

# METROPOLITAN TRANSIT COMMISSION

## MEETING SUMMARY

May 23, 2012

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Presiding: Harold Cogdell (Chairman, Mecklenburg County Commission)

Present: Curt Walton (Charlotte City Manager)  
Terry Lansdell (TSAC Vice Chair)  
Harry Jones (Mecklenburg County Manager)  
Mayor John Woods (Davidson)  
Bill Coxe (Huntersville Town Planner)  
Ralph Messera (Matthews)  
Bill Thunberg ( Mooresville)  
Wayne Herron (Monroe City Manager)

Chief Executive Officer: Carolyn Flowers

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**I. Call to Order**

The regular meeting of the Metropolitan Transit Commission was called to order at 5:30 p.m. by MTC's Chairperson, Commissioner Harold Cogdell.

**II. Review of Meeting Summary**

The meeting summary of April 25, 2012 was approved as written.

**III. Transit Services Advisory Committee (TSAC) Chair's Report**

**Terry Lansdell**

Mr. Lansdell reported that TSAC met on May 10 and received a briefing on the 2011 Customer Satisfaction Survey. Members also heard a presentation on the relocation of the Charlotte Transit Center (CTC) for Sunday-Wednesday of the Democratic National Convention (DNC). Mr. Lansdell said he wanted to highlight bike rack usage since May is Bike Month. CATS vehicles have had 725,000 bike boardings this year, a rate almost equal to the total rate for last year.

**IV. Citizens Transit Advisory Group (CTAG) Chair's Report**

**Tom Cox**

No report.

**V. Red Line Task Force Update**

**John Woods**

Mayor Woods reported that the Red Line Task Force met immediately prior to the MTC meeting. The agenda focused on a planned meeting with Norfolk Southern executives in June. Members also discussed new station criteria and reviewed information received last month on proposed procedures to add stations to existing plans before or after the start of revenue service. Members also received an update from NCDOT on Charlotte Gateway Station and Requests for Proposals for private partnerships.

**VI. Public Comments**

None.

**VII. Action Items**

None.

## VIII. Information Items

### a. **Market Research**

**Olaf Kinard**

Mr. Kinard, CATS Director of Marketing & Communications, reported on the results of CATS' annual customer review. The customer base is trending slightly younger compared to previous years, with an average income level comparable to the level reported in 2002. Riders reporting full- or part-time employment increased slightly, perhaps a sign of economic recovery. The percentage of customers who have been riders for a year or more continues to rise, as does their likelihood of riding CATS in the future. Three items have risen in importance into the top ten: on-time service, convenient locations for pass sales and easy mobile access to route availability. Reasonable fares were among the items ranked below the top ten in importance. The main areas customers rated as high in importance but perceived CATS' service as low in performance were in safety from crime, on-time service and reasonable travel time. CATS will continue to focus on the Core Customer Service attributes of top ten importance to customers while working to improve in the areas customers rated as high in importance but perceived performance gaps in CATS' delivery.

**Discussion:** Mr. Messera asked who did the survey. The company was Market Wise, a company CATS has used for two years. Mr. Kinard said the only methodology change over the last 10 years is that CATS is beginning to use electronic methodology, offering customers the option of completing a survey online. Mr. Messera asked how our customers' ratings ranked with benchmark studies. Mr. Kinard said there is a lack of survey design uniformity in transit, making it hard to draw comparisons, but he felt CATS typically ranked high for the industry. There is no standard set of survey questions. Ms. Flowers added that many systems have stopped surveying customers; it is a discretionary cost and budgets are tight. Mr. Kinard said that CATS performed surveys every other year for a few years after the drop in sales tax revenue. Ms. Flowers remarked that a lot of systems measure themselves only on customer complaint calls. Mr. Messera noted that the lower average income matches with lower express service ridership, reflecting lower employment; increased ridership on local service is interesting data. Mr. Walton asked how high average income was before the recession. Mr. Kinard said average pre-recession income was at the mid-\$30,000 level; on the LYNX line, the average income was around \$65,000. Commissioner Cogdell asked how CATS compares with other large urban transit systems on crime issues reported. Mr. Kinard replied that it is easier to get standardized data around the LYNX line. Crime at the stations and within the half-mile area around stations went down 30-33% since the line's opening. CATS has over 3,000 bus stops, so getting exact data for each stop is more difficult. Crimes may occur in neighborhoods around a bus stop. An officer looking for a locator reference point may use a nearby bus stop as that reference even if the crime was unrelated to the bus stop. Mr. Messera asked if surveyed customers determined the low importance items; Mr. Kinard said they had. Customers ranked many items close to a 5, so items ranked as 3.5 or 4.0 could fall into the low importance areas. Mr. Messera asked for a listing of items in the quadrant analysis for all MTC members; Mr. Kinard said staff would provide that.

### b. **Advertising Policy Update**

**Olaf Kinard**

Mr. Kinard reported that transit advertising revenue has exceeded projections in its first year. Staff continues to explore additional revenue opportunities since there is persistent financial uncertainty for transit funding at the state and federal level. Staff is working on ways to increase revenue further through increased fleet availability, plans for advertising at stations and the CTC and developing a Public-Private Partnership to reduce costs through

the farebox with advertising and naming rights. Two additional areas of potential revenue are allowing alcohol ads and expanding the policy on government speech advertising. Alcohol ads are regulated by the ABC Board. They are already visible in the community on billboards and at sporting events, as well as at other City assets such as the Airport and Arena. Interior ads would not be allowed for alcohol. The current government speech advertising policy allows only ads that promote or inform the public about a governmental service, program or activity. Staff proposes to align with the existing City policy for banners in the City's rights of way, including promoting non-profit regional tourist attractions and promoting or celebrating the City, its neighborhoods, civic institutions, public activities or events in the City. The potential revenue stream for government speech expansion is \$250,000-\$400,000; for alcohol advertisements, the revenue stream is estimated to be \$600,000.

**Discussion:** Mr. Lansdell asked if any other NC transit system had the expanded government system policy in place for advertising. Mr. Kinard replied that he did not know. Denying ads without policies in place can result in legal problems. The transit systems that have had problems were typically systems lacking policies. The specificity of CATS' policy corrals the amount of issues possible. Mr. Lansdell remarked that CATS had tried to corral the policy initially to limit "the slippery slope;" he asked whether this might open the door further. Lisa Flowers, Assistant City Attorney, replied that the proposed definitions mirror the City's banner policy. CATS would continue to review and turn down some ads requests. The policy expansion specifies that the ad still has to be government speech, to be the City speaking. For example, Speed Street could pay for an ad saying, "The City welcomes Speed Street participants." This is not open to non-profits but is the government speaking. CATS can accept money to place ads for the City to speak. Commissioner Cogdell commented that the door opens for a challenge any time the terms "significant" or "important" are used. He asked how a nonprofit organization with an interest in advertising on transit comports with the guidelines for fees around advertising. Is this an across-the-board policy that would apply to any nonprofit? Ms. Flowers said nonprofits still have to be organizations with unique ties to the City. Staff examines ad copy in each individual case. Mr. Kinard said that CATS turned down U.S. National Whitewater Center and Discovery Place branding ads due to the ads' commercial aspects for those nonprofits. Ms. Flowers said under the revised policy, we could accept those ads because they are a regional nonprofit tourist attraction. City Legal feels that the same regulations that apply for the City banner policy should also apply to transit advertising regulations. Mr. Kinard added that having similar policies throughout the City may reduce potential litigation issues. Ms. Flowers stated that people who are turned down for CATS ads would sue the City if dissatisfied, not CATS, another reason to align CATS' regulations with existing City policies. Mr. Walton asked if an ad about Amendment One could have been placed on a bus. Ms. Flowers replied that it could not have as that would have been a political ad. Under the banner regulations and this revised policy, political ads would not be allowed at all. Commissioner Cogdell asked about an organization that was running a festival that promoted diversity. Ms. Flowers replied that not every event would apply. Speed Street and Taste of Charlotte are the types of events that would fall under this policy. Ms. Flowers said that she will be happy to speak with members later if they have additional questions.

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

**Carolyn Flowers**

Under the CEO's report, Ms. Flowers discussed the following:

**a. Democratic National Convention (DNC) Update:**

Larry Kopf, CATS Chief Operations Planning Officer and Manager of Bus Operations, reported that the CTC will relocate for the DNC to a site at the intersection of Third and Mint Streets. CATS will have bus bays for the relocated service with temporary shelter and clear signage. There will be a main passenger shelter with climate controlled, ADA-accessible amenities including restrooms. Customer Service, Security and Transit Ambassadors will assist customers. Buses will be on detour and staff expects heavier traffic with potential delays on detour routes. Extra standby buses will be available for those routes that run behind due to increased traffic delays. There will be limited Gold Rush service. Rail Operations will operate from the I-485 station to the Stonewall station. A bus shuttle will operate between the Carson station and the relocated CTC for customers needing bus-rail connections. Transit Ambassadors will work at key rail stations. While private operators will provide the majority of service for delegate shuttles, private companies will not be able to meet all needs. CATS will apply for an FTA waiver to operate a portion of delegate shuttles and will charge for this service. There is potential for CATS to operate all bus modes, including Special Transportation Service for delegates with disabilities, as well as some train services. The current plan is expected to change with evolving direction from the federal government.

**Discussion:** Mr. Messera remarked that CATS' costs will increase that week and asked if costs will be reimbursed. Mr. Kopf replied that staff is gathering costs now. CATS expects to be reimbursed as long as the reimbursement request is reasonable. Mr. Jones asked where staff expected likely changes. Mr. Kopf said that CATS is not in control of the changes and cannot predict what will change. This is a big event with a lot of organizations involved and so plans may change. Ms. Flowers remarked that Denver reported that security perimeter changes occurred up to the last minute. Mr. Messera said that he would expect street closings to be announced at the last minute and asked what areas are designated as free speech areas. Mr. Kopf said he did not know if that had been decided. Ms. Flowers said that we do not know what will change at the last minute. Commissioner Cogdell asked whether the CTC relocation was due to direction from the Secret Service, and Mr. Kopf affirmed that it was. Commissioner Cogdell said that the more it gets out that CATS is responding to direction from the federal government, the better. A lot of people do not know that and assume that the decision was made at the local level.

**b. Budget Update:**

A proposal to cap the state gas tax could have a long-term structural impact on CATS' financial plan, as the gas tax is a funding source for transit programs throughout the state.

**Resolution:** Mayor Woods motioned to authorize staff to send a letter of concern to the County delegation regarding the impact of a gas tax cap to public transit and specifically to CATS. Mr. Messera seconded the motion. The motion passed unanimously.

**c. Labor Negotiations Update:**

The Bus Operations Division is currently conducting labor negotiations to renew the bus mechanic contract.

**d. Rodeo Update:**

CATS paratransit staff and BOD operators recently participated in the North Carolina Public Transportation Association Bus Rodeo. CATS came in second overall in the state for both

STS and BOD competitions. STS won the safety award for the fourth year in a row. CATS participated in the international bus roadeo in Long Beach, CA and finished in the middle of the competition. The rail team will compete in Dallas in about a week. Local team winners will be introduced to MTC members at the June meeting.

**X. Other Business**

Mr. Messera noted that this is National Public Works Week. He wanted to point out that transit was a major public work for many cities.

**XI. Adjourn**

The meeting was adjourned at 6:30 p.m. by Commissioner Cogdell.

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NEXT MTC MEETING: WEDNESDAY, JUNE 27, 2012, 5:30 P.M.