

# METROPOLITAN TRANSIT COMMISSION

## MEETING SUMMARY

February 26, 2014

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**Presiding:** Trevor Fuller (Chairman, Mecklenburg County Commission)

**Present:**

Mayor Patrick Cannon (Charlotte)

Mayor Jill Swain (Huntersville)

Rob Watson (CTAG Co-Chair)

Mayor Jim Taylor (Matthews)

Dena Diorio (Mecklenburg County Manager)

Ralph Messera (Matthews)

Mayor Chuck Travis (Cornelius)

Brian Welch (Mint Hill Town Manager)

Mayor John Woods (Davidson)

Bill Thunberg ( Mooresville Representative)

Leamon Brice (Davidson Town 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 6:00 p.m. by MTC's Chairman, Commissioner Fuller.

**II. Review of Meeting Summary**

The meeting summary of January 22, 2014 was approved as written.

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

TSAC's February meeting was cancelled due to snow; no report.

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

**Rob Watson**

Mr. Watson reported that CTAG met on February 18. Discussions included an overview of the operating budget. At CTAG's next meeting, members will review the budget in more depth as well as discuss the proposed fare increase.

**V. Red Line Task Force Update**

**John Woods**

Mayor Woods said that the Task Force is waiting on a draft White Paper report and coordinating the next contacts with Norfolk Southern (NS) to be sure that the North Carolina Department of Transportation (NCDOT) is also at the table for the next discussions.

**VI. Transit Funding Working Group Update**

**Jill Swain**

Mayor Swain reminded MTC members that the Public Private Partnership (P3) conference in Charlotte will be held on March 5-6, 2014. The TFWG has been working hard on this conference, as has a number of CATS staff. An incredible agenda of experts from across the country will discuss innovative ways of financing transit and other infrastructure. A variety of sessions will cover all aspects of funding options. Over 70 people have signed up to attend this conference, primarily intended as education for elected officials on new ways to finance transit and other infrastructure projects. The Foundation for the Carolinas is one of many sponsors. Ms. Flowers added that experts on P3 projects from Virginia and Colorado will be at the conference. There

will be sessions on infrastructure, social impact bonds, regulatory framework, economic development studies and others. Former FTA Administrator Peter Rogoff, who was recently appointed the Undersecretary for Policy for the U.S. Department of Transportation, will provide closing remarks.

**VII. Public Comments**

None.

**VIII. Action Items**

**a. Title VI Policy Update**

**Arlanda Rouse**

Mr. Rouse, CATS Civil Rights Officer, reminded MTC members that he discussed FTA's Circular 4702.1B at the January MTC meeting. The Circular gives information about how transit agencies are to carry out Title VI programs. Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color or national origin in programs that receive federal financial assistance. Circular 4702.1B requires transit agencies to perform equity analyses for major service or fare changes. A major service change is one that affects 25 percent or more of revenue miles for an existing bus or light rail route, or elimination of an existing transit route without replacement, or implementation of a new route. Staff compares the low income and minority population in the entire service area to the populations within the affected data and reviews what changed on the route. If a segment is eliminated, staff evaluates whether there was an adverse effect such as walking further to a stop, waiting longer or paying an increased cost. If there is an adverse effect on riders, staff reviews alternatives and chooses the least adverse option to achieve the desired service level, and seeks to mitigate the adverse effects on riders. Public input is an important component in the process.

**Discussion:** Mayor Swain asked whether the policy covered minority and low income or minority or low income. Mr. Rouse said that the policy covered minority and/or low income populations. Ms. Flowers added that low income was the Federal definition of poverty level.

**Resolution:** Mayor Swain motioned to approve the Title VI Policy; Mayor Woods seconded the motion. The MTC voted unanimously to approve the policy.

**b. Equitable Service Analysis for CATS Route 98**

**Pamela White**

Ms. White, CATS Manager of Service Development, said that Route 98 is the first major service change that MTC members will review. The North Meck Village Rider is a service in North Mecklenburg County. Based on rider input, staff reviewed the service to better match bus service to high demand areas while maintaining service to the Huntersville Gateway Park and Ride and transfer opportunities. Route 98 McCoy Road is proposed for relocation of 2.3 miles to travel to CPCC's Merancas campus. Service within the neighborhood is unchanged, but service to the North County Regional Library will be discontinued. The service area is not classified as minority or low income, but surveys indicated that the route's riders fall into the low income category. This route is subject to deviated service, so riders will still be able to use the old route by calling for deviated service. CATS held a public meeting on December 5 and received TSAC approval on January 9, 2014. CATS conducted an on-board survey on January 16, 2014.

**Discussion:** Mayor Swain asked if information on the route change has been disseminated in Spanish. Ms. White said that it is on our website. Mayor Swain urged staff to include information in Spanish, and Ms. White said that the Riders Alert would include notification in Spanish. Mayor Cannon asked what the threshold was for minorities, and Ms. White said it was 47.5. Mayor Travis asked details about the onboard surveys. Ms. White said that staff reviews route ridership to see when the service is utilized. This route utilization is highest at midday, so the survey was held during that time. Mayor Swain said that since notification would be made in Spanish and access to the library will be maintained as well as access to CPCC's campus, she was comfortable with the change.

**Resolution:** Mayor Taylor motioned to approve the change for Route 98; Mayor Woods seconded the motion, which passed unanimously.

**c. Request from Mecklenburg Transportation System**

**Larry Kopf**

Mr. Kopf, CATS Chief Operations Planning Officer and Manager of Bus Operations, said that Mecklenburg Transportation System (MTS) has requested to use CATS' bus way in the middle of Independence Boulevard. Staff has reviewed the request and is in favor of the request. MTS carries a lot of customers similar to STS clients. When STS is not able to provide service to a client, they often refer those clients to MTS. MTS estimates that they would use the bus way 1-2 times daily, so it would not create a large amount of additional traffic. It would be helpful for MTS, especially during rush hours. If approved, staff will develop a process to train MTS drivers.

**Discussion:** Mayor Taylor asked how CATS will handle future third-party transportation companies that would want to use our bus system. Mr. Kopf said that Mecklenburg Transportation System has a variety of transport systems, including cabs. This would only be for MTS buses with the MTS logo, and not for cabs contracted with MTS. If CATS receives requests from other companies, they will be dealt with on an individual basis, based on the process that developed. Mr. Messera asked whether it would be appropriate to indicate that MTS could consider developing a different logo to coordinate better with CATS' logo. Mr. Kopf said that we can talk with them about that. Mayor Woods asked how the MTS service differed from CATS' Special Transportation Service (STS). Mr. Kopf said that STS is for disabled customers. MTS is for disabled and elderly customers. Additionally, STS is only guaranteed within 3/4 mile of an existing bus route; MTS is not limited to that service area.

**Resolution:** Mayor Cannon motioned to approve the action item allowing MTS to use the Independence bus way; Mayor Taylor seconded the motion. The MTC voted; the motion passed unanimously.

**IX. Information Items**

**a. FY2015 Operating Program**

**Dee Pereira**

Ms. Pereira, CATS Chief Financial Officer, Assistant Director of Public Transit, reviewed the timing of the budget process. The MTC approved Fare and Financial Policies recommend an increase in fare levels every two years to ensure that fare revenues keep pace with inflation and reflect a fair-share contribution by riders to the costs of operating the transit system. The policy allows for an increase of up to \$0.25. Historically, fares increased slowly. The reason for this fare increase is due to operating expense drivers. Key cost drivers are fuels, utilities, personal services and risk insurance. Staff has evaluated the impact of a base fare

increase at various levels. A 20 cent fare increase will require no reduction of current service levels. If no fare increase is implemented in FY2015, increased costs in the key cost drivers would require reducing the current service level by 2,354 hours. Any reduction in service on local routes will also impact ADA customers.

Olaf Kinard, CATS Director of Marketing & Communications, showed a fare comparison for the different fares and passes under the proposed fare increase compared with current fares, as well as a comparison of CATS' fares with other cities in North Carolina and fares in other cities with systems with regional express routes and light rail. Eight percent of the fare that customers pay for STS covers the cost for the service. Typically, 24-25 percent of the cost for bus or rail is covered by the fare. The services are different. The public hearing on the fare increase will be March 26, 2014 at the beginning of the MTC meeting. CATS began advertising the proposed fare increase on January 23, 2014 through riders alerts, hanger alerts, shelter posters, local newspapers including the Spanish newspaper, press releases, social media and the CATS website.

Mr. Kopf reviewed the bus, STS and Vanpool operations areas. Bus Operations Division employees are employees of a subsidiary managed by a contracted company. They are not employees of the City of Charlotte. Bus drivers and mechanics are unionized. City employees are prohibited by state law from striking or from engaging in negotiations with collective bargaining units, so the City contracts with McDonald Transit to manage that division. Buses are kept for 13-14 years before retirement and operate about 40,000 miles per year, so CATS has a good maintenance program in place. Passenger amenities include the Charlotte Transit Center, six community transit centers and six bus-only park and ride lots. CATS plans to expand service next year with new routes partially funded by federal grants. Budget drivers include personal services, fuel, equipment and parts and insurance such as worker's compensation. Bus Operations strives to operate within the budget parameters but also to maintain service quality. Fuel prices are going up now, so CATS' forward buying of fuel will help us contain costs in that area. CATS has made several forward buys into FY2015 already with an average price of \$3.04/gallon.

Special Transportation Service (STS) is an ADA-required door-to-door service for people with disabilities, providing service within a three-quarter mile buffer around fixed local bus routes. STS consolidated operations last year at the North Davidson facility. There are fuel pumps at that facility, which will eliminate STS drivers having to fuel their buses at market prices while in service. This will save money on gas as well as improve driver efficiency. STS II service to the rest of the county is provided as capacity allows and is not required under ADA. CATS' vanpool program is a commute-to-work service. The group designates one person to be a driver. The drivers are not CATS employees, although they receive training in how to drive a van, and they pick up riders on their way to and from work. It is an alternative for people who are not able or willing to ride a bus. CATS also subsidizes DSS' subscription program, primarily for people to commute to a sheltered work program. Mr. Kopf said that \$75 million is set aside for a five year vehicle replacement system; \$20.6 million for maintenance programs; \$1.2 million for the Hastus Scheduling System; \$9.6 million for a new farebox system with Smartcard capability; and \$2.1 million for radio upgrades from analog to digital radios, as required by the City.

Allen Smith, III, CATS General Manager, Rail Operations, discussed the Rail Operations area. At 46 employees, Mr. Smith said that CATS' Rail Operations is as streamlined as is possible. The Rail area will need to hire new rail operations personnel for CityLYNX Gold Line and LYNX Blue Line Extension (BLE). Rail Operations employees are City employees. These are specialized positions requiring extra training, as well as mandatory "burn in" time for the new vehicles prior to revenue operation. Mr. Smith reviewed the planned programs and projects in the five-year Community Investment Plan (CIP) for Rail Operations, including rail equipment and repairs, expansion and maintenance programs. In addition, \$4.5 million in the FY2015 proposed budget is allocated for facilities management.

Levern McElveen, CATS General Manager, Safety & Security, spoke on the importance of a safety culture. FTA regulations give states safety oversight. NCDOT requires agencies to develop a safety plan. MAP-21 expanded safety regulations formerly applicable only to rail to the bus side. Ten CATS employees are assigned to transit safety with responsibilities for safety audits, operator ride checks, inspections, training and incident investigations. Transit Security has 75 personnel dedicated to transit security, including Charlotte Mecklenburg Police Department and GS4 employees.

**Discussion:** Mayor Cannon asked how long CATS could maintain current service with a 20 cent raise. Ms. Pereira said that CATS could maintain service for two years with a 20 cent raise, after which staff would perform the same analysis again. Ms. Flowers noted that staff continues to look at sources and operating efficiencies to balance the budget. Last year, there was a reduction in risk insurance, but this year CATS will experience an eight percent increase due to changes in risk evaluation following Hurricane Sandy for agencies that might be subject to service loss following floods. Mayor Travis asked what ADA customers would lose if the fare was not increased. Ms. Pereira said that ADA service is tied directly to local routes. If a local route is eliminated or shortened, that affects the ADA service route. Mr. Kopf added that if CATS cuts a route on Saturday, there would be no ADA service on Saturday. Ms. Flowers said that there are different methodologies for cutting service. Service can be thinned by eliminating stops on a route or having less frequent service, but at some point, cutting service can have a disparate impact.

Mayor Swain asked if it was possible to find the average household incomes in the communities used for fare comparison. If our fares are lower than other cities' fares, but our average household income is lower, then that may indicate something. Mr. Kinard said that they are not all similar to us in geographic distribution. Some cities are more geographically spread out, and some are more densely urban.

Commissioner Fuller asked if CATS collaborates with CPCC on employee training. Mr. Smith said that CATS does have a relationship with CPCC and is trying to develop an apprenticeship program with NCDOT as well.

- b. NCDOT FY2015 Transportation Demand Management Program Grant** **Olaf Kinard**  
Mr. Kinard reminded MTC members that the State Transportation Demand Management program requires MTC approval yearly to receive the grant prior to CATS' application for the grant. The grant allows CATS to reach out to employers.

**Discussion:** None.

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

**Carolyn Flowers**

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

**a. CityLYNX Gold Line Update:**

The City has received approval from FTA to enter into project development for the CityLYNX Gold Rush Phase 2. The Charlotte City Council has authorized funds to advance the project to at least 65 percent, which will allow CATS to submit a Small Starts grant application for the project to enter the same federal funding process used for the LYNX Blue Line and BLE.

**b. Financial Update:**

Ms. Flowers said that CATS is about \$1 million short in the budget. Staff will monitor year to date performance to see if budget adjustments need to be made mid-year.

**Discussion:** Mayor Taylor noted that Pineville comes in lowest on sales tax every month and why, since there is a large mall there. Ms. Pereira replied that the figure was based on population.

**c. Grants Update:**

CATS worked with a third party to administer a project selection process for the Job Access Reverse Commute (JARC) and new Freedom Grant programs and select projects. The Metrolina Association for the Blind was a grant recipient. CATS also received a JARC grant which will partially fund a service to the Charlotte Premium Outlets.

**d. State Agenda:**

Staff is working on the strategies developed by the TWFG for the legislative Long Session next year. In this year's Short Session, CATS is advocating for HB375 to allow 60' buses. Next month, staff will bring a resolution to MTC to will reiterate support for HB375.

**XI. Other Business**

Mayor Swain said that MTC members need to vote on an alternate representative for the Charlotte Regional Transportation Planning Organization (CRTPO). Ms. Flowers commented that the mayor of Pineville said at last month's meeting that he would like to be more active; she told him that the previous mayor had been nominated as alternate to CRTPO. MTC will vote on CRTPO representation at its March meeting.

**XII. Adjourn**

The meeting was adjourned at 7:50 p.m. by Commissioner Fuller.

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NEXT MTC MEETING: WEDNESDAY, MARCH 26, 2014, 5:30 P.M.