

CITIZENS TRANSIT ADVISORY GROUP (CTAG)
Meeting Summary
October 18, 2011
DISCUSSION SUMMARY

Present: Tom Cox, CTAG Co-Chair
Mary Barker, CTAG Co.-Chair
Todd Steiss, Town of Huntersville
Peter Larsen, Town of Mint Hill
C. Morgan Edwards, CMS
Henry Antshel, City of Charlotte
George Sottilo, Town of Matthews
John Phillips, Town of Davidson
Katherine (Kate) Payerle, City of Charlotte
Rob Watson, Mecklenburg County

Staff: John Trunk, Larry Kopf, John Joye

Meeting time 7:30 a.m. – 9:00 a.m.

I. Call to Order

Tom Cox, CTAG Co-Chair called the meeting to order at 7:30 a.m.

II. Approval of September 20, 2011 meeting summary

The meeting summary was approved as written.

III. CTAG Mission Statement

John Joye

Citizens Transit Advisory Group (CTAG) is one of three standing committees of the MTC but is the only standing committee created by the original Interlocal Agreement. CTAG is not a legal entity but under North Carolina law is a public body and must comply with open meeting laws; must be advertised and open to the public. CTAG operates under parliamentary procedures instituted by MTC. The book, Robert's Rules of Order, can be used as a guide for any questions concerning correct meeting procedures.

In 1999, the Metropolitan Transit Commission (MTC) was created by an Interlocal Agreement and executed by Mecklenburg County, City of Charlotte, and the surrounding towns in Mecklenburg County. The Interlocal Agreement is a constitution. Although the North Carolina Department of Transportation (NCDOT) did not sign the Interlocal Agreement, it has voting rights. Under the Interlocal Agreement, the City Council must be involved in any decisions concerning monetary transactions or contracts because the MTC is not a legal entity and cannot sign checks or contracts.

The original Interlocal Agreement assigned two tasks to CTAG; the governance review and the reviews and recommendations on the transit's two-year budget and five-year capital budget. The

budget is how the governance works by determining how the revenue received is distributed and used.

The budget is handled by the City of Charlotte with MTC approving the proposed budget presented by Charlotte Area Transit System (CATS) along with any recommendations offered by CTAG prior to the budget submission to the City Council. When the City Council approves the budget, it then becomes part of the City of Charlotte budget process. What happens if it is disapproved? According to the Interlocal Agreement, a conference committee is formed, consisted of three City Council members and three MTC members, to discuss the difference and formulate a new budget accommodating the needs of both parties.

Mr. Joye said that CATS has several financial rules in place that cannot be violated. One such rule is the Transit Fund which must maintain a minimum balance of \$100 million. Maintaining the minimum amount gives CATS a good bond rating so that if and when CATS needs to borrow money, the loan can be obtained at a good rate. Why does CATS need to borrow money? In the capital projects, CATS receive 50 percent from the federal government and 25 percent from state but the checks do not come into CATS before the bills are received.

CTAG's focus is the strategic, long term planning, i.e. the system's expansion, ridership, demographic growth. The Transit Services Advisory Committee's (TSAC) focus is tactical planning, i.e. day to day application of the services, additional bus stops, route change concerns.

Discussion

Mr. Antshel asked how CTAG's recommendations are relayed to MTC. Mr. Joye said CTAG's budget feedback is incorporated into the budget's presentation to MTC. MTC's meetings are attended by a CTAG representative who gives a report with CTAG's recommendations and/or concerns to the MTC members.

Mr. Antshel asked if the governance review was a one-time occurrence. Mr. Joye said the original governance review was one-time but that the MTC and/or the City of Charlotte could request another governance review. The original governance review was a review of the initial creation of the transit governing bodies to see how well they functioned.

Mr. Watson asked if there was a single review or multiple reviews of the budget. Mr. Cox said in February or March, CTAG will make their recommendations on the coming year's budget after several presentations from CATS staff. MTC will vote on the budget in April and send it to City Council. Mr. Trunk said the separate presentation offers the committee time to focus on each individual budget to ask questions.

The Interlocal Agreement states that the MTC must transmit an approved budget to City Council by April 30 of each year. The April 30 date provides City Council enough time to incorporate MTC's budget into the city's budget. Ms. Barker said the CTAG is kept apprised of any budget adjustments within the fiscal year by Ms. Pereira and staff.

Mr. Cox shared the history of CTAG. In the mid-90's there was a bond referendum for ½ cent sales tax with discussions and debates on how the transit system was to be governed. Some people want the transit system to be an authority, unlimited power within the system. On the

opposite side were the citizens who did not want an authority that could not be dissolved or removed. The Interlocal Agreement was a result of the political turmoil experienced between the local governments and the municipalities in the previous years. In this agreement, the Citizens Transit Advisory Group (CTAG) was formed and constitutional power to react and invoke a change in government if needed.

Mr. Antshel asked if the fact that the meetings are open to the public could be placed on the CATS website. Mr. Watson said several years ago he had a need to voice a concern and found the information on the website, though he did have to look for it.

Ms. Barker said the idea of having a representative of each entity is to communicate the information received to the entity's local officials. CTAG members are to represent the mindset of each of the communities.

Ms. Barker asked about a past debate concerning adding a provision in the agreement to increase the size of the board. Mr. Joye said he does not remember anything specific but that MTC has an open mechanism that any entity can join as a non-voting member. If an entity wishes to be a member, the entity must be contributing sales tax dollars. Recently the law has change and every county in the North Carolina has the ability to do the ½ cent sales tax.

Mr. Watson asked about how the meeting agenda points are determined, such as in the budget. Mr. Cox said that the budget's agenda will have the required points of interests for committee members to make well-informed decisions. Other meeting agendas are comprised of points of interest from the co-chairs, the committee or Ms. Flowers. Mr. Watson asked if previous budget information is available. Ms. Barker and Mr. Cox said to contact Ms. Braswell or Ms. Pereira. Mr. Steiss asked if a joint meeting with the TSAC could be arranged. Mr. Cox it can be considered.

Mr. Sottilo asked about Cornelius and Pineville and their representation. Mr. Cox said the townships have not appointed anyone. Mr. Watson said that during the time of the 485 parking deck issue, he asked the Pineville mayor about being appointed as a representative and the mayor said no thanks.

IV. CEO Report

John Trunk

A. Streetcar Symposium

Ms. Flowers and Mr. Muth are in Washington, DC attending a streetcar symposium. The Urban Circular grants, known as streetcars, were given to the City of Charlotte. The Feds want to see the partnership between the City of Charlotte, the construction organization and CATS (the operator). The Feds have recommended the operator take an early involvement in the process. The symposium will address the requirements of operating streetcars.

B. Budget Adjustment

Ms. Flowers is focused on the cost and schedule risk assessment of the Blue Line Extension. CATS is already involved in a three percent across the board mid-year adjustment to the fiscal year budget due to fuel prices exceeding the budget projections and state assistance is coming in lower than anticipated. Mr. Trunk said that two week ago CATS locked in 200,000 gallons of fuel at \$2.84 per gallon.

C. Ridership

The September ridership numbers show a six percent increase over September of 2010 and rail numbers showed a 3.8 percent increase.

D. Sales Tax Figures

July sales taxes receipts show over \$6 million in sales tax. In August 2011, the sales tax dropped to \$4.6 million. The totals are still fluctuating.

Discussion

Mr. Antshel asked about the rail/pedestrian accident. Mr. Trunk said one lady did not stop for an oncoming train entering the Scaleybark station and was thrown approximately 30 feet. The train and safety rails were functioning properly. The woman is expected to make a full recovery. Mr. Sottilo asked about the installation of pedestrian gates. Mr. Trunk said pedestrian gates were researched and it was determined by the Safety and Security team that the gates tend to create more problems than they resolve.

Mr. Cox said that he was requested to ask the committee if they would prefer not to meet in November because of MTC's meeting being a week earlier due to Thanksgiving. Ms. Barker said typically CATS does not meet in December because of the holidays and she would prefer meeting in November and not meet in December.

Ms. Barker moved to cancel the December meeting. It was seconded by Mr. Antshel. The vote was in favor.

V. Adjourn

The meeting was adjourned at 9:02 a. m.

NEXT CTAG MEETING: NOVEMBER 15, 2011, 7:30 A.M.