

**METROPOLITAN TRANSIT COMMISSION**  
**Meeting Summary**  
**March 25, 2009**

**DISCUSSION SUMMARY**

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Presiding: Mayor Patrick McCrory (Charlotte)

Present: Curt Walton (Charlotte City Manager)  
Amy Aussieker (CTAG Co-chair)  
Paul Edmunds (TSAC Chair)  
Jennifer Roberts (Chair, Mecklenburg County Commission)  
Harry Jones (Mecklenburg County Manager)  
Marion Cowell (NCDOT Representative)  
Mayor Jeff Tarte (Cornelius)  
Anthony Roberts (Cornelius Town Manager)  
Mayor John Woods (Davidson)  
Greg Ferguson (Huntersville Town Manager)  
Mayor Lee Myers (Matthews)  
Ralph Messera (Matthews)  
Brian Welch (Mint Hill Town Manager)  
Mike Rose (Pineville Town Administrator)

Chief Executive Officer: Keith Parker

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**I. Call to Order**

The Metropolitan Transit Commission meeting was called to order at 5:33pm by MTC's Chairperson, City of Charlotte Mayor Patrick McCrory.

**II. Review of Meeting Summary**

The Meeting Summary of February 25, 2009 was approved as written.

**III. Citizens Transit Advisory Group Chairman's Report**

**Amy Aussieker**

Amy Aussieker reported that CTAG met on February 27. A new member, Henry Antshel, joined the group. Their meeting reviewed the Capital Improvement Program (CIP), and the governance structure of CTAG. There is concern that different committee representatives have different term limits and attendance responsibilities. They will consider changing the by-laws to have universal term limits and attendance requirements. Any changes to standardize the governance structure will have to be approved by the MTC.

**IV. Transit Services Advisory Committee Chairman's Report**

**Paul Edmunds**

Paul Edmunds reported that TSAC met on March 12. The group heard a presentation on vanpools. CATS has 84 active vanpools over several area counties. The fleet is primarily 15-passenger vans, carrying an average of 12 persons. Olaf Kinard, CATS Director of Marketing and Communications, gave a presentation to TSAC on the new

Google Transit service. The spring service changes were implemented on March 2. Overall, the first day of the service changes went well, but some buses had to make detours due to the snow.

**Discussion:**

Jennifer Roberts asked how many passengers the vanpool program served. Mr. Kinard said the program served approximately 1,008 passengers a day. He commented that the program is at capacity now and has a waiting list for vans. As soon as new vans are available, they are put in service immediately. Keith Parker noted that there is as much as a two-year wait. However, a significant number of people interested in the vanpool program live outside the county, and we do not want to disproportionately allocate funds outside the county. Lake Norman Chamber is interested in partnering in a program that could bring more vans to CATS.

**V. Chief Executive Officer's Report**

**Keith Parker**

Under the CEO's report, Mr. Parker discussed the following:

a. **Sales Tax Revenue**

Revenue from the half cent transit tax continued to decrease through January. We estimate that overall numbers for FY09 will be as much as 10 percent less than originally projected last year.

b. **CATS Cost Reduction Plan**

Mr. Parker referred to his letter of March 24, a copy of which was distributed to the MTC members, discussing steps CATS will take to make up the more than \$14 million FY09 anticipated shortfall. CATS employees will have an unpaid holiday on Memorial Day. Employees who do not work on Memorial Day will be paid for 32 hours for that week. Mr. Parker said that layoffs will happen, the equivalent of 10 CATS employees and up to 40 bus operations employees. Mr. Parker said that three to five bus operators retire or leave for other reasons each month. As operators leave, the laid-off employees will be rehired. We hope to rehire all operators over time.

**Discussion:**

Ralph Messera asked whether the City of Charlotte would effectively be paying the ESC for these laid-off employees up to two years out. Curt Walton said the cost of unemployment insurance was built into the City budget. Mr. Parker acknowledged that it was possible that our unemployment tax rate could go up. He reviewed the planned severance pay-out of one week of severance for each year of service, and concluded that we will not see a positive budgetary effect of these layoffs this year. Mr. Parker said that we are assuming further decreases in the sales tax for FY10, so these reductions in force will help. Mr. Messera commented that it was possible that the savings will be less than anticipated, as the public sector has to reimburse the ESC for unemployment paid out.

c. **Labor Union Negotiations**

Mr. Parker said that CATS deals with two major labor unions. By State law, municipalities are not able to enter into collective bargaining, so our management company, McDonald Transit, engages in collective bargaining. The two unions are the Teamsters, which covers the bus drivers, and the United Transportation Union (UTU), which covers the bus mechanics. The drivers are in the third year of a five-year contract. The contract for the mechanics has expired. They have ratified their new contract, and we hope to see a signed copy of the ratified contract shortly. Instead of their usual three to four percent increase, they have agreed to take the same average pay increase CATS City of Charlotte employees will get this year and in FY11. If City employees receive no raise, neither will the mechanics. CATS is grateful they agreed to this, because otherwise we would be in a worse financial situation. Mr. Parker said we are trying to work with bus operators to see if they will also make concessions.

**Discussion:**

Marion Cowell asked who authorized docking employees' pay for Memorial Day. Mr. Parker replied that it had been approved by the City Manager, the Mayor, and the City Council. Mayor McCrory added that they had granted that authority on Monday, March 23 at the Council meeting. Only CATS employees' will be docked for the Memorial Day holiday; not all City employees. Mayor McCrory complimented Mr. Parker on his handling of this difficult management decision, and on his philosophy of across-the-board cuts to try to save jobs.

d. **Upcoming Issues**

Mr. Parker said that the April agenda is packed. The MTC will hear the cost estimate for the Northeast Corridor, which is nearing completion of the 15 percent level of work. They will also hear a cost estimate for the North Corridor, as portions of the design are at a 90 percent level for that project. The MTC members will also need to adopt the Operating Budget for 2010. Mr. Parker suggested handling the budget adoption and North Corridor discussion at the regular MTC meeting, and having the Northeast Corridor discussion at the City Council meeting on Monday, April 27, when the City Council members will hear the Northeast Corridor cost estimate. Mr. Parker commented that it would also be helpful for each group to hear the information at the same time and have their questions answered.

**Discussion:**

Mayor Jeff Tarte said he thought it made sense to separate the discussions. He added it would be helpful to understand how investment in rail will impact decisions made on bus lines. He said that it is critical not to diminish the bus routes. They are a little concerned with the Village Rider on the weekends, since service has been eliminated on Sundays. He commended Mr. Parker for making tough decisions. Mayor Tarte added he met this week with churches in Davidson and Cornelius to initiate public private partnerships to mimic the Village Rider routes on Sundays so people do not end up out of work. Mr. Parker commented that the MTC members have ultimate

authority on how money is spent. Since the sales tax was implemented, the allocation has been that two-thirds of the sales tax revenue goes towards daily operations. We will need to update the 2030 Plan at the appropriate time, when the economy has stabilized. Commissioner Roberts asked what time the Northeast Corridor discussion would take place at the City Council meeting. Mr. Walton said that if it were first on the agenda, it would be about 7:00 pm or 7:15 pm. The group concurred that time would be convenient; Mayor McCrory said they will put the Northeast Corridor presentation first on the agenda.

Mayor Tarte asked what role the City Council takes on the MTC. Mayor McCrory replied that the City Council approves all contracts and the overall budget. The MTC makes decisions on policy. Essentially, the Charlotte City Council has veto power; if they wanted to stop something the MTC did, they could. Mayor Tarte commented that he would prefer that the North Corridor be discussed with the City Council also, so they have a good basis for comparing the corridors. Mr. Parker said that he gives a quarterly update to the Charlotte City Council on CATS. While the MTC receives a monthly update, the Charlotte City Council has received much of the same information over time, just not in the same depth in all areas. The Q&A period determines how much information is received in various areas. Mayor McCrory commented that the CATS presentations are usually presented in the dinner meetings, which are less formal.

e. **Ridership Reports, January and February 2009**

Mr. Kinard reported two issues with the ridership reports. February '08 had fewer weekdays than 2007, a leap year. Had it been the same number of weekdays, overall ridership would have been up about 4.3 percent; LYNX ridership would have been up 2.2 percent. Also, the passenger counter in a LYNX car worked intermittently during the month. Therefore, ridership was analyzed and estimated. Overall, we saw a little softening of ridership. Mr. Parker emphasized that we are still seeing modest increases. Some other transit systems, such as New York and Boston, are seeing ridership decreases. We are one of the few systems seeing even modest increases in ridership.

f. **Smoking Regulation in CATS Facilities**

**John Joye**

Mr. Parker asked John Joye to review a new law to restrict smoking in transit shelters and at stations. Mr. Joye said that the MTC reviewed safety rules in 2007, including those regarding smoking. There was a question then as to why smoking is prohibited only in City vehicles. State law was unclear at that time about the ability to restrict smoking in other public areas. In 2008, our ability to restrict smoking in buildings was strengthened by a new law. In 2009, another bill was enacted to allow smoking to be banned virtually anywhere.

As CATS has watched these laws evolve, we have remained interested in what our customers want. CATS surveyed passengers in November and December 2008 on whether smoking should be allowed at LYNX stations; 86 percent of respondents said "No." Also, the cigarette butt litter is an issue on train stations and at bus bays and

shelters. The question comes up whether we should regulate smoking in these areas. CATS studied City code to see if there was a viable definition of a building. Section 11-4 of the Charlotte Housing Code (CHC) calls a building a structure that is 50 percent enclosed by walls. Mr. Joye said this seems to be a viable definition, and a judge would be prone to agree with that definition of a building. Mr. Joye said that staff would like to discuss this with the MTC to ask whether CATS should limit smoking in two areas:

- 1) The CTC bus bay area, and
- 2) Bus stop shelters where the sides are 50 percent or more enclosed.

Under the CHC definition of a building the LYNX platforms cannot be regulated at this time. Staff would like to bring this to the next meeting as an action item.

**Discussion:**

Mr. Parker said the biggest issue for CATS is the associated litter. We are constantly cleaning up the litter from smokers. Marion Cowell asked if we were considering asking the State to adjust the law to give us the latitude to be able to regulate smoking on platforms. Mr. Joye replied that there are two bills under consideration in the legislature that would give us the ability to regulate smoking on platforms. Mayor Myers spoke in favor of CATS having the ability to regulate smoking in public areas. Mr. Parker said that staff wanted to speak with the MTC members to see if they were interested in enforcing the authority we already have, but staff with MTC direction will go further. Commissioner Roberts said that the County government has seen an impact on the effects of smoking from a health standpoint, as well as the litter issues. Mayor McCrory urged the group to remember that people will find a place to smoke. If we prohibit smoking, that may move the smoking crowd and their litter next door, forcing adjacent businesses to deal with additional litter and people.

Harry Jones asked how we would enforce a smoking ban. Mr. Parker said that we have security at the Transit Center, and roaming security for the platforms could encourage people to move to designated smoking areas. At transit stops, there is little to enforce a smoking ban. Mr. Parker said that he would bring back for MTC action next month an item covering the areas we already have authority to regulate, and a resolution for signature that this body would like the authority to regulate smoking at areas not currently covered by law. MTC members agreed. The MTC directed CATS to prepare an action item for the April meeting on regulation of smoking in CATS facilities.

g. **Streetcar/Trolley Demonstration**

**John Muth**

Mr. Parker introduced John Muth to review a proposal from URS to fast-track the Streetcar project. Mr. Muth showed a possible alignment for a segment that URS felt would be the minimally operable segment for the Center City Streetcar Corridor. The segment uses tracks recently installed in Elizabeth Avenue to connect Presbyterian Hospital down Elizabeth Ave/Trade Street then curves around the Time Warner

Cable Arena to connect with the LYNX Blue Line. Mr. Muth reviewed the proposal's positives and negatives.

**Discussion:**

Mr. Parker said he wanted to bring this to the MTC because this is a proposal to possibly build Streetcar with stimulus funds. However, the potential funds available dictate a short segment. If ridership is therefore low, it may be harder to justify future streetcar projects. Mayor Tarte said that it would be hard to justify the cost of a short stretch of streetcar line to the Village Riders in Cornelius. Mr. Messera asked if the streetcar could turn north when it encountered the LYNX line and run parallel to the existing track on a third track and end at the 7<sup>th</sup> Street Station. Jim Zingale, CATS Chief Operating Officer, commented that he thought there were property issues there.

Mr. Parker pointed out that this project is estimated to cost \$30 million. Even with \$20 million in stimulus funds, this would still take an additional \$10 million from other funds and would cost approximately \$1 million yearly to operate. Mayor McCrory said that the trolley on the Blue Line is becoming a cost issue. The trolley got us started in rapid transit in a grass-roots effort and ridership was excellent, but ridership on the light rail line compared to the trolley is like night and day now. Mr. Messera said this was not a suitable use of stimulus money, but it is a good idea to find a way to jump-start the streetcar project. He advised CATS staff not to be afraid to do a cross-platform transfer.

h. **Proclamation from MTC**

**Keith Parker**

Mr. Parker asked MTC members to sign the proclamation to thank the NC Department of Transportation and NC Legislature for their support and their \$100+ million contribution towards construction of the LYNX Blue Line. We plan to get some time on the floor of the Senate and the House and the DOT on May 6 – Town Hall Day.

**VI. Public Comment on Agenda Items**

None.

**VII. Action Items**

None.

**VIII. Information Items**

a. **Transit Capital Program**

**Dymphna Pereira/John Muth**

Dee Pereira reported that there have been numerous changes and revisions to the program's estimates since January, due to the decrease in sales tax revenue and the transition at the Federal level, which caused uncertainty in our level of funds. However, the Omnibus Bill has passed, giving us funds for the Northeast Corridor and Streetcar, as well as stimulus funds for improving some existing facilities. Ms. Pereira gave a budget summary overview for FY10 through FY14, as well as a CIP

overview. She noted that most State funding is in the form of matching Federal funds. The rapid transit program is our largest capital expenditure. This includes the Northeast Corridor and North Corridor.

Mr. Muth reviewed the Five-year funded requests and the Five-year unfunded requests. Mr. Muth showed a graph with a revised tax forecast, reflecting the decreased tax revenue forecast for FY08-09. Over time, the projected shortfall could reach as much as \$270 million by 2018. The 2006 implementation schedule for the 2030 Plan is no longer feasible with this new lower projection. Currently, North Corridor construction is not funded. Funds for Streetcar are for planning only, and there is no contribution to preserve the opportunity to construct the Southeast Corridor rapid transit project within the NCDOT construction project on Independence Blvd.

**Discussion:**

Mayor McCrory asked if we were using stimulus funds to the best advantage. Mr. Parker went over the steps taken to date to determine what projects might be eligible for stimulus funds. Based on funding amounts available and the timetable required, the best project was to make improvements to the North Davidson Street Bus Garage Facility. This project was funded a year ago but came out of the budget. Mayor McCrory commented that Federal requirements are changing, and perhaps a maintenance facility is not the best use of funds. Mr. Parker said in terms of sustainability, the extra space this project will yield will enable us to do more projects in-house rather than hiring contractors. The building is 20-30 years old with a leaky roof, and the building is difficult to heat and to keep cool. Improvements will make it a more energy efficient and a green structure. These improvements will help the building fit our needs for the next 10-20 years, and help us defer the need for a third bus garage for about 20 years. So it may not be a glamorous project, but it is a good project, a good use of funds. Mayor McCrory said that information was helpful.

Mayor Tarte commented that he would like more information on how we calculate sales tax. Over a ten-year period, the figures do not jive intuitively to him. He said that an off-line discussion would be fine. Staff agreed to provide more data. Commissioner Roberts asked about the Yadkin River Bridge funds. Mr. Parker said that we want to be ready with a request, in case the Federal government decides that the Yadkin River Bridge project does not qualify for funds.

b. **CATS Property Management Portfolio**

**Leonard Ganther**

Leonard Ganther, CATS Manager of Facilities, gave a presentation to the MTC members to provide an understanding of the facilities for which CATS has the responsibility of maintenance, repair, renovation, and restoration. He listed pre- and post-rail assets ranging from maintenance garages to bike lockers and trash cans. He noted that special events impact operations, creating huge maintenance and clean-up activities pre- and post-event. He also noted that maintenance requests are rising and the demand for Facilities Services is growing.

**IX. Other Business**

None.

**X. Public Comment**

None.

**XI. Adjourn**

The meeting was adjourned at 7:07pm by Mayor McCrory.

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NEXT MTC MEETING: WEDNESDAY, APRIL 22, 2009, 5:30PM