the local match.

Thus, these two sources would combine for \$181,600, which could then be used to match an equivalent amount of federal funds, providing \$363,200 of service.

It should also be noted that a re-evaluation of the existing fee structure by CARTS staff, using the rate setting model provided by NCDOT, indicated that a higher rate for the fully allocated cost is justified and the recommendation would be to move forward with that

higher rate as part of the overall financial plan for fares and fees.

### Rural General Public

All other dial a ride trips in the urbanized area that are not agency funded would be considered as rural general public and those riders would pay the current fare for those trips, most likely \$3.50 for trips up to 10 miles. An evaluation of a recent month of data indicated that there are 1,400 riders per month.

Currently, the non-fare costs for these trips are subsidized by NCDOT funds, which will not be available after July 1. Based on the current fully allocated cost structure, the average cost per trip would be \$13.50, less \$3.50 in fares, would require a subsidy of \$10 per trip or \$168,000 per year.

Those that are ROAP eligible currently ride for free and their cost would now be the RGP fare of \$3.50.

### **SUMMARY**

The financial plan approach would be:

Fares:

- Maintain rural fares
- Increase the fee for fully allocated cost per revenue mile for all urban and rural trips based on current costs
- Recommend the following urban fare structure:
  - Fixed Route - Loop
    - Base fare - \$1.00
    - Half-fare - \$0.50
    - Complementary ADA paratransit - \$2.00
  - Demand Response
    - RGP Zone Fare Structure

Costs:

- Monitor Loop costs – estimated annual subsidy required is approximately \$100,000.
- Monitor RGP costs – estimated annual subsidy required is approximately \$168,000
- Monitor DSS and Agency Fee costs – estimated local match generated is \$124,000 and \$57,600, which would total \$181,600 which could be matched by FTA funds for a total of \$363,200 of service.
- Develop “attributable share” costing process to capture DSS and Agency Fee

data for trips partially made in the urban area and include those in the eligible match accounting.

Budget:

- If the above demand and cost figures track for the first year of service, there should be more than sufficient resources to fund the initial program as described above.
- However, the overall impact on the services, both rural and urban, need to be accurately accounted and understood.

Public and Agency Input

- Although the base fare for the Loop will remain the same, fares currently subsidized by NCDOT funds will need to be replaced by agency funds, if the intent is for those persons to ride without paying a fare.
- Those that qualify for EDTAP funds will likely be eligible to ride for half-fare, but that ID process has to be created.
- The ADA paratransit infrastructure also has to be developed.
- Appropriate fare media and fare collection processes also have to be put in place.
- Potential impacts on low income and minority populations should be addressed using planning processes in the CARTS and NBAMPO processes.

## Appendix 1 – Implementation Table

Craven County TDP					
Action Plan Recommendations					
		Implementation Lead	Timeline	Impacts	External Involvement
<b>Staffing and Organization</b>					
A	Modify structure; hire staff	Craven County/CARTS	1-3 months	Immediate action	CC Oversight
B	Systematically Address all Action Plan issues	CARTS/CravenCounty	3-6 months	Develop processes, manuals, etc.	CC Oversight
C	Director Status Reports	CARTS Director	Monthly	Complete matrix	CC Oversight
D	Training and Instruction	CARTS/Craven County	Quarterly	Develop budget plan	CC/MPO/NC/FTA
E	Address high priority immediate action activities				
1	Fares/fees/public input	CARTS/Craven County	ASAP	Plan and processes - riders	CC/NBAMPO
2	ADA paratransit plan (certification, et al.)	CARTS/Craven County	1-3 months	Plan and processes - riders	CC/NBAMPO
3	Half-fare eligibility	CARTS/Craven County	ASAP	Plan and processes - riders	CC/NBAMPO
4	Communicate service changes to public	CARTS/Craven County	1 month	Input and feedback	CC/NBAMPO
5	Discussions with agencies/counties	CARTS Director	ASAP	Explain proposed modifications	CC/NBAMPO
				Complete MOU/LOA - all agencies	
F	Address medium-lower priority items	CARTS	3-6 months	Coordinate all aspects of program	CC/Agencies/MPO
G	Prepare for Triennial Review	CARTS Director	6-12 months	Address all Action Plan items	CC Oversight
<b>Monitor Transition</b>					
A	Assess impacts				
1	Riders	CARTS	Monthly	Ridership; fare media; etc.	Community input
2	Agencies	CARTS Director	Monthly	Fees; issues; etc.	TAB meetings
3	Budget; develop attributable share and urban trip info	CARTS Director	Monthly	Compare actuals with budget	CC
4	Draft development of recommendations for year 2	CARTS Director	4-6 months	Use monthly reports as basis	CC/NAMPO
<b>Operations and Capital Plan</b>					
A	Operations				
1	Implement half-fare and ADA paratransit	CARTS	1-6 months	Consider public input	TAB/NBAMPO/CC
2	Develop and communicate unmet needs process	CARTS	3-6 months	Reach out to jurisdictions, agencies	CC/NBAMPO
3	Develop bus stop and amenities program	CARTS	1-6 months	Reach out to jurisdictions, agencies	CC/NBAMPO
4	Coordinate rural and urban services	CARTS	1-6 months	Re-evaluate processes	Agencies/TAB
5	Consider Loop modifications; other service additions	CARTS/CC	3-9 months	Consider year 2 and beyond options	Jurisdictions/MPO
B	Capital				
1	Vehicles	CARTS/CC	1-6 months	Initial FTA funding/NCDOT coord	FTA/NCDOT
2	Develop plan for other capital	CARTS/CC	1-6 months	Communicate with peers, localities	CC/FTA
3	Develop five year plan process	CARTS/CC	1 year	Process development	CC/NBAMPO/FTA
C	Operations and Capital Plan	County	1 year	Annual update for 5-yr plan	CC/NBAMPO/FTA
<b>Coordinate Planning and Other Processes</b>					
A	Ensure consistency with NBAMPO processes	CARTS Director	3-6 months	Part of ongoing annual cycle	NBAMPO
B	Develop public input processes (incl. Title VI, EJ)	CARTS	3-6 months	More outreach to urbanized area	NBAMPO/FTA
C	Include more input into TAB	CARTS	3-6 months	Include urban area with rural issues	TAB
D	Follow up on prior planning thoughts	CARTS	6-9 months	Annual review process	CC/other agencies
1	Expand hours or span of service				
2	Operate a full schedule 6 or 7 days a week				
3	Expand fixed route to other areas				
4	Coordinate/communicate rideshare or other services				

**Appendix 2 – Documents Provided to CARTS’ Director**

## **Documents provided to CARTS' Transit Director**

Example – Detailed Organization Chart of Transit & Governing Body

New Customer Comment Card

Grant Policy

Purchasing Policy

Personnel Policy

Excel Spreadsheet to track Federal Assisted Contracts since last triennial

Transit Policy Manual (inclusive of Public Comments section)

Transit Advisory Board Meeting Minutes proposing Fare Increase

Fare Change Summary Posting / Public Notice (English and Spanish)

Reduced Fare ID Application – English and Spanish)

Excel Spreadsheet - Transit Asset Listing (property id, VIN / serial #, etc.)

Transit Asset Management and Inventory Policy

Title VI Program Plans [AIM, CK Rider]

ADA Paratransit 'How To Ride Guide' for Passengers (English and Spanish)

Title VI Complaint Form (English and Spanish)

Bus Fleet Maintenance Management Plans [CATS, LakeTran]

## Appendix 3- TM1 Baseline Conditions Report

## **Baseline Conditions**

### Existing System Overview

Craven Area Rural Transit System is the public transportation provider for Craven, Jones, and Pamlico counties. Located in New Bern, the office is centrally located to all three counties. The mission of CARTS is “to provide transportation services, within its capabilities, to the general public with special emphasis on the provision of such services to the elderly and/or handicapped residents of Craven, Jones and Pamlico Counties.”

The Craven County Department of Transportation system began operation in July 1980, after a six month planning and start-up phase. CARTS is a North Carolina Department of Transportation, Public Transportation Division (NCDOT/PTD) approved regional system serving the citizens of Craven, Jones and Pamlico Counties. The system provides transportation for the general public and for human service agency clients throughout the three counties, as some out-of-county destinations for certain medical appointments. Demand response service is available throughout the three-county service area.

Many recurring trips focus on New Bern, which is the largest municipality in the region and the center of CARTS operations. Regularly scheduled trips operate from Vanceboro, Fort Barnwell and Dover in northern Craven County, Harlowe and Havelock in southern Craven County, Bayboro, Grantsboro, Oriental and Arapahoe in Pamlico County, and outlying areas in the south and west of Jones County through Trenton and Pollocksville into New Bern. All of these trips are open to the general public and other agencies, provided reservations are made 48 hours in advance and there is space available on the vehicle, as scheduling is made on a first-come , first- serve basis.

Within New Bern CARTS also currently operates a bi-directional deviated fixed route loop connecting housing areas with shopping, the Craven Community College, and a number of medical and social service offices in the town. This service is open to the general public and no reservation is required.

Additional system information from the CARTS website indicates:

“The system operates a fleet of 32 vehicles, including specially modified vans to accommodate the elderly and/or persons with disabilities and a variety of other vehicles such as standard vans, converted vans, mini-buses and sedans. Scheduled route structures are currently based on the requirements of the Human Service Agencies served by the system (i.e. Social Services (DSS), Monarch, Port Human Services, Senior Citizen's Centers, etc.).

The service is available to the general public on a space available basis for fares ranging from \$1.00 to \$6.75 according to zoned distances. Demand/Response service is also available to the public on a limited basis, again with emphasis on the elderly and/or persons with disabilities.

Days/Hours of Operation:

Office: Monday - Friday, 7:00 a.m. to 5:15 p.m.

Routes: Monday - Friday, 5 a.m. to 6:00 p.m.

County Holidays Office Closed (Operate Dialysis Routes only)

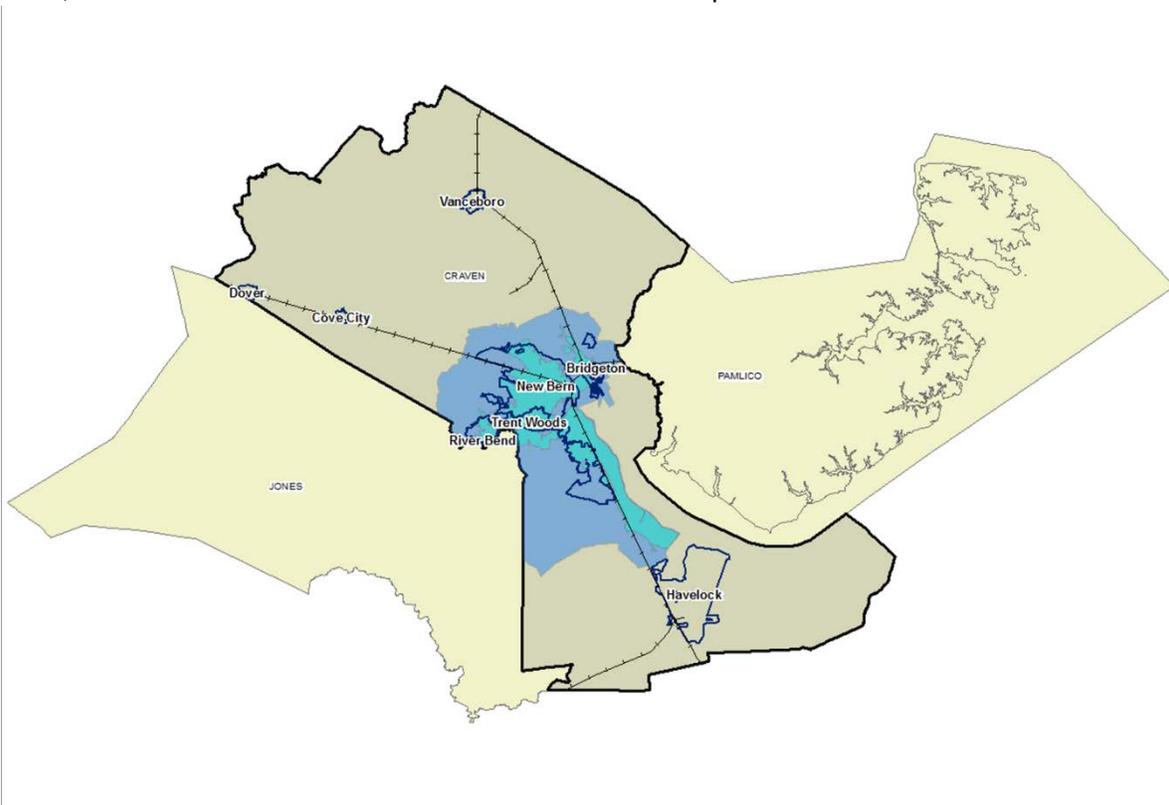
Type of Services

Public transportation system operating as Craven Area Rural Transit System (CARTS).

Regional community public transportation system serving Craven, Jones, and Pamlico counties. Provides public transportation services to human service agencies and the general public through subscription, demand response, and deviated fixed routes.

Provides public transportation services to other agencies such as: Vocation Rehabilitation; Coastal Community Action; Monarch/CCE (ARC.).

The CARTS service area is shown below, the color gradations relate to the Urbanized Area, which will be discussed in further later in the report.



The Loop service map with stop information is also shown below:



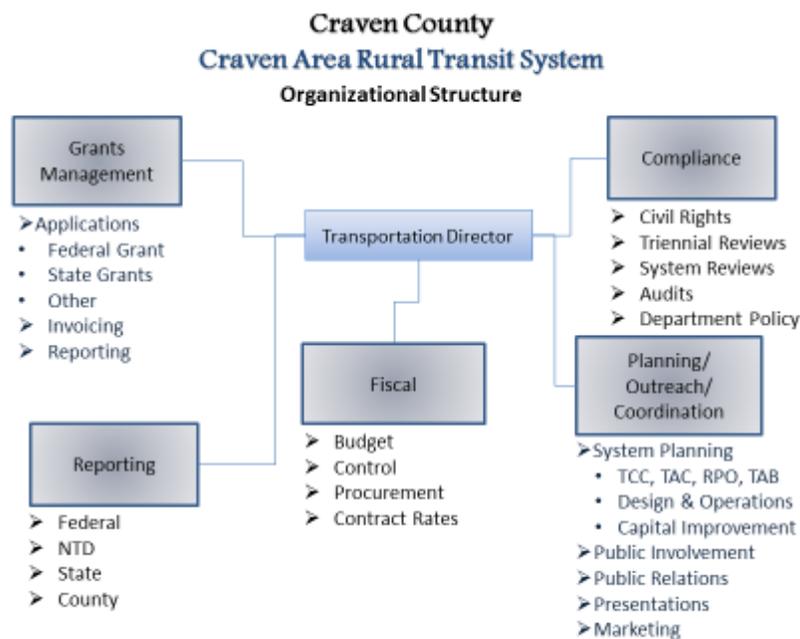
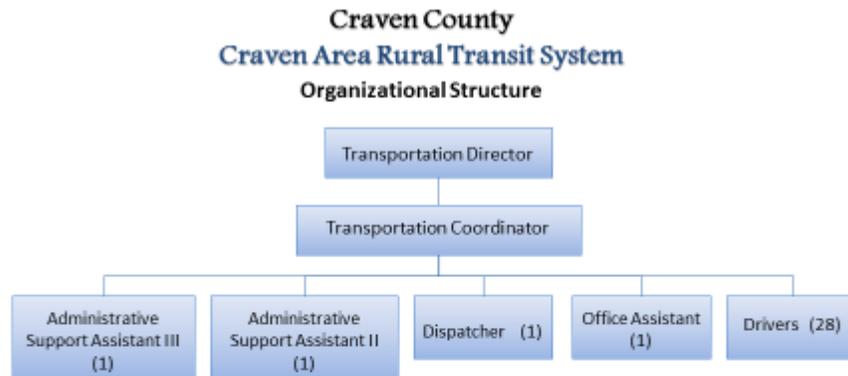
RED ROUTE						YELLOW ROUTE							
See map for numbered locations.						See map for numbered locations.							
Monday-Friday: 7am-3:44pm						Monday-Friday: 8am-4:46pm							
PLACE	DEPARTS					PLACE	DEPARTS						
24 Human Services, Neuse Blvd.	8:00	9:43	11:18	12:52	2:42	24 Human Services, Neuse Blvd.	8:00	9:35	11:15	1:00	2:40	4:15	
21 Kensington Park, Office		9:48	11:23	12:57	2:47	1 Coopers Landing, Simmons St.		9:40	11:20	1:05			
23 Brunswick House, Colony Dr.	8:04		11:30	1:07	2:52	2 Old ESC Office 1305 Simmons St.			11:23		2:45		
22 Noah, Lofland Way	8:09		11:38	1:12	2:57	3 CarolinaEast Medical Center Neuse Blvd.		9:46	11:28	1:11	2:50		
20 Complete Dental S. Glenburnie Rd.	8:17	9:58	11:41	1:18	3:03	4 New Bern Utilities, Broad St.		9:49			2:53		
19 Craven Community College	7:55	8:22	10:03	11:46	1:23	3:08	5 Craven Terrace, Roundtree St.	8:05	9:53	11:33	1:16	2:57	4:20
18 New Bern Internal Medicine Newman Rd.	8:26	10:07	11:50	1:27	3:12	6 Craven Terrace, Miller St.	8:08	9:56	11:36	1:19	3:00	4:23	
17 New Bern Family Practice Medical Park Way	8:29			1:30	3:15	7 Headstart, Biddle St.	8:12	9:59	11:39	1:22	3:03	4:26	
16 Target	8:34	10:11		1:35	3:20	8 RCS Annex, Guion St.	8:15	10:02	11:42	1:25	3:06	4:29	
15 New Bern Mall Front Entrance	8:37	10:14	11:53	1:39	3:23	9 City Hall, Pollock/Craven	8:23		11:50				
14 Walmart, Shopping Center	8:41	10:18	11:57	1:43	3:28	10 Housing Authority, Fleet St.	8:27	10:07	11:54	1:30	3:11	4:34	
13 Berne Square, Big Clock	8:45	10:22	12:01	1:46	3:31	11 Trent Court, TCDC	8:30	10:10	11:57	1:33	3:14	4:37	
12 New Bern Towers Walt Bellamy Dr.	8:53	10:30	12:09	1:54		12 New Bern Towers Walt Bellamy Dr.	8:33	10:13	12:00	1:36	3:17	4:40	
11 Trent Court, TCDC	7:45	8:56	10:34	12:13	1:58	13 Berne Square, Big Clock	8:38		12:05		3:22		
10 Housing Authority, Fleet St.	7:42	8:59	10:37	12:16	2:01	14 Walmart, Shopping Center	8:43	10:22	12:11	1:45	3:28		
9 City Hall, Pollock/Craven		9:03	10:41	12:20	2:05	15 New Bern Mall, Front Entrance		10:27		1:50			
8 RCS Annex, Guion St.	7:35	9:08	10:46	12:25	2:10	16 Target	8:48	10:33	12:16	1:53	3:33		
7 Headstart, Biddle St.	7:30	9:12	10:50	12:27	2:14	17 New Bern Family Practice Medical Park Way	8:51	10:36		1:56			
5 Craven Terrace, Roundtree St.	7:20	9:17	10:55	12:34	2:19	18 New Bern Internal Medicine Newman Rd.	8:54	10:39	12:20	1:59	3:37		
6 Craven Terrace, Miller St.	7:25	9:20	10:58	12:37	2:22	19 Craven Community College	8:58	10:43	12:24	2:03	3:41		
4 New Bern Utilities, Broad St.	9:27	11:01	12:40	2:25		20 Complete Dental S. Glenburnie Rd.	9:03	10:47	12:28	2:07	3:45		
3 CarolinaEast Medical Center Neuse Blvd.	9:30	11:04	12:43	2:29	3:37	21 Kensington Park, Office	9:12	10:56	12:37	2:16	3:54		
1 Coopers Landing Simmons St.	7:10	9:35	11:09	12:48	2:32	22 Noah, Lofland Way	9:20	11:04	12:45	2:24	4:02		
2 Old ESC Office 1305 Simmons St.		9:38			2:37	23 Brunswick House Colony Dr.	9:24	11:08	12:49	2:28	4:06		
24 Human Services	7:00	9:43	11:15	12:52	2:42	3:44	24 Human Services	9:30	11:13	12:57	2:36	4:14	4:46

### Organization and Funding

As part of the work on this section of the report, the 2007 Community Transportation Improvement Plan was reviewed and agency staff were interviewed for additional input and information. The 2007 plan referenced a prior 1994 planning effort and it appears that the basic structure and services have not changed significantly over time,

including the staffing and fiscal resources.

With respect to staffing, the basic organization is also relatively unchanged and the duties of the Transportation Director reflecting the variety of programs and tasks associated with the program:



The role of the Transportation Director has historically been to be the central point of contact and leader of organization. There had been two long serving directors in the

past, followed by two short serving directors more recently. The second of those, Roseann Christian, left her position just as this study was about to begin. In addition, the Transportation Coordinator, Kelly Walker, had surgery and was out of the office until the end of March. Gene Hodges, Assistant County Manager, and Don Baumgardner, Director Planning and Inspections, assumed the project lead in the interim and they retained the part-time services of the former Transportation Director, Phyllis Toler, who had retired in 2013. These personnel changes added some complexities into the planning process for this study, but those have been appropriately addressed.

### Funding

With respect to funding, historically a significant amount of the resources have been provided by NCDOT through either the Community Transportation Program, which is primarily a distribution of Federal Transit Administration rural funds, or the Rural Operating Assistance Program, which includes three services Elderly and Disabled Transportation Assistance Program (EDTAP), Employment Transportation Assistance Program (EMPL) and Rural General Public Program (RGP). The CTP process funds capital expenses including vehicles, administrative costs and also includes funds for operations. ROAP monies are used to pay for trips, with the RGP funds typically the only source of general public transit in rural areas. For CARTS, both Pamlico and Jones Counties allocate the resources for their individual EDTAP and EMPL funds, and all of the RGP funds are pooled for use within the total system, which also receives the CTP funds.

Funding is also generated by trips made for agencies, either as one-time, recurring or annual basis. The costs for services are based on a formula allocation that develops either per mile or zone based fees. Major participants in the program are the Department of Social Services, which has a large client base of Medicaid recipients that include recurring trips for dialysis treatment, for example. In addition, Home and Community Care Block Grant from the Area Agency on Aging have also been available to CARTS. Thus, the combination of the NCDOT and fee based funding, similar to many other Community Transportation Program services in North Carolina, had generated sufficient funds to minimize any additional funding from Craven, Jones or Pamlico counties.

Overall policy direction is also influenced by the Transportation Advisory Board, which is a body required by the NCDOT planning process as described below:

“Each applicant is REQUIRED to have a Transportation Advisory Board (TAB). A TAB is typically made up of stakeholders from the service area that care about the services provided by the transit system. The make-up of the TAB is representative of the various target audiences in the service area and typically includes one or more actual passengers of the transit system. An “ACTIVELY ENGAGED” Transportation Advisory Board is expected to discuss unmet needs in the service area, service design and scheduling, billing rates and fares, and to resolve complaints. They also monitor compliance with federal regulations and the status of any deficiencies noted in any official federal, state or local review or report. The Transportation Advisory Board is a locally formed advisory group based on the

following guidelines and requirements:

### TRANSPORTATION ADVISORY BOARD (TAB) COMPOSITION

CATEGORIES	PUBLIC HUMAN SERVICE AGENCY	TRANSPORTATION PROVIDERS	PUBLIC AND BUSINESS SECTORS	GOVERNMENT AND GOVERNMENTAL AFFILIATES	TRANSIT USER
<i>Suggested number of representatives per category</i>	3-5	1-2	4-5	3-5	1-3
<b>NOTE:</b> TAB members should be individuals that know about the transit needs of the general public including the elderly, minorities, disabled, LEP, or low income populations living in the service area.	<ul style="list-style-type: none"> <li>▪ Senior Services</li> <li>▪ DSS</li> <li>▪ Vocational Rehabilitation</li> <li>▪ Head Start</li> <li>▪ Shelter Workshop</li> <li>▪ Health Dept.</li> <li>▪ Veterans Admin</li> <li>▪ Smart Start</li> <li>▪ Mental Health</li> <li>▪ Housing Authority</li> <li>▪ Human Service Transit Users</li> </ul>	<ul style="list-style-type: none"> <li>▪ Private transportation providers</li> <li>▪ Intercity bus providers</li> <li>▪ Ambulance Service</li> <li>▪ Regional Authority</li> <li>▪ Urban System</li> <li>▪ Faith based services</li> <li>▪ Volunteers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Chamber of Commerce</li> <li>▪ Major employers</li> <li>▪ DBE's</li> <li>▪ Hospital/Dialysis Ctr. Staff</li> <li>▪ Non-profit organizations</li> <li>▪ Employment Transit Users</li> <li>▪ General Public Transit Users</li> <li>▪ Public Citizens</li> </ul>	<ul style="list-style-type: none"> <li>▪ MPO</li> <li>▪ RPO</li> <li>▪ Economic Development</li> <li>▪ Employment Security Commission</li> <li>▪ Job Link and/or Career Centers</li> <li>▪ Elected Officials</li> <li>▪ County Government staff</li> <li>▪ Community College</li> </ul>	<ul style="list-style-type: none"> <li>▪ Passenger(s) that currently utilize the transit system</li> </ul>

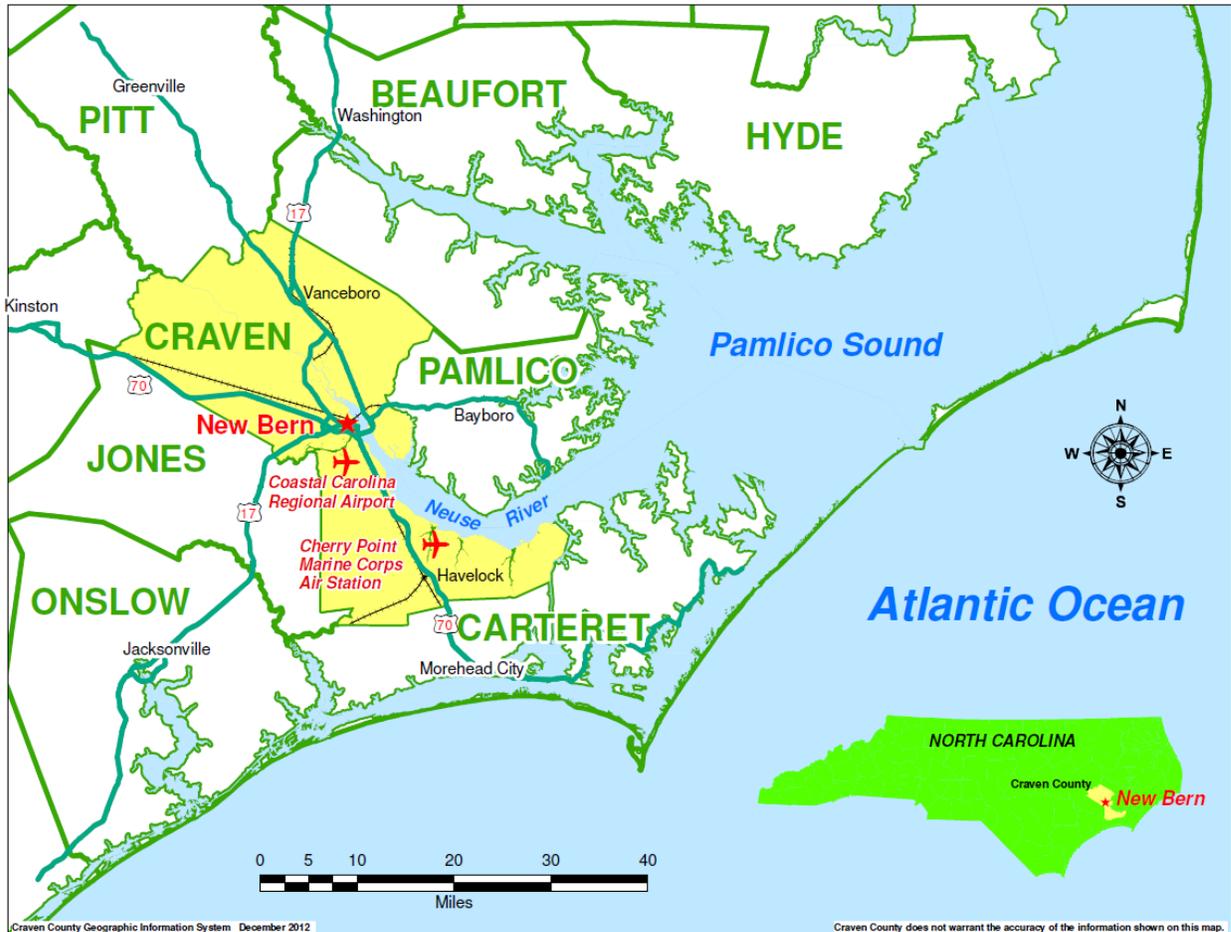
- The Transportation Advisory Board must include representatives from the elderly, minority, LEP, disabled and/or low income populations in the service area or include individuals that represent these consumer groups that will challenge the transit system to be more sensitive to their needs or to discuss unmet needs of their consumer group. Census data should be consulted to determine which groups should be represented and the size of the representation needed.
- If the applicant serves as an "umbrella" agency for programs in addition to transportation services, then the Executive or Governing Board may not serve as the Transportation Advisory Board. There may be overlapping of members from the Executive or Governing Board, but there must be a separate Transportation Advisory Board that meets the requirements.
- If the applicant is a transportation authority or a non-profit organization that only provides transportation, the Executive or Governing Board may serve as the Transportation Advisory Board. In this case, the composition of the Executive or Governing Board will have to meet the 5311 Program requirements to serve as the TAB or consider creating a separate TAB that does meet the requirements.
- PTD expects, at a minimum, quarterly TAB meetings for the community transportation system to maintain ongoing communications as one means of seeking public involvement, and ongoing administrative oversight. TAB meetings must be open to the public and the public must be notified of the scheduled meetings through such means as posting notices on agency Web sites; local news media; flyers; etc. Additionally, meeting minutes must be published and distributed to PTD regional mobility development specialists, with original file copies maintained by the transportation system for a minimum of five (5) years.

The CARTS TAB participants list includes:

Page 1 of 1		5311 Transit Advisory Board (TAB) Composition					Service Area Demographics								
Applicant: <input type="text" value="Craven County"/>		Elderly	Minority	Disabled	Low Income	Hispanic or Latino									
Number of Projected TAB Meetings for FY2014: <input type="text" value="4"/>		24%	30%	19%	10%	6%									
Number of TAB Meetings held in FY2013 as of: <input type="text" value="7/17/2013"/>		<input type="text" value="3"/>		<small>2000 Census data used for Disabled Calculations                  2005-2009 ACS Estimates used for Elderly &amp; Low Income Calculations                  2010 Census data used for Minority &amp; Origin Calculations</small>											
TAB Member's Name	What best describes the role or position of this board member in the community?					This person knows the transportation needs of this group or groups.					Board Service				
	Select only <u>one</u> description per board member					Check as many as apply					Current Term Status				
	Human Service or Non-Profit Agency	Transportation Provider	Business	Gvmt or Gvmt Affiliate	Transit User	General Public	Elderly	Disabled	Minority or Hispanic	Limited English	Low Income	Year Term Began	Year Term Ends	Appointed or Selected	# Years Served
1 Tharesa Lee, Chairperson				Economic Dev. Office		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	S	4
2 Kent Flowers, Craven Co DSS				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	8
3 Jack Veit, Craven Co Manager				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	2
4 Tim Buck, Pamlico Co Manage				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	6
5 Frankie Howard, Jones Co Mar				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	6
6 Robert Johnson, Pamlico Co D				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	7
7 Thelma Simmons, Jones Co D				Government Staff		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	7
8 Frankie Hunter, Dialysis			Dialysis Ctr Staff			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	5
9 Fred Brown	Other					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	6
10 Kathy Crow, VR	Vocational Rehab					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	4
11 Tammy Childers, ECWD	Other					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	4
12 Rob Will, ECCOG				RPO Rep		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	4
13 Amanda Bennett, PCC				College/University		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	4
14 Kimsey Welch					Gen Public Passenger	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	3
15 Diane Williams, CCA	Senior Services					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	2
16 Amy Bryant, ECBH	Mental Health					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	1
17 Marissa Giulian, Port Human	Mental Health					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			S	1
18						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
19						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
20						<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

## Area Demographics

The following map gives an indication of the positioning of the CARTS service area within the greater regional setting:



With respect to demographic information the following contains information on trends in Craven County, which indicates that: population continues to grow; most of the population is in the urban area; elderly population is increasing; travel times to work are relatively low; current use of public transportation for work is minimal, but carpooling and walking account for 16% of work trips; and out of county travel is 15% of trips:

### County Profile Craven County (NC) April 2015

Demographics	
<b>Population &amp; Growth</b>	<b>Population Annual Growth</b>
2019 Proj Total Population	107,759 0.4%
2014 Proj Total Population	105,864
2010 Census Total Population	103,505 1.3%
July 2013 Certified Population Estimate (NC only)	104,421
<b>Urban/Rural Representation</b>	<b>Urban/Rural Percent</b>

2010 Census Total Population: Urban	74,825	72.3%
2010 Census Total Population: Rural	28,680	27.7%
<b>Estimated Population by Age</b>		<b>Pop by Age</b>
	38	
2014 Proj Median Age	37	
2014 Proj Total Pop 0-19	26,688	25.2%
2014 Proj Total Pop 20-29	17,329	16.4%
2014 Proj Total Pop 30-39	12,700	12.0%
2014 Proj Total Pop 40-49	11,433	10.8%
2014 Proj Total Pop 50-59	13,606	12.9%
2014 Proj Total Pop 60+	24,108	22.8%

**Commuters, Workers Age 16 and Over, 2013 Est.**

**Percent of Workers, By Travel Time**

Avg Travel Time, Minutes	44.252
Workers Not Working at Home	19.7%
Travel Time to Work: < 10 minutes	18.5%
Travel Time to Work: 10-14 minutes	18.3%
Travel Time to Work: 15-19 minutes	12.2%
Travel Time to Work: 20-24 minutes	5.2%
Travel Time to Work: 25-29 minutes	10.6%
Travel Time to Work: 30-34 minutes	5.6%
Travel Time to Work: 35-44 minutes	5.4%
Travel Time to Work: 45-59 minutes	4.6%
Travel Time to Work: 60+ minutes	

**Workers, By Transportation**

Worker Transp, Base	3.7
Work at Home	77.9
Drove Car/Truck/Van Alone	13.2
Carpooled Car/Truck/Van	0.2
Public Transportation	2.8
Walked	2.2
Other Transportation	

<b>Place of Work</b>	<b>Commuters</b>	<b>Residents</b>
Worked in State/County of Residence	36,693	82.9%
Worked in State/Outside County of Residence	6,921	15.6%
Worked Outside State of Residence	638	1.4%

With respect to diversity of population, the information below is from the CARTS Limited English Proficiency plan:

“Data from the 2008-2012 American Community Survey (US Census Bureau) for populations 5 years of age and over was analyzed as part of the process to determine the number or proportions of population groups eligible to be served. Data for each portion of the CARTS service area analyzed is shown below:

Language Spoken at Home and Ability to Speak English	New Bern UZA	Craven County	Jones County	Pamlico County
Population 5 years and over	46,778	95,325	9,572	12,574
Number of ‘Other than English’	3711	4269	470	572

Percent of 'Other than English'	7.93%	7.60%	4.91%	4.56%
Number of 'Speak English Less than Very Well'	2034	3000	230	310
Percent of 'Speak English Less than Very Well'	4.35%	3.15%	.02%	2.47%

[Source - Table B16001: Language Spoken at Home by Ability to Speak English for the Population 5 years and Over; 2008-2012 American Community Survey, US Census; New Bern, NC Urbanized (Census.gov)]

#### Craven County:

Of the total population of 95,325, the total number of those identified as speaking 'Only English' was 88,077 (92.40%). Other languages spoken by Craven County residents included Spanish or Spanish Creole (4,269 - 4.48%), French [Patois, Cajun] (158 - .03%), French Creole (43 - .05%), Italian (138 - .20%), Portuguese (30 - .03%), German (318 - .33%), Yiddish (33 - .03%), Other West Germanic Languages (10 - .01%), Scandinavian (46 - .05%), Greek (2 - .00%), Russian (29 - .03%), Polish (57 - .06%). Other Slavic Languages (25 - .03%), Gujarati - (53 - .06%), Other Indo-European Languages (62 - .07%), Chinese (399 - .42%), Japanese (233 - .24%), Korean (152 - .16%), Non-Khmer, Cambodian (3 - .00%), Laotian (2 - .00%), Other Asian Languages (734 - .77%), Tagalog (308 - .32%), Other Pacific Island Languages (57 - .06%), Arabic (10 - .01%), and African Languages (77 - .08%).

Of these twenty -five groups, twelve groups identified persons as speaking less than 'very well', including Spanish or Spanish Creole (1634 - 1.71%), French [incl. Patois, Cajun], (24 - .03%), Italian (20 - .02%), German (54 - .06%), Scandinavian (18 - .02%), Gujarati (34 - .04%), Other Asian Languages (637 - .37%), and Tagalog (102 - .11%). [Source - Table B16001: Language Spoken at Home by Ability to Speak English for the Population 5 years and Over; 2008-2012 American Community Survey, US Census; Craven County, NC (Census.gov)]

#### New Bern Urbanized Area:

Of the total population of 46,778, the total number of those identified as speaking 'Only English' was 43,067 (92.07%). Other languages spoken by residents of the New Bern Urbanized Area included Spanish or Spanish Creole (1,983 - 4.24%), French [incl. Patois, Cajun] (93 - .20%), French [Creole] (4 - .01%), Italian (74 - .16%), German (179 - .38%), Other West Germanic Languages (10 - .02%), Scandinavian (28 - .06%), Greek (2 - .00%), Russian (14 - .03%), Other Slavic Languages (9 - .02%), Other Indo-European Languages (62 - .13%), Chinese (309 - .66%), Japanese (12 - .03%), Korean (140 - .30%), Other Asian Languages (727 - 1.55%), Tagalog (40 - .09%), Other Pacific Island Languages (15 - .03%), and Arabic (10 - .02%).

Of these eighteen groups, nine groups identified persons as speaking less than 'very well', including Spanish or Spanish Creole (951 - 2.03%), French [incl. Patois, Cajun], (24 - .05%), Italian (8 - .02%), German (54 - .12%), Other Indo-

European Languages (45 - .10%), Chinese (168 - .36%), Korean (132 - .28%), Other Asian Languages (637 - 1.36%), and Tagalog (15 - .03%).

[Source - Table B16001: Language Spoken at Home by Ability to Speak English for the Population 5 years and Over; 2008-2012 American Community Survey, US Census; New Bern, NC Urbanized (Census.gov)]”

These data indicate that over 92% of the affected populations speak English only and that when Spanish is added the total for those two languages is approximately 97%. The only other designation exceeding 1% is for “other Asian” in the New Bern Urbanized Area.

As will be discussed later in this report, adhering to the various Federal processes is a new responsibility for CARTS, which occurred after the designation of an Urbanized Area, exceeding 50,000 persons was reached after the 2010 census. Among the multiple requirements for FTA processes include Title VI, Environmental Justice and Transit Equity Analysis which have been briefly described as follows:

#### Background

On October 1, 2012 the Federal Transit Administration published a circular entitled “Title VI Requirements for Federal Transit Administration Recipients” which provided guidance and instructions necessary to carry out USDOT regulations and integrate those with policy guidance concerning recipients’ responsibilities to Limited English Proficient Persons. In general, the broad objectives were to: ensure that the level and quality of public transportation service is provided in a no-discriminatory manner; promote full and fair participation in public transportation decision-making without regard to race, color, or national origin; and ensure meaningful access to transit-related programs and activities by persons with limited English proficiency.

The statutory authority is based in Title VI of the Civil Rights Act of 1964 which states:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The accompanying regulatory authority is found both in the Department of Justice and the Department of Transportation as part of the responsibilities to carry out the provisions of the law. From a programmatic perspective the FTA has established a Title VI reporting process which requires recipients to establish a process that complies with the applicable statutes and regulations, to maintain appropriate records with respect to the Title VI program and to document that compliance by submitting a Title VI Program to their FTA regional civil rights officer once every three years.

#### Transit Equity Analysis

To assist recipients in compliance, the FTA has also provided additional guidance with respect to planning and process measures to determine whether

potential actions would have a disparate impact on persons because of their race, color or national origin. There are three general areas that apply to the use of a transit equity analysis – fare changes, service changes and facility locations. These analyses include evaluation of disparate impact and disproportionate burden which occurs when a facially neutral policy or practice disproportionately affects members of a group as identified by race, color or national origin (disparate impact) or income (disproportionate burden). As a result, the transit provider shall develop a policy for measuring disparate impacts and disproportionate burden and establish a threshold for determining when adverse effects are borne disproportionately by minority or low income populations and when benefits are not equitably shared by minority or low-income populations.

Thus it is important to both understand the demographics of the area as well as to reach out to various groups and organizations to communicate program changes, plans and activities, including partnering with others as part of that outreach. For example, the Local Coordination Plan for Craven, Jones and Pamlico counties was updated in June 2013 using the following process:

“The Down East Rural Transportation Organization (DERPO) provided the Craven Area Transit System (CARTS) with a facilitator to conduct the required update to the Local Coordinated Plan. The facilitator and the Director of the CARTS worked together to plan a public meeting to discuss the transportation needs of the citizens of Craven, Jones and Pamlico Counties, to give all stakeholders who had an interest in transportation an opportunity to identify the needs and gaps in the current transportation service and to provide input into the update of the Local Coordinated Plan.

Projects funded through the Transportation for Elderly Persons and Persons with Disabilities (Section 5310), Job Access and Reverse Commute (Section 5316 - JARC) and New Freedom (Section 5317) programs require the development of a local, coordinated public transit-human services plan (CPT-HSTP), which should incorporate private and non-profit transportation and human services providers and the general public.

Those participating in the workshop represented a broad array of interests including county management staff, Craven Area Rural Transit System staff, local and regional public and human service transportation providers, county social service agencies, and citizens. In all 26 participants attended the workshop.

They included representatives of: Interfaith Refugee Ministry; Coastal Community Action, Inc.; NC DOT/PTD; CARTS staff; Vocational Rehabilitation; Craven Area Rural Transit System Director; Craven County Department of Social Services;

Craven County citizens; East Carolina Behavioral Health; Pamlico County; City of New Bern Police Department; Jones County Manager; Jones County Finance Director; Jones County Department of Social Services; Pamlico County Department of Social Services; Craven County; Promise Place; New Bern Dialysis; and Pamlico Community College.”

In addition to this example of collaboration, another opportunity for working with a similar agency would be to build on the New Bern Area Metropolitan Planning Organization Public Involvement Plan process and future planning efforts.

#### The Creation of the Urbanized Area and the Shift to Direct FTA Funding

The population threshold for designation as an Urbanized Area is 50,000 persons, which was achieved in the greater New Bern area in the 2010 census. Nationally, there were approximately 35 new UZAs added in 2010 – there were no other additions in North Carolina and New Bern with 50,503 people was the second smallest added UZA in the country.

Rules, regulations and processes for urbanized areas are significantly different than rural areas. These include rules, regulations and processes for public transit, especially public transit in North Carolina. As indicated above, CARTS had existed for many years primarily using a combination of NCDOT grants and agency fees. All of the NCDOT grants are based on providing funds for rural transportation. Thus, none of the previous NCDOT funds are eligible to be used in an urban area.

Similarly, FTA funds for urbanized areas are not eligible to fund services in rural areas. In fact until federal regulations were changed within the past few years, none of the urbanized funds from federal Section 5307 had been eligible to be used for operations. On the other hand, federal Section 5311 funds for rural areas were eligible to be used for operations. As a result, many new small urban areas in the past were required to find other sources for operating funds, which resulted in confusion, a number of difficulties, etc.

The current regulations indicate:

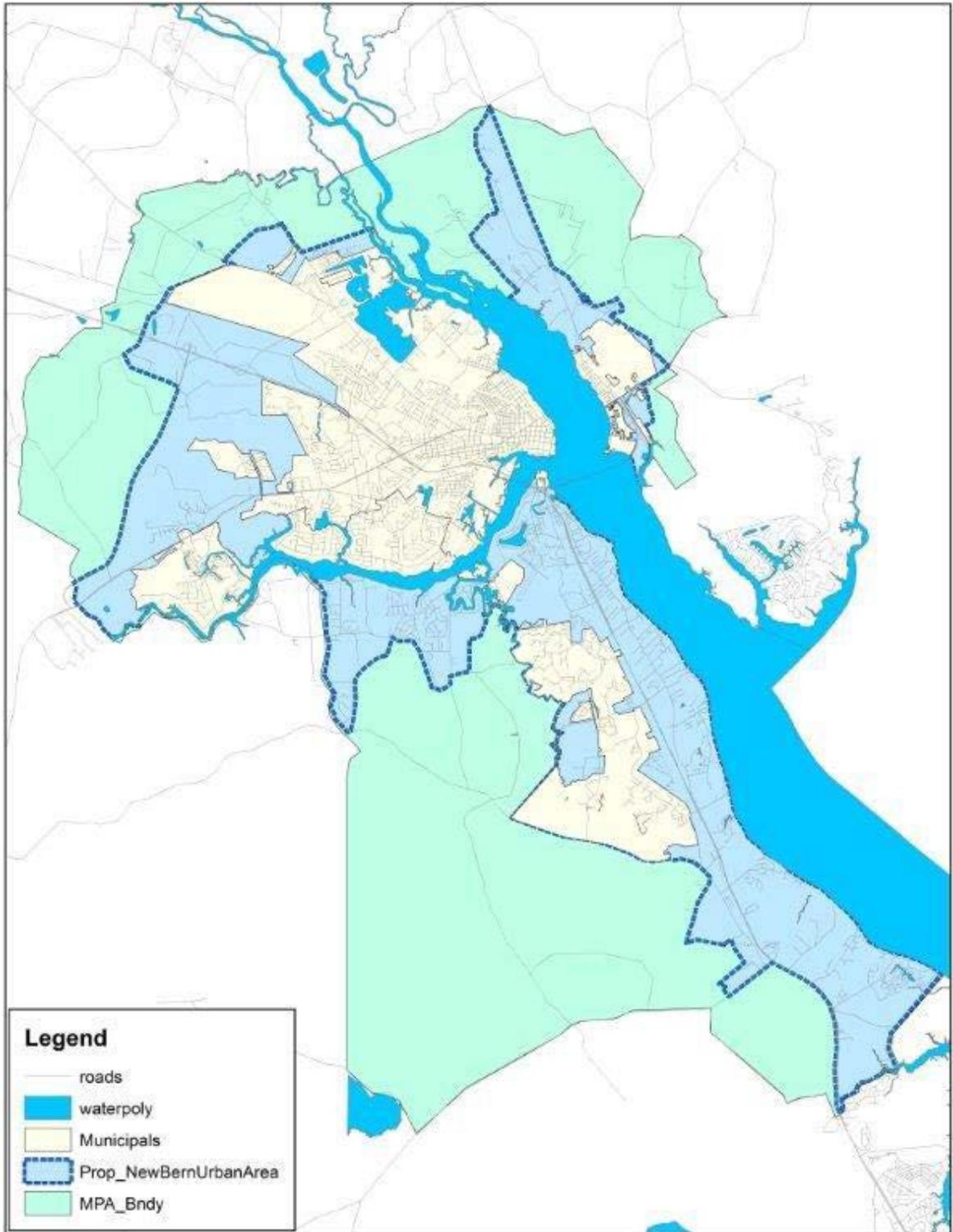
“For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. In these areas, at least one percent of the funding apportioned to each area must be used for transit enhancement activities such as historic preservation, landscaping, public art, pedestrian access, bicycle access, and enhanced access for persons with disabilities.”

Other applicable federal guidelines include:

- Funding Availability: Funds are available the year appropriated plus five years (total of six years)
- Allocation of Funding: Funding is apportioned on the basis of legislative formulas. For areas of 50,000 to 199,999 in population, the formula is based on population and population density.
- Match: The Federal share is not to exceed 80 percent of the net project

cost. The Federal share may be 85 percent for the cost of vehicle-related equipment attributable to compliance with the Americans with Disabilities Act and the Clean Air Act. The Federal share may also be 90 percent for projects or portions of projects related to bicycles. The Federal share may not exceed 50 percent of the net project cost of operating assistance.

The following map from the NBAMPO indicates the urbanized area and other boundaries:



The federal process includes identifying as “designated recipient” to receive the FTA funds. As shown below CARTS has been given that responsibility:

New Bern Area Metropolitan Planning Organization  
**Transportation Advisory Committee (TAC)**

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RESOLUTION  
APPROVING CRAVEN COUNTY ON BEHALF OF CARTS  
AS THE DIRECT RECIPIENT OF  
THE NEW BERN AREA METROPOLITAN PLANNING ORGANIZATION'S  
SECTION 5307 FEDERAL TRANSIT ADMINISTRATION URBAN TRANSIT FUNDS

WHEREAS, the State of North Carolina is the Designated Recipient of Section 5307 FTA Urban Transit Funds for small urban areas; and

WHEREAS, the Transportation Advisory Committee has considered the current multi-jurisdictional agreement with Craven County to provide community transportation through the Craven Area Rural Transit System (CARTS); and

WHEREAS, the Transportation Advisory Committee has decided that CARTS is currently the agency better equipped to continue to provide transit services to the newly created New Bern Urban Area;

NOW THEREFORE, BE IT RESOLVED that the Transportation Advisory Committee for the New Bern Urban Area hereby approves the Craven Area Rural Transit System through Craven County as the Direct Recipient of Section 5307 FTA Urban Transit Funds **on this the 22<sup>nd</sup> day of May, 2014.**

  
\_\_\_\_\_  
Steve Tyson, Chairman  
New Bern Area MPO  
Transportation Advisory Committee

  
\_\_\_\_\_  
Jeffrey Ruggieri, Secretary

CARTS has moved forward through the development of the appropriate preliminary communications and business practices with the FTA and has received the following notification of new grantee status on December 2, 2014.



U.S. Department  
of Transportation  
**Federal Transit  
Administration**

REGION IV  
Alabama, Florida, Georgia,  
Kentucky, Mississippi,  
North Carolina, Puerto  
Rico, South Carolina,  
Tennessee, Virgin Islands

230 Peachtree St., N.W.,  
Suite 800  
Atlanta, GA 30303  
404-865-5600  
404-865-5605 (fax)

Rosann Christian  
Director  
Craven Area Rural Transit System  
2822 Neuse Blvd.  
New Bern, NC 28561

DEC 02 2014

Re: Craven Area Rural Transit System (CARTS) New Grantee Application

Dear Ms. Christian:

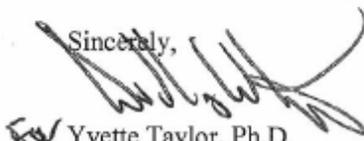
I write to congratulate CARTS on its successful completion of the New Grantee Process in Region IV of the Federal Transit Administration (FTA). This process helps ensure that each entity receiving FTA funding from my office has legal, technical, and financial capacity to manage the basic programs and types of projects funded through FTA grants. Based on the materials submitted by your office, FTA Region IV has determined that CARTS has the requisite capabilities to apply for FTA grant funds. Please know also that FTA will provide additional technical assistance to CARTS, in the future, for programs and projects funded under FTA grants.

Looking ahead, CARTS should please be prepared to ensure compliance with all applicable Federal statutes, regulations, Executive Orders, FTA circulars, and other applicable Federal requirements when carrying out federally-funded projects, including, but not limited to civil rights requirements, environmental impact procedures, rules for real property acquisition, and programming in the Statewide and Metropolitan Transportation Improvement Programs ("STIPs" and "TIPs").

Please continue to work with my staff here in Region IV on the development and management of any transit-related projects. If you have any questions or require any additional information, please do not hesitate to call me at 404-865-5600 or Ms. Jennifer Hibbert at 404-865-5632.

Again, congratulations on our approval of CARTS's application to be an FTA grantee. I look forward to hearing about your plans for public transportation improvements in the near future.

Sincerely,

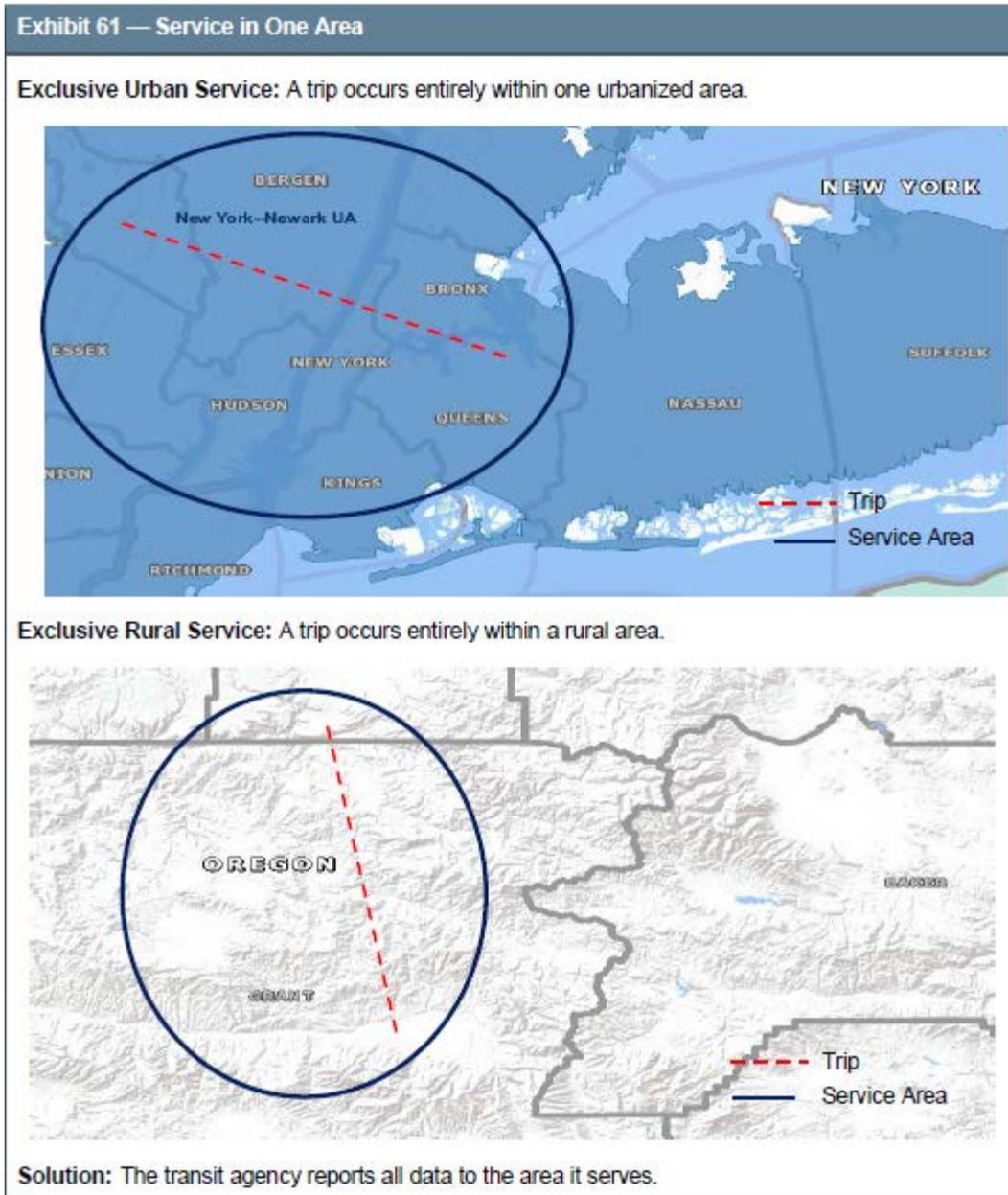
  
Yvette Taylor, Ph.D.  
Regional Administrator

cc: Debra Collins, Public Transportation Division Director, NCDOT

Another issue to be addressed by CARTS is that a number of trips will continue to be operated solely in the rural areas of Craven as well as Jones and Pamlico counties.

Those services will continue to be funded through the existing NCDOT processes. On the other hand, the Loop service will operate solely within the UZA and therefore will be funded according to the FTA processes. However, some trips will operate both within the urban and rural areas, which will require developing a methodology to measure the “attributable” share of the trip that can be funded through the rural process and the share that can be funded through the urban process.

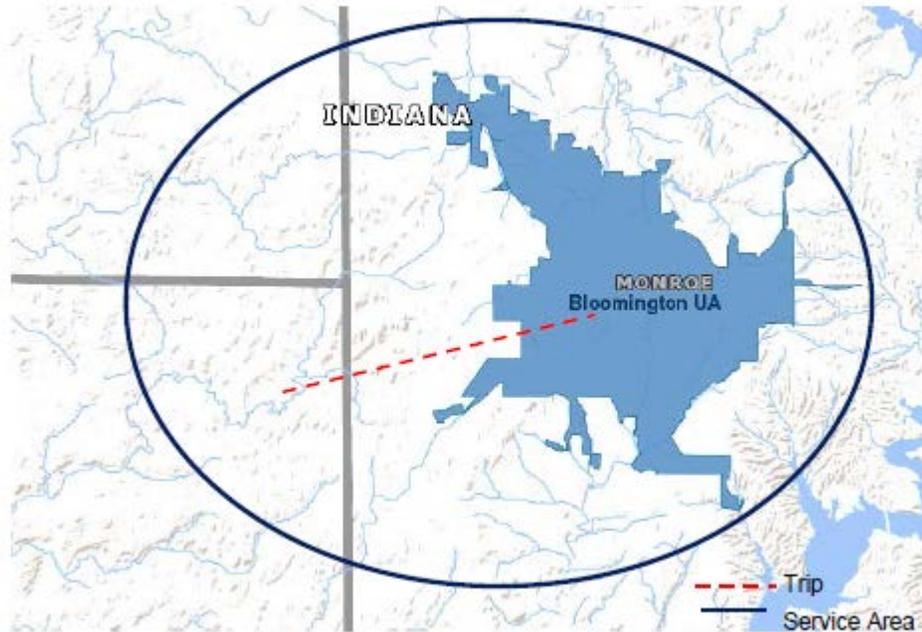
The one area map example from the National Transit Database manual would be:



The multiple area map example would be:

**Exhibit 64 — Service in Two Areas — Urban and Rural Trips**

**Example:** One trip end is in an urbanized area and the other trip end is in a rural area. The agency receives both §5311 and §5307 funding for operations.



**Solution:** The agency must allocate data to the urbanized and rural areas using the proportion of §5311 and §5307 operating funds that it used to provide the service.

As indicated in the map, funds must be allocated for rural (5311) and urban (5307) services and that process is described as follows:

If a transit service operates in two or more urbanized or rural areas, then the transit agency has two reporting options:

- If the transit agency determines that the primary intent of the transit service is to serve the travel needs of one urbanized or rural area, then the transit agency reports all federal funding data to this one area; or
- If the transit agency determines that the intent of the transit service is to serve the travel needs of all or some of the urbanized and rural areas in which it operates, then the transit agency allocates its federal funding data to the urbanized and rural areas it serves using a reasonable and consistent method.

CARTS will therefore be required to develop that “reasonable and consistent method”, which logically should be doable using the existing software.

In addition to the ridership and grant funding portion of the attributable share process, there will also be impacts on the riders and the sponsoring agencies, and could also impact the total system budget. For example, the current riders on the Loop include those that pay the base fare of \$1 per boarding, and those that receive Department of Social Service and EDTAP funding. However, fares only account for 13% of the total cost of the service, with the remainder subsidized by NCDOT funds. Those funds will not be available after July 1, 2015. Thus, there is a need to more fully examine the potential financial impacts – to riders, agencies and counties, work that is currently in progress.

The year to date (through March 26, 2015) ridership totals for the Loop are shown below with the Yellow route on the left and the Red route on the right:

Coopers Landing Apt	<b>53</b>	Cooper Landing	<b>100</b>
Employment Security	<b>42</b>	Employment Security	<b>45</b>
Craven Regional Med	<b>1084</b>	Craven Regional Med	<b>1036</b>
New Bern Utilities	<b>176</b>	New Bern Utilities	<b>287</b>
Craven Terrace / Roundtree	<b>624</b>	Craven Terrace / Roundtree	<b>520</b>
Craven Terrace / Miller St	<b>1608</b>	Craven Terrace / Miller St	<b>1085</b>
Headstart / Biddle St	<b>589</b>	Headstart / Biddle St	<b>542</b>
RCS / Guion St	<b>1476</b>	RCS / Guion St	<b>1089</b>
City Hall / Craven St	<b>279</b>	City Hall / Craven St	<b>375</b>
Housing Authority	<b>464</b>	Housing Authority	<b>376</b>
Trent Court / TCDC	<b>245</b>	Trent Court / TCDC	<b>296</b>
New Bern Towers	<b>860</b>	New Bern Towers	<b>565</b>
Berne Square	<b>224</b>	Berne Square	<b>282</b>
Walmart	<b>2072</b>	Walmart	<b>1579</b>
Twin River Mall	<b>162</b>	Twin River Mall	<b>263</b>
Target / Goodwill	<b>684</b>	Target / Goodwill	<b>459</b>
New Bern Family Practice	<b>124</b>	New Bern Family Practice	<b>152</b>
NBIM	<b>350</b>	NBIM	<b>301</b>
Craven Community College	<b>1481</b>	Craven Community College	<b>1446</b>
Complete Dental	<b>157</b>	Complete Dental	<b>177</b>
Kensington Park Apt	<b>582</b>	Kensington Park Apt	<b>463</b>
Weatherston/Noah	<b>391</b>	Weatherston/Noah	<b>395</b>
Brunswick House	<b>1134</b>	Brunswick House	<b>1211</b>
Human Service Complex	<b>1212</b>	Human Service Complex	<b>931</b>
	<b>8041</b>		<b>6993</b>

The higher ridership locations include Walmart, Craven Community College, Religious Community Services, Craven Terrace, Carolina East Medical Center and Brunswick House. These locations are spread over a considerable area and, as indicated above, the routing had been developed over an extended period of time.

In the near term the priority communicated has been to thoroughly examine the impacts of shifting funds and processes, then to consider potential modifications to the Loop and any other unmet needs in the urbanized area.

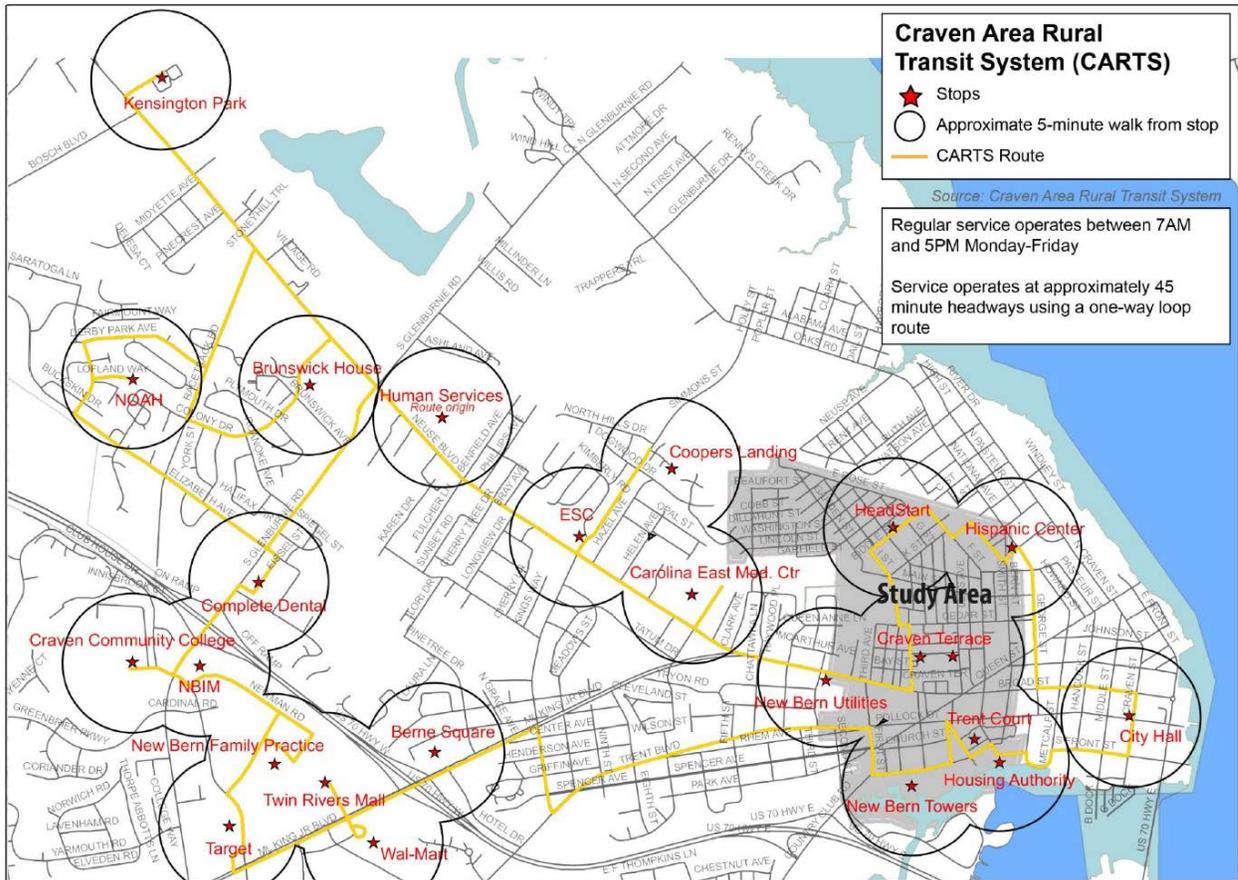
#### Choice Neighborhoods Initiative Study

Information about this study which is led by the City of New Bern is as follows:

“HUD launched the Choice Neighborhood Initiative (CNI) program in 2010 to help local leaders transform struggling neighborhoods of concentrated poverty into sustainable, mixed-income communities of choice. New Bern is one of only 9 planning grant recipients nationwide for 2013! The CNI process is a community-driven planning effort to rebuild and revitalize the Greater Five Points Area. Transformation of this area goes far beyond addressing the physical structure of public and private housing. The broader community will also be strengthened by improving resident self-sufficiency and integrating them into the larger social, economic and physical fabric of the neighborhood and city. The CNI Transformation Plan will also create momentum for the

private sector to revitalize and rebuild local businesses.”

One of the issues and one of the subcommittees formed for the study is transportation and input has been received from a variety of sources as part of the study. As indicated below, the study area includes the Craven Terrace, Trent Towers and New Bern Towers housing complexes.



Input from the study has included the following:

## Getting Eround - Neighbors

- Only 13% of respondents rode CARTS frequently
- Reasons for not using CARTS included:
  - don't know the bus schedule,
  - the bus doesn't go where they need to go,
  - the wait between buses is too long.



- The three **top issues to be addressed** in the neighborhood:
  - improving existing homes (72%)
  - addressing crime and public safety issues (68%)
  - improving the public transportation network (63%)
  
- The two largest barriers to full-time employment were a lack of necessary job skills/education (63%) and transportation issues (50%).

The CNI study is anticipated to be completed in November. The goal is then to move forward with a transformation plan.

#### Additional Information

A number of memos and interim reports were developed and are contained in the appendix. These include:

- Craven County Transit Development Plan Information and Initial Set-up Meeting, January 8, 2015
- Notes Craven County Meetings – February 25, 2015 and Next Steps
- FTA Triennial Review Process – System Review Components/Areas to be Examined
- Draft TDP Action Plan and Next Steps and Notes Craven County Meeting 3/17/2015
- CTIP Review and Financial Issues
- Overview of UZA Fare Discussion and Next Steps

## **Additional Staff Report Information:**

Craven County Transit Development Plan  
Information and Initial Set-up Meeting

January 8, 2015

Attendees:

Rosann Christian- CARTS, Kelly Walker- CARTS, Gene Hodges-Craven County, Maurizia Chapman, NBAMPO, Kim Maxey- NBAMPO, Donald Baumgardner- Craven County Planning, Chad Strawn- Craven County Planning, Jeff Ruggierri- City of New Bern, Jeff Cabaniss- NCDOT, Cindy Blot- City of New Bern, Patrick Flanagan- Down East RPO, Tom Braaten- Coastal Carolina Regional Airport, Jim McLaughlin- MCA, Marlene Connor- MCA

Overview:

The main discussants were Rosann, Gene, and Maurizia and they indicated the following:

Rosann began the discussion with a synopsis of the TDP process and the strong partnership and linkage with the NBAMPO in the development of the region's Long Range Plan. Her primary goals for the public transit program include sustainability of the service, addressing unmet needs, and extending hours or days of service. She noted that the TDP will primarily address the urban area, that the transition to an urbanized area will result in both funding and policy ramification and implications, that the estimated ratio of the service area is 40% urban and 60% rural.

Gene then noted that, in general, the goal of the program should be if you need a ride, you get a ride, but of course, fiscal constraints come into play, that there is definitely a perception problem with service, (it is seen as serving only those most in need e.g. medical and other agency trips, and for persons with disabilities) and therefore there is no "public transportation" in the area, and that some groups such as work first cannot use the service because many of their trips are for second shift employment which extend beyond the hours of regular service. He concluded by saying that there is a need to try to leverage other fund sources and mitigate any local tax support issues.

Maurizia indicated that 5307 funding brings responsibility for fixed route, there are a lot of interactive opportunities for work that has been done, is being done, or will be done by the NBAMPO, she reinforced that transit is not self-sustaining, thus needs subsidies, but also has the potential to partner with other entities. NCDOT fund limitations for the urban area necessitates changes but other ideas to consider include; how can younger riders be added, and how to connect with bike/ped modes. NBAMPO will do the big picture LRTP, but that work needs to start with good TDP.

In the conversation that followed, the following points were made:

- Patrick Flanagan noted that the study should include Jones and Pamlico and their perspectives
- Jeff Cabaniss indicated that the highway infrastructure is important also since improvements to sidewalks, for example, improve access paths to transit as well as bike and ped.

- Jeff Ruggierri said that work was just underway with respect to a HUD grant for a housing related study which should be complementary to the TDP work. This is a joint City, County and school program.
- Tom Braaten discussed access to the Regional Airport, but also raised the potential for including employers and other groups such as the Craven 100 Alliance. This group includes large employers such as Moen and B/S/H.
- Other comments included:
  - There is a nexus between economic development and the availability of transit, so it will be important to understand where the jobs are.
  - There was discussion about the ability to work with the military base or to even access the base with services.
  - It was noted that there are other agencies with vehicles, so there may be an opportunity to work with them also.
  - The TDP should also look at areas such as governance and organizational structure.
  - Although the urbanized area does not include Havelock, there should be discussions that include them as well.
  - James City should also be looked at with respect to the design of the urbanized service area.
  - What was the potential role of taxi's, including comments regarding safety issues as well as ridesharing opportunities
  - Previous conversations had included the fact that DSS had demand for additional services and that the framework for the Rural General Public service should also be reviewed, as well as incorporating some additional thoughts regarding the fare structure.

## Next Steps

Following the signing of the contractual agreements, the consultant team will return to Craven County for additional meetings, and kickoff activities including data and information gathering and stakeholder meetings including following up with the attendees from the first meeting.

If you have comments or additional thoughts to include in these notes, please email then to Marlene Connor at [MBConnor@MCATP.com](mailto:MBConnor@MCATP.com).

March 10, 2015

MEMO

TO: Gene Hodges, Don Baumgardner, Phyllis Toler, and Chad Strawn – Craven County; Maurizia Chapman, Kim Maxey – NBAMPO

FROM: Marlene Connor, Jim McLaughlin - MCA

SUBJECT: Notes Craven County Meetings – February 25, 2015 and Next Steps

OVERVIEW: After several unsuccessful initial meeting attempts that were thwarted by winter weather, Jim McLaughlin was able to meet with representatives from Craven County and the NBAMPO on February 25<sup>th</sup>. The major points from those meetings are recorded as bullet points below.

In order to complete the MCA team site visit work, both Marlene and Jim will be returning to Craven County on Monday March 16 through Wednesday March 18. During that time, the intent is to meet with Phyllis to get a fuller understanding of the history and background information, which is a prerequisite before moving forward with the specifics of the work plan steps in the TDP.

NBAMPO MEETING:

- Bottom line for Maurizia and Kim is a focused study regarding the UZA, which provides an implementable TDP that would establish the foundation for the LRTP.
- The commitment to work collaboratively was reinforced as was the interest to maintain good lines of communication.
- A common goal from both the NBAMPO and Craven County meetings was to understand what has to be done by July 1 from a FTA standpoint and then how to get those things done as a priority.
- Both the NBAMPO and the Craven County staff indicated that the TDP should contain an implementation table contained in our work plan proposal.
- The general work of the NBAMPO was discussed as well as some specific activities such as the HUD Choice Neighborhoods Initiative, where Maurizia is the chair of the transportation sub-group, which was established after a larger group initial meeting was held. The goal is to complete the initial planning by November and then proceed with developing a broader project for the area.
- Maurizia connected with the HUD study consultants, EJP Consulting Group, suggesting that the two consultants share information et al. Our on-site schedules did not align, but we will connect with them in the near future.
- There was discussion about the various types of data collection and surveying that had been completed recently, which included the HUD CNI work as well as surveying done by the NBAMPO.

- With respect to potential service issues, the past dialogue regarding developing fixed route service in James City was mentioned, as was the various NCDOT roadway improvement projects, in the area.
- It was also mentioned that Havlock opted not to join MPO and was the only jurisdiction that took that action (in the initial meeting there had been some conversation about the UZA boundary not including Havlock).

#### CRAVEN COUNTY MEETING:

- As mentioned above, the primary interest is to be sure all aspects of the FTA process is understood, including what has to be accomplished by July 1 and then ensuring that the actions taken are consistent with future audits et al.
- There is special interest in any public meetings or processes that might require scheduling at Commissioners meetings.
- The year one goal would be to transport all riders currently in system, with potential service expansions in subsequent years.
- Asked if they were OK if we chatted about general FTA rules, regs, etc. – I indicated there were changes that resulted from MAP-21 etc. - they said was OK but wanted to be informed about anything specifically related to their service.
- Gene indicated that his contact team would include Don, Chad and Phyllis.
- We discussed the fare concepts that had been forwarded to us by Rose before she had moved on and there was agreement that conceptually it looked reasonable.
- In addition, we inquired about the current Red/Yellow routing and ridership. There was consensus that this service is well received and that had been developed based on public input over a number of years.
- It was noted that another goal will be to document outreach and communication as part of the FTA process.

## FTA Triennial Review Process – System Review Components/Areas to be Examined

1. Financial Management and Capacity
  - a. Financial Capacity
  - b. Eligible Expenditures
  - c. Funds Management
  - d. Audits/Oversight Reports

Issues: FTA approval of financial plan, new grantee submittal

2. Technical Capacity
  - a. Grant Administration
  - b. Program Management
  - c. Project Management
  - d. Oversight

Issues: Nationally 36 new UZAs created after 2010 census; how can Craven sync in with any similar agencies? Would believe linkage with NBAMPO on process issues would be beneficial.

3. Maintenance
  - a. Vehicle Maintenance
  - b. Facility and Equipment Maintenance
  - c. Warranty Program
  - d. Oversight

Issues: Requirements would relate to use of federal funds for capital, which would be a less immediate concern. There should be transference of process from state history; build off of that history (which would be similar approach in other areas as applicable). Need to address new FTA emphasis areas such as Asset Management and Safety.

4. ADA
  - a. Vehicle Accessibility
  - b. Facility Accessibility
  - c. Service Provisions
  - d. Training
  - e. Maintenance of Accessibility Features
  - f. Route Deviation Service
  - g. ADA Complementary Paratransit
  - h. Rail Service
  - i. Ferry Service
  - j. Complaints/Lawsuits
  - k. Subrecipient Oversight

Issues: Start of ADA paratransit requires system changes in eligibility, certification process, advance reservations, et al through all phases of service delivery. Also new guidance on reasonable modifications has just been issued. Question again is what, if any, items are transferable from state process.

5. Title VI
  - a. Approved Program
  - b. Public Information/Complaint Process
  - c. Siting of Facilities
  - d. Limited English Proficiency
  - e. Outreach
  - f. Subrecipient Monitoring

g. Systems with More than 50 Vehicles in UZA > 200,000

Issues: Has Title VI plan been entered in TEAM; what has been done in collaboration with the MPO (Civil Rights and LEP plans posted on NBAMPO website). Are there Title VI requirements from state process that are parallel or transferable? What was outreach for public hearing in October? Fare and service changes see FTA Circular 4702.1B, requires service standards and fare equity analysis for change in fares.

6. Procurement

- a. Policies and Procedures
- b. Third-Party Contracts
- c. Bus Testing
- d. Suspension/Debarment
- e. Lobbying Certification

Issues: Number of rules that could relate to new FTA recipient. Also what are the Craven County processes with respect to other federal procurements, et al?

7. DBE

- a. DBE Program
- b. DBE Goals and Reports
- c. Good Faith Efforts
- d. DBE Reporting

Issues: DBE program submittal to the FTA. Determining areas of applicability to Craven, again working with NBAMPO.

8. Legal

- a. Designation of Recipient/Supplemental Agreements
- b. Source of Delegation Authority
- c. Annual List – Certifications and Assurances
- d. Changes in Law or Litigation Affecting Recipient Status
- e. Restrictions on Lobbying

Issues: Designations on file with FTA. What are applicable actions by Craven and who has authority.

9. Satisfactory Continuing Control (potential applicable areas)

- a. Real Property
  - i. Use
  - ii. Excess property
  - iii. Disposition
  - iv. Oversight
- b. Equipment
  - i. State procedures
  - ii. Equipment records
  - iii. Biennial Physical Inventory
  - iv. Property Control System
  - v. Oversight
  - vi. Leases
  - vii. Use Disposition
  - viii. Insurance Proceeds
  - ix. Contingency Fleet

Issues: Primarily applicable to FTA funded property, but does include vehicles, and physical inventory.

10. Planning/Program of Projects

- a. Metropolitan Planning Process
- b. Coordinated Planning Process for Human Services Transportation
- c. POP Public Participation Process

Issues: Coordinated activities with the MPO (e.g. does MPO POP public participation process cover Craven and the POP for the TIP, et al).

11. Public Comment on Fare Increases and Major Service Reductions

- a. Existence and Application of a Locally Developed Process
- b. Oversight

Issues: Locally developed process for soliciting public comment before raising fare or major service change. Also requires local service standards et al.

12. Half Fare

- a. Half Fares
- b. Proof of Eligibility
- c. Internal and Public Relations
- d. Oversight

Issues: If no current program, need to establish. How eligibility is determined, are employees aware of program, and the public process as well.

13. Charter Bus

- a. Charter Service
- b. Reporting
- c. Use of Locally Owned Vehicles
- d. Training
- e. Oversight
- f. Advisory Opinions
- g. Cease and Desist orders

Issues: Any experiences with charter work, any interaction with private sector providers e.g. tourist services. As with many other of these areas, record keeping and communication are key components.

14. School Bus

- a. School Bus Service
- b. Tripper Service
- c. Oversight

Issues: Generally, services open to general public, without route modifications during school hours are not problematic.

15. Security

- a. Expenditures (1% required)

Issues: Plan to expend 1%.

16. Drug Free Workplace and Drug and Alcohol Program

- a. Drug Free Workplace Act
- b. Drug and Alcohol Testing Policy
- c. Random Test Rates
- d. Post-accident Testing
- e. Reasonable Suspicion Training
- f. New Hire Data
- g. Records Control
- h. Management Information System Reporting
- i. Monitoring Program

Issues: Processes, procedures, monitoring, reporting, etc. Applicability with similar state

17. Equal Employment Opportunity

- a. EEO Program
- b. Oversight of Subrecipients and Contractors

Issues: Existing Craven County programs, other.

Other:

NTD Program; currently being reported, process for data collection and reporting.

FTA Training – schedule for 2015

March 26, 2015

MEMO

TO: Gene Hodges, Don Baumgardner, Phyllis Toler, Kelly Walker and Chad Strawn – Craven County

FROM: Marlene Connor, Jim McLaughlin - MCA

SUBJECT: Draft TDP Action Plan and Next Steps and Notes Craven County Meeting 3/17/2015

OVERVIEW: The content of this transmittal includes a follow-up to our prior transmittal to Gene, which indicated we would forward our thoughts regarding modifications to the work plan to emphasize a focus on sustaining status quo service with the transition work necessary prior to July 1, which includes understanding the status of a number of FTA prior submittals, required programs etc., and their transferability or relationship with either existing NCDOT programs, or other Federal programs already addressed by Craven County as part of grants and projects in other departments. Our thoughts regarding the work plan are attached below.

As we mentioned at our March 17 meeting, perhaps the most logical process to use as an indicator of both current actions required as well as future activities to be developed is the FTA Triennial Review. We have included as attachments both the most recent FTA booklet, which at 271 pages could be overwhelming, but also our distilled version of that booklet which still includes all 17 areas of review and our view with respect to specific issues that would need to be addressed.

We have also conversed with the other member of our team, Rebecca Cherry, Cherry Consulting of the Carolinas, regarding her prior and current work of similar nature within the State. She reinforced some of our priority thoughts and also provided input with respect to the potential transferability of some State programs to either fulfill or to provide an initial transition to the FTA requirements. As a result, we collaborated on a draft matrix that we would propose jointly working on completing to be able to move forward with a priority list of activities.

Finally, we have communicated the major items of interest from our March 17 meeting as well as our thoughts on next steps and schedule.

TDP WORK PLAN: The proposed modifications to the work plan are indicated below. The primary areas of modification would be the goals to sustain status quo service in Year 1 and effectively transition into the FTA process by July 1, as well as also understanding the State modifications.

Any required public input and outreach process with respect to the FTA transition would then become the highest priority with respect to Task 3 and Task 4 would still provide the phased implementation plan for subsequent years.

TDP Work Scope					Update d TDP				
Task 1- Project Kickoff and Initiation- onsite and meeting					No Change				
Task 2- Baseline Conditions/Needs Analysis					Task 2- Baseline Conditions/Needs Analysis				
Service					Focus on UZA and FTA transition				
Fiscal and Asset Information					Additional discussions with staff				
Coordination with other Counties					Initial priority is seamless transition July 1, 2015				
Governance and Oversight capacity									
Tech Memo 1- Baseline Conditions Report					No Change				
Task 3- Data Collection					Task 3- Data Collection				
Needs, Gaps, Surveys					Focus would be on public outreach and input regarding July 1 deadline				
					Based on review on FTA and NCDOT processes and requirements				
Tech Memo 2- Issues and Opportunities					Tech Memo 2- Issues and Opportunities				
					What needs to be accomplished prior to July 1				
					What can be deferred until after July 1				
Task 4- Alternatives Development					Task 4- Alternatives Development				
Two Alternatives for Consideration					Year 1 - Status Quo Transition				
Service, Fares, Organizational, Management, Governance					Out Years -	Phased Implementation Plan	processes and priorities		
Program Monitoring									

MATRIX: In the matrix below, which is also attached as a more full size excel document, we have listed the Triennial Performance Review items (and also included the NTD reporting requirement) in one column (which likely will include more specific subcomponents). The parallel columns would then indicate the status of those Triennial items and subcomponents (complete, in process, no activity) and then a column to indicate priority (where those identified by 1 would be highest, followed by 2, etc.). In our view, it is neither logical nor likely that all areas will be addressed before July 1, but by retaining and building off this spreadsheet, we believe all areas and items can be recorded over time.

We have also added columns that would indicate the existing of similar current State processes that could either be potentially transferable or meet the Federal requirements.

We believe that by adding applicable columns or rows this document could serve as a valuable resource for future audits and reviews. In that regard, Rebecca noted her information indicated CARTS was scheduled by the State for a FTA Compliance Review in 2017, a System Safety Program Plan in 2015 and a Comprehensive Transportation System Plan in 2019. She also indicated that NCDOT had scheduled Drug and Alcohol training in Smithfield for April 7.



- Discussed Amtrak service, researched that one bus a day runs to/from Moorhead City and Wilson through Havelock, New Bern and Greenville, but only takes Amtrak rail passengers
- With respect to Loop service, we now have most recent schedules which show stops per run.
- Clarified that there is no current request for service from James City or any other locale within UZA (but logically some unmet needs process should be developed)
- Asked about status of new grantee application; follow up with Kelly
- Gene indicated that logically MPO would be good forum to discuss out year service options for other areas
- We reinforced our belief in the importance of FTA training and will get info on the 2015 schedule
- It was indicated that there are upcoming meetings of the HUD study as well as the MPO and we sent a subsequent email to Maurizia

#### NEXT STEPS AND SCHEDULE:

##### Week of March 30

1. Craven County review of memo and attachments with questions/comments back to MCA
2. Update on Kelly's schedule
3. Conference call to discuss matrix and begin development; attendees Marlene, Jim, Rebecca and Phyllis, Kelly

##### Week of April 6

1. Site visit: meetings with Craven County and NBAMPO
2. Contact with FTA with status report on funding availability as of July 1 and other priority items to be accomplished
3. Development of public input and outreach processes and schedule

April 10, 2015

MEMO

TO: Gene Hodges, Don Baumgardner, Phyllis Toler, Kelly Walker and Chad Strawn

FROM: Marlene Connor, Jim McLaughlin and Rebecca Cherry

SUBJECT: CTIP Review and Financial Issues

OVERVIEW:

Following the recent conference call we re-reviewed the past CTIP based on some comments regarding fiscal concerns that arose as part the conversation about fare structure and pricing. The issues that we need to understand and the questions we would like to pursue are contained in the following (which also includes some cut/paste from the CTIP) as well as the table sent by Kelly.

ISSUES/QUESTIONS:

1. It was indicated in 2006 there were 25 separate agency agreements or grants and included the following table on page 2 – is that number still correct?
2. We have previously indicated that our recommendation would be that there are signed agreements for each of the agencies and grants. How many of the current agencies have signed contracts what do those contain with respect to cost information?
3. In general, there appear to be four contract types: grant, core agency; annual contract; and on-time agency. Are all those rates the same for similar type agencies (e.g. core, annual, one-time) and how are rates determined?
4. We compared the one time agency cost table provided by Kelly with the CTIP and found that the 2012 rates were lower than the report numbers. Have those rates been reduced? If so what is background etc.

<u>Contracting Agencies</u>	<u>Contract Type</u>
Craven County EDTAP	Grant
Jones County EDTAP	Grant
Pamlico County EDTAP	Grant
Home Community Care Block Grant (HCCBG)	Grant
RGP with Craven, Jones, and Pamlico Counties	Grant
Craven County Department of Social Services <sup>1</sup>	Core Agency
Jones County Department of Social Services <sup>2</sup>	Core Agency
Pamlico County Department of Social Services <sup>3</sup>	Core Agency
Craven Evaluation Training Center (CETC)	Core Agency
Coastal Counties Enterprises (CCE)	Annual Contract*
Craven County Board of Education (CCBOE)	Annual Contract
Neuse Mental Health	One-Time Agency
New Bern Vocational Rehabilitation (VR)	One-Time Agency
Two River Trent Campus	One-Time Agency
North Carolina Division of the Blind	One-Time Agency
Two River Healthcare	One-Time Agency
Bayview Nursing Home	One-Time Agency
Trent Village Nursing Home	One-Time Agency
Community Innovation	One-Time Agency
Coastal Community Action (CCA)	One-Time Agency
Pamlico County Senior Center	One-Time Agency
Cross Roads	One-Time Agency
Restoration Ministries	One-Time Agency
Green Lamp	One-Time Agency
Neuse Center Action Team	One-Time Agency

\* Supplemented by grant from Neuse Center; clients pay a portion of expenses, and the difference is charged to EDTAP or RGP.

<sup>1</sup> Includes Medicaid, Out of County, Work First, Children's Services, DSS Misc., Disability Determination, Ryan White Fund  
<sup>2</sup> Includes Medicaid, Out of County, Work First  
<sup>3</sup> Includes Medicaid, Out of County, DDE, Work First

5. The following table includes information on several categories. Does this reflect current costing information and could we also see receive the full document?

5. One time user agencies requiring trip charges in advance. The majority of these trips fall within the first 4 zones.

(Last Updated July 2012)

Zone	Miles	Agency Zone Price
1	Up to 10.0	\$4.25
2	10.1 to 15	\$6.50
3	15.1 to 20	\$8.00
4	20.1 to 30	\$10.00
5	30.1 to 40	\$12.00
6	40.0 to 45	\$15.00

6. Core Agency riders are charged current price per mile rate (7/1/2012-\$ 1.20) per "shared" mile. Shared miles means the Core Agency (example Department of Social Services, CETC) agree to pay the expense of the total miles of the trip with any Zoned Agency riders, EDTAP, HCCBG and or RGP rides fees being backed out of the cost of the trip and the remainder being charged to the "Core" agency.
7. Loop riders (Yellow/Red Loop travel around New Bern at set stop locations): Public riders pay \$1.00 each time the rider boards the vehicle. Riders that identify themselves as EDTAP eligible are funded by grant and ride at no charge to the rider. Riders that present a Department of Social Services Loop Pass are funded by DSS and ride at no charge to the rider but have designated dates and locations of stops. Riders that present an RCS (Religious Community Services) Loop Pass ride at no charge to the rider and RCS is billed at the end of the month for the cost. The Loop is funded by Operation Grant Funds, RGP match of the \$1.00, EDTAP funding, Department of Social Services funding, and RCS funding.
8. Monarch/CCE (Coastal Counties Enterprise) riders are supplemented by a Grant from Neuse Center that is eligible only to CCE riders. These clients are billed monthly and pay a set fee each month. Trips are funded by CCE/Neuse Center Grant, EDTAP (all clients are eligible), and/or RGP grant funding. (Client COST- Rate for FY 2008/2009 will be 40 trips X \$1.25 = \$50.00)
9. CCBOE (Craven County Board of Educations) has a yearly contract with C.A.R.T.S. The price is specified in the contract and is subject to change each year. FY 2012/2012 the set price is \$12.00 per trip.

6. The CTIP indicates that core agencies riders pay per mile – we would want to understand the history, how impact on revenue compared with cost was developed etc.

*Core Agencies*

Core agencies are the only participants that pay for CARTS service on a per-mile basis as opposed to per-hour. Core agency riders are billed \$1.06 per shared mile. In this case, the rider's agency pays the total expense (based on mileage) of the trip, then receives a credit for zoned agency, EDTAP, HCCBG and RGP rider fees. Thus, only the remainder of the total trip cost is actually billed to the agency on a monthly basis.

7. There are many references to zones, could we see the zone map? Do you track riders per zone?
8. What is the current RGP fare by zone structure? Also let's discuss the following-

CARTS has addressed budgetary limitations for service provision by adjusting the local match associated with RGP funding. Typically, RGP funds may account for up to 90% of the fully allocated cost of each general public trip, while 10% is to come from farebox revenue, local funds, or both. Given the preponderance of riders in the Craven County area, CARTS requested and received permission from Craven County Administration to

adjust the 90/10 funding split to 60/40. The fares paid by passengers did not change, however the local government was able to extend the life of the grant funding.

This funding split can be adjusted as necessary, even on a trip by trip basis, to ensure that RGP funds are spent fully but not prematurely. In Pamlico and Jones Counties, which generate less ridership overall, the split is kept at 90/10. However, CARTS would request a rate change from the county commissioners if necessary based on projected ridership increases. The CARTS advisory board members expressed satisfaction that RGP funds were fully spent and no available grant money has been left on the table. Based on FY 2005 OpStats reporting, all general public ridership (Loop and RGP trips on agency routes) accounted for 36% of total system ridership.

9. Are all of work First trip funds used for that purpose or are they transferred to EDTAP or RGP?
10. This program should be discussed also – what is current trip rate (we will discuss costs to CARTS in subsequent section)?

#### *Home Community Care Block Grant (HCCBG)*

Another CARTS grant program is the Home Community Care Block Grant (HCCBG), which is designated for eligible customers traveling to and from designated senior centers for nutrition trips. These trips are made within the client's county, and are fully funded; no fare is required. The FY 2005/2006 trip rate was \$5.25 per trip. This funding applies only to eligible seniors age 60 and over, although fare-paying general public passengers may ride on vehicles making HCCBG trips when space is available.

11. Contracts also require understanding – in general we will recommend that all these fees be arranged in a table form and then compared with costs

#### *Contracts*

Coastal Counties Enterprise (CCE) [now known as ARC] is one of two organizations purchasing service on a contract basis from CARTS. Clients of CCE are typically mental health clients and require specific mental training. CCE riders are assisted by a grant from the Neuse Center, which is designed to keep trip costs low for clients. These

clients pay a set fee each month for all transportation, and trips are funded by a combination of the Neuse Center grant, EDTAP, and/or RGP. Typically the direct cost for riders remains under one dollar per trip.

CARTS holds a transportation agreement with each person who requests rides, and these clients often schedule their own trips. In this case, eligibility for RGP funding is questionable, as agencies may be able to fund transportation for their clients through other funding streams. RGP funding is not intended to supplant other funding sources. Indeed, recent changes to Medicaid rules now require mental health agencies to provide their own transportation rather than contracting with providers such as CARTS. If additional funding is needed for mental health transportation, agencies are encouraged to seek this funding through local sources (e.g., Pamlico and Jones Counties) rather than through CARTS as the operator.

A second contract service is an annual agreement between CARTS and the Craven County Board of Education (CCBOE). The price per trip is based on the zone structure, and typically relates to the farthest zone price for all participants. The program serves school children who have a learning disability or other condition that prevents them from attending regular public schools. Transportation from the children's homes to special classes that meet behavioral needs at public school is provided through the contract, for which per-trip prices are set each year. The FY 2005/2006 rate is \$7.50 per trip.

12. The following operating trends table is beneficial for comparison basis – is this updated? If not are the following from your OPS DATA the most up to date cost per mile, per hour, per trip and trips per hour, per mile and subsidy per trip? We want to develop some cost relationships and compare with revenue relationships.

\$	1.44
\$	24.35
\$	11.83
\$	2.06
\$	0.12
\$	5.54

**TABLE 6**  
**FY 2002-2005 CARTS Operating Trends**

	FY 2002	FY 2003	FY 2004	FY 2005	% Increase 2002-2005
<b>Operating Statistics</b>					
Vehicle Service Hours	34,699	35,022	34,901	35,464	2.2%
Vehicle Service Miles	794,261	790,262	814,546	843,125	6.2%
Passenger Trips	107,390	108,315	109,225	106,627	-0.7%
Peak Vehicles	26	26	19	26	0%
<b>Expenses/Revenues</b>					
Admin/Ops Revenue	\$775,438	\$683,536	\$747,809	\$757,985	-2.3%
Contract Revenue	\$334,849	\$282,313	\$317,321	\$337,247	0.7%
Fare Revenue	\$27,282	\$31,633	\$31,562	\$40,146	47.2%
Admin/Ops Expense	\$767,012	\$706,982	\$775,423	\$785,553	2.4%
<b>Performance Measures</b>					
Passenger Trips/Hour	3.09	3.09	3.13	3.01	-2.6%
Passenger Trips/Mile	0.14	0.14	0.13	0.13	-7.1%
Cost per Trip	\$7.14	\$6.53	\$7.10	\$7.37	3.2%
Cost per Hour	\$22.10	\$20.19	\$22.22	\$22.15	0.2%
Cost per Mile	\$0.97	\$0.89	\$0.95	\$0.93	-4.1%

Source: NCDOT OpStats reporting, FY2002 through FY2005

13. With respect to ridership the OPS DATA shows these as general public, E&D, DAR and total riders compared with historic info from CTIP that follows – we would want to understand current similar numbers as per CTIP.

96,029
17,127
7,224
71,678
96,029

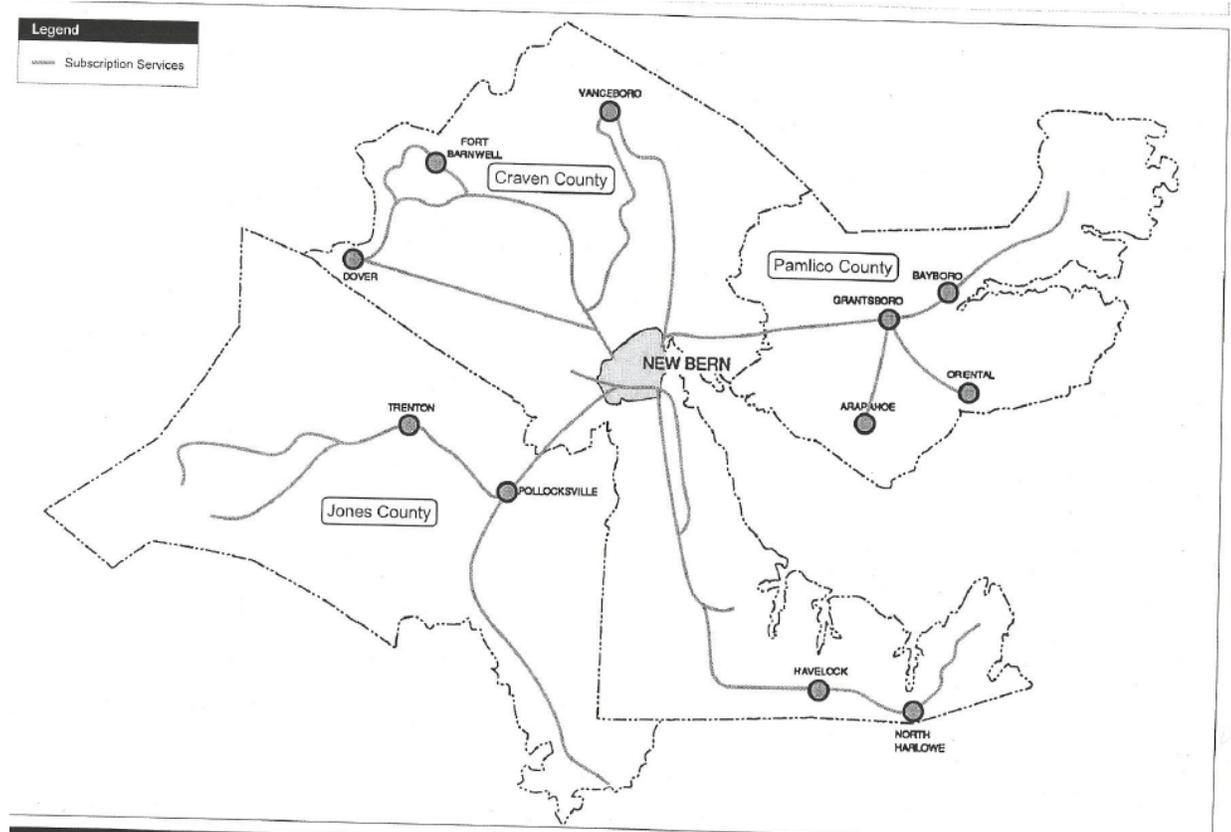
**TABLE 7**  
**FY 2005-2006 Ridership by Agency/Program**

Agency/Grant Program	Total Passengers
Craven Evaluation Training Center (CETC)	9,685
Coastal Counties Enterprises (CCE)	2,037
Craven County DSS	18,104
Home Community Care Block Grant (HCCBG)	11,976
Neuse Mental Health Center (NMHC)	351
New Bern Vocational Rehabilitation (NBVR)	587
Jones County DSS / Work First	999
Craven County EDTAP	11,878
Jones County EDTAP	8,319
Pamlico County EDTAP	3,319
Pamlico County DSS / Work First	2,505
Farebox	25,769
Miscellaneous	5,706
<b>Total</b>	<b>101,235</b>

14. The CTIP contains the map on the next page and suggests that routes have been created to serve the subscription trips.

- a. Is that still the case and are there schedules and destination points for that routing?
- b. What percentage of rides are subscription?
- c. How is the RouteMatch software used and what has been experience improving efficiency with software?
- d. What are addresses, locations of dialysis centers?

15. The CTIP indicates issues regarding cancellation/no-shows – what are the current numbers/impact on service?

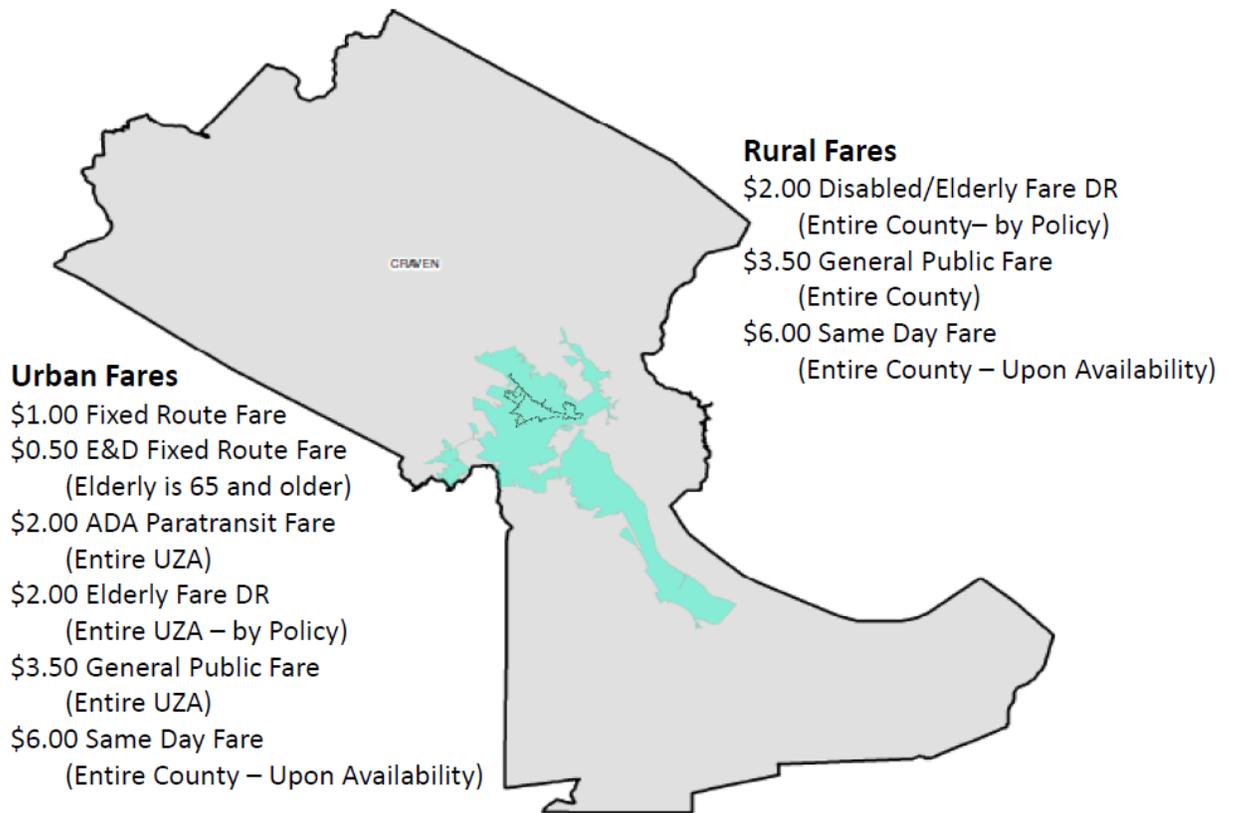


16. What are the current similar numbers to this table?

Funding Sources

A breakdown of ridership for FY2005 shows that the largest single funding source for CARTS is general public ridership (36%), followed by various contract revenue (24%), EDTAP/Work First (23%), and Medicaid clients (17%). Combined, however, human service agency transportation clearly represents the bulk (roughly two-thirds) of CARTS revenue.

- 17. Cost – total operating and fully allocated; what are relationships to fares and fees and should those be modified/developed?
- 18. The CTIP identified the potential to improve driver pay/service hour to equal or less than 1.25 goal, especially using RouteMatch – what is recent history?
- 19. System Fares – what we will want to do is compare all the current fares with those that are proposed below and also consider the number of affected persons and then estimate the impacts. Those would then be compared with the budget estimates.



20. Other items would be added as they develop as part of our discussions.

April 19, 2015

**DRAFT MEMO**

TO: Craven County Staff

FROM: MCA Team

SUBJECT: Overview of UZA Fare Discussion and Next Steps

OVERVIEW:

This memo provides an overview of the discussion between Craven County staff and the MCA team members on April 16, following our meetings on April 15 to discuss a number of UZA and general financial and operational issues. The purpose of the fare analysis and related issues is to:

- First, identify how many persons will be affected by the proposed fare structure, especially in the UZA, and what, if any, modifications could be considered from a rider perspective.
- Second, also identify what the financial ramifications will be based on the reduction in NCDOT funds and what Federal dollars will be required to offset that reduction.
- Finally, consider other financial modifications with respect to the CARTS budget, which would appear to be the primary option and alternative for immediate consideration.

ISSUES:

As identified in our prior meetings, which included eliciting responses to all MCA team questions contained in our April 10, 2015 Memo, the funding for the CARTS operation consists of a variety of grants, written and verbal agreements and other arrangements with approximately 17 other agencies. These include continuing funding from NCDOT, Pamlico and Jones counties, DSS, one-time use funding and processes, discounted trips and passenger fares. Those fund sources include paying for all CARTS services, both in the rural and UZA areas.

The methodology we use for this type of analysis is to “disaggregate” each of the components of the revenue/fare arrangements and then, once we have identified and understood each piece, to re-aggregate those in a way that develops issues, options and alternatives for discussion. The first part of the analysis is to consider each of the components developed for the proposed CARTS fares:

Urban

\$1.00 Fixed Route (Loop)  
\$0.50 Half-fare E&PWD\*  
\$2.00 ADA Paratransit  
\$2.00 Elderly DAR  
\$3.50 General Public DAR (Entire UZA)  
\$6.00 Same Day

\*PWD is persons with disabilities

Rural

\$2.00 Elderly PWD  
\$3.50 General Public DAR (Entire County)  
\$6.00 Same Day

We then explored each type of service and the numbers of riders to get a sense for impacts

both on the riders as well as the fiscal ramifications. For example, the first type of service discussed was the Loop, as shown below.

## LOOP

### 1. Fares

Types of fare funding for the Loop include:

General Public unsubsidized that pay \$1.00 per boarding  
 EDTAP eligible clients that are subsidized by state funds  
 DSS and Employment clients that do not pay a fare, but DSS/Work First are charged a \$3 per passenger fee  
 RCS and Interfaith riders are billed at a rate of \$1 per trip

From a percentage use basis, using March 2015 as a typical month with 1669 passengers:

1022/1669 or 61.2% of riders were General Public  
 496/1669 or 29.7% of riders were EDTAP  
 127/1669 or 7.6% of riders were RCS/Interfaith  
 24/1669 or 1.4% were DSS/Employment

Thus, with respect to how fares would change from current to proposed, the 30% of riders now eligible for EDTAP would be required to pay a fare, but as indicated below they would be eligible for a half-fare of \$0.50. Strictly from a fare change view, the remainder of the riders would not be affected.

### 2. Costs and Subsidies

However, we then collectively discussed how the current Loop budget works, which indicated that the yearly cost, based on 2013 numbers, is \$117,262, which equates to \$475 per day. It should be noted that the work sheet (see appendix) uses a daily cost of \$420. This is one of several instances where actual cost numbers differ from those used in calculations, which in this case results in a 12% undervaluation of the cost, with associated impacts shown below:

	Original	Revised
Daily Cost	\$420	\$474.75
Working Days	22	22
Monthly Cost	\$9,240	\$10,444
Credit from NCDOT Operating Funds	\$3,601	\$3,601
Net Cost for Month	\$5,639	\$6,843
Total Passengers	1,669	1,669
Cost per Passenger	\$5.54	\$6.26
Less Funding received:		
DSS/Employment billed at \$3/passenger	\$72	\$72
EDTAP at \$1/passenger	\$496	\$496
General Public at \$1/passenger	\$1,196	\$1,196
Subtotal	\$1,717	\$1,717
Amount billed to RGP (3 X Public)	\$3,447	\$3,447
Shortage/Net Cost (Total – Credit – Collected)	\$3,922	\$5,126

With respect to Loop costs for 2016, NCDOT Operating Funds, EDTAP, and RGP will not be available, so the CARTS costs of \$9,240, (actually \$10,444) would only be offset by general public fares and enhanced fares by DSS/Employment, which total \$1,221 leaving a subsidy per month of \$8,019 (\$9,223), or an annual subsidy requirement of \$96,228 (\$110,796).

It was also noted that the Loop cost includes two full time drivers with benefits, compared with the use of part-time drivers throughout the remainder of the system. Thus, the cost for DAR service will be less than for Loop service.

### 3. Budgeted Funds

A prior communication we received, entitled “CARTS Financial Plan”, indicated that the anticipated FTA 5307 operating funding was as indicated below, \$343,410 of which 50% or \$171,705 was the local share.

5307 - 2016 Grant (Pending)								
CATEGORY	REQUESTED AMOUNT	FEDERAL SHARE %	FEDERAL SHARE \$	STATE SHARE %	STATE SHARE \$	LOCAL SHARE %	LOCAL SHARE \$	TOTAL PROJECT \$
<b>FY16 Operating</b>								
(Total of Eligible Operating Expenses, less anticipated farebox revenues)	\$343,410	50.00%	\$171,705	0%	\$0	50.00%	\$171,705	\$343,410
Operating Total	\$343,410		\$171,705		\$0		\$171,705	\$343,410

If those numbers are correct, then it would appear that thus far we have identified a need for \$110,796 of those funds for Loop service.

### HALF-FARE

The Federal requirements for fixed route service are that, persons over 65, with a valid disability or having a Medicare card, may ride for half fare. Based on the monthly passenger totals above, it appeared that all those eligible for EDTAP, 496/1669 or roughly 30% of the Loop riders, would qualify for that discount. That would further decrease the amount of farebox revenue by approximately \$250/month and would require an additional subsidy of \$3,000 per year.

### ADA PARATRANSIT

Persons with disabilities: that meet certification criteria; that cannot access the fixed route service; and that reside within three-quarter miles of the fixed route service are eligible for ADA paratransit service. Fares for ADA paratransit cannot exceed twice the base fare. Estimates for persons with disabilities by county were included in the 2000, but not the 2010, census. The definition of disability was much more liberal than the ADA eligibility definition; for example in 2000 it was estimated that 26% of the county population had some disability. The average eligible ADA paratransit demand, however, is usually much closer to one or two percent of the total population. Given the current level of persons with disabilities using CARTS, there was a thought that perhaps 5% of the population might be eligible to ride.

Although the fare is twice the fixed route, there are no restrictions with respect to number of trips requested and no restrictions regarding trip destinations. The ADA paratransit process requires an additional infrastructure and the development of a specific plan. Portions of that infrastructure, such as a reservation process for calls twenty-four hours in advance of the trip, are different than the current CARTS process.

Our experience would suggest that for a relatively small service area the trip demand would be

relatively low, but the time/energy required to develop the plan and the component parts (e.g. eligibility/certification process) will be high and communicating the nuances of this service compared with others to agency representatives and customers will also require allocation of staff resources. Historically, ADA paratransit costs are higher than system averages for fixed route services, to some degree because there are additional costs associated with the trip-taking and record keeping processes.

In our view, the additional operating costs for ADA paratransit will not be significant.

## ELDERLY DAR AND RURAL GENERAL PUBLIC

The remainder of the riders on CARTS, again looking at the Craven County impact only, consist of the agency or grant subsidized elderly and the grant subsidized rural general public riders. In order to estimate the impact on the riders, subsidies and budgets requires knowing how many trips are made in Craven County and what percentage of those trips occur in the UZA (since NCDOT funds cannot be allocated to those trips).

### Elderly DAR

With respect to the elderly, many of those trips are funded based on a “shared use per mile” that is costed at either \$1.35 (which includes a deadhead fee) or \$1.20 (without deadhead). To be fully accurate we would need to further drill down on each of the costs per group, since there was some discussion regarding what was the appropriate fee and how recently that had been costed.

Based on a sample of RouteMatch generated data, it was indicated that 75% of the EDTAP funded Craven County trips were in the UZA.

What we still need to determine is as follows:

- How many Elderly DAR trips are made in Craven County
- What the current subsidies are for those trips, including agency and state funds
- What the budget costs are for those trips

### RGP

For RGP, those trips are costed based on mileage with costs per a table communicated to us that range from \$4.25 for up to ten miles and then incrementally increases based on distance travelled. Our notes indicate we were subsequently informed that the lowest charge is \$3.50. In our April 10 memo we noted that the 2007 CTIP showed higher fares than the current pricing. That was confirmed and the reduction was based on a re-evaluation of the revenue generated. In general, the NCDOT process is based on an annual cycle which does not include carryovers. However, we have worked with agencies in the state that use an enterprise fund type of budgeting process and in our recent assignment in Wake County they have adopted our recommendation for a multi-year funding process (which would also be consistent with NCDOT guidance requiring fund reserves).

Given the size of the UZA, it is likely that virtually all trips would be under twenty miles and a vast majority under ten miles. Based on a general discussion of RGP trips it appeared that of those within Craven County, approximately 50-60% were occurring in the UZA. That number could be more specifically corroborated using the software capabilities.

For non-agency sponsored trips, fares are paid by the rider based on the distance travelled per the rates indicated above. NCDOT rules allow up to 90% of the trip cost to be paid by RGP

subsidies.

What remains to be completed then is a better sense of the cost for the non-Loop service in Craven County using the same methodology for the Loop, fares, subsidies and budget ramifications.

#### SAME DAY SERVICE

There are no requirements for same day service; would recommend deleting this option. Have included an overview of USDOT Reasonable Modification regs prepared by a former colleague in LA for APTA as another file.