

CITIZENS TRANSIT ADVISORY GROUP (CTAG)
Meeting Summary
March 17, 2015
DISCUSSION SUMMARY

Present: Rob Watson, CTAG Co-Chair
Gus Kretschmer, City of Charlotte
Christy Kluesner, Charlotte-Mecklenburg Schools
Jane Dunne, Town of Mint Hill
Todd Steiss, Town of Huntersville
Matt Covington, Mecklenburg County
Jennifer Braganza, Town of Pineville

Staff: John Muth, John Joye, Austin Faulk, Brandy Decker, Larry Kopf, Dee Pereira, Paulus Ford

Meeting time 7:30 a.m. – 9:00 a.m.

I. Call to Order

Rob Watson, CTAG Co-Chair, called the meeting to order at 7:33 a.m.

II. Approval of April 15, 2014, November 18, 2014 & January 20, 2015 meeting summaries

The meeting summaries were approved as written with one correction. On the January 20, 2015 summary include Rob Watson as present.

III. Remarks from Co-Chair Rob Watson

- a) Co-Chair Rob Watson will send communications out to board members to remind them of the meeting and to assist in filling open spots that may exist on the board.
- b) This is budget season for CATS and the CTAG Board inputs are vital to the overall budget approval process

IV. CATS Budget Overview

John Muth, Interim CEO of CATS shared the following information:

- 2030 Vision is advancing forward
 - Challenges:
 - Minimal growth in revenue service hours
 - Long term financial plan include average growth of 3.6% over the life of the plan
 - Increasing demand for service
 - Opportunities:
 - Evaluate current needs and travel patterns
 - Evaluate system route structure
 - Leverage 19 mile LYNX Blue Line and LYNX Gold Line

- Making Progress:
 - Constructing LYNX Blue Line Extension
 - Expanding LYNX Blue Line Capacity (from 2 car to 3 car trains)
 - Funding sources: TIGER 3 Grant (18M) & Pending approval of Core Capacity Grant application
 - LYNX Gold Line
 - Phase I to open June 2015
 - Phase II is in the President's Recommendation Budget - \$150M (\$75M Federal funds/\$75M Local funds will be funded by City of Charlotte)
 - Challenges:
 - No funding for future corridors in long term financial plan
 - LYNX Silver Line Rail Technology/Alignment Study underway
 - LYNX Red Line – availability of Norfolk Southern O Line
 - Airport Corridor – Streetcar or Light Rail
 - Opportunities:
 - Bus service can leverage proposed HOV/HOT lanes on I-77 and Independence

Q: How far beyond the airport does the county border go?

A: Couple of miles beyond. Not too much farther

- Long Term Plan
 - Engage the region in planning and funding discussion
 - Develop a comprehensive regional plan (revise 2030 plan to 2050)
 - Seek opportunities from Federal Grant Program
- Funding - Transit Funding Working Group (TFWG) Recommendations:
 - Financial – Submitted for TIFIA Loan and conducting a Value Capture Study
 - Legislative – Looking at P3; DBFOM and SAD legislation

Q: Streetcar Phase II is in the President's Budget. What is the plan for construction?

A: 65% design has been completion. Planning to go to City Council and talk about next steps. We want to finish streetcar design and then execute a fully funded grant agreement with the FTA.

Dee Pereira, CATS CFO shared the following formal presentation of the budget for FY2016-17 Operational budget and 5 year CIP FY-2016-20 information. Please refer to the attached PowerPoint presentation.

V. CTAG Transit Survey

Co-Chair Rob Watson led the discussion of the review of the CTAG Transit Survey. The preliminary reviews of 360 respondents have been most positive. The response information shared can be reviewed in the attached document.

- Next Steps: The survey will run until April 1, 2015. The raw data will be provided to CTAG for review and a formal presentation will be given, concerning the Transit Survey, to the MTC at the April 22nd meeting.

VI. CEO's Report

- Was a speaker at the Senate Banking Committee Staff Roundtable discussion in Washington, DC on Tuesday, March 10th, 2015 for Light Rail Development and State of Good Repair. Charlotte's Light Rail system is getting notice on a national level.
- Thursday, April 9th, 2015 from 10am-1pm; has been designated as Stand Up For Transportation Day; national-wide. The purpose is to call attention to the re-authorization of the transportation bill.

Adjourn

The meeting was adjourned at 8:47 a. m.

NEXT CTAG MEETING: APRIL 21, 2015 AT 7:30 AM

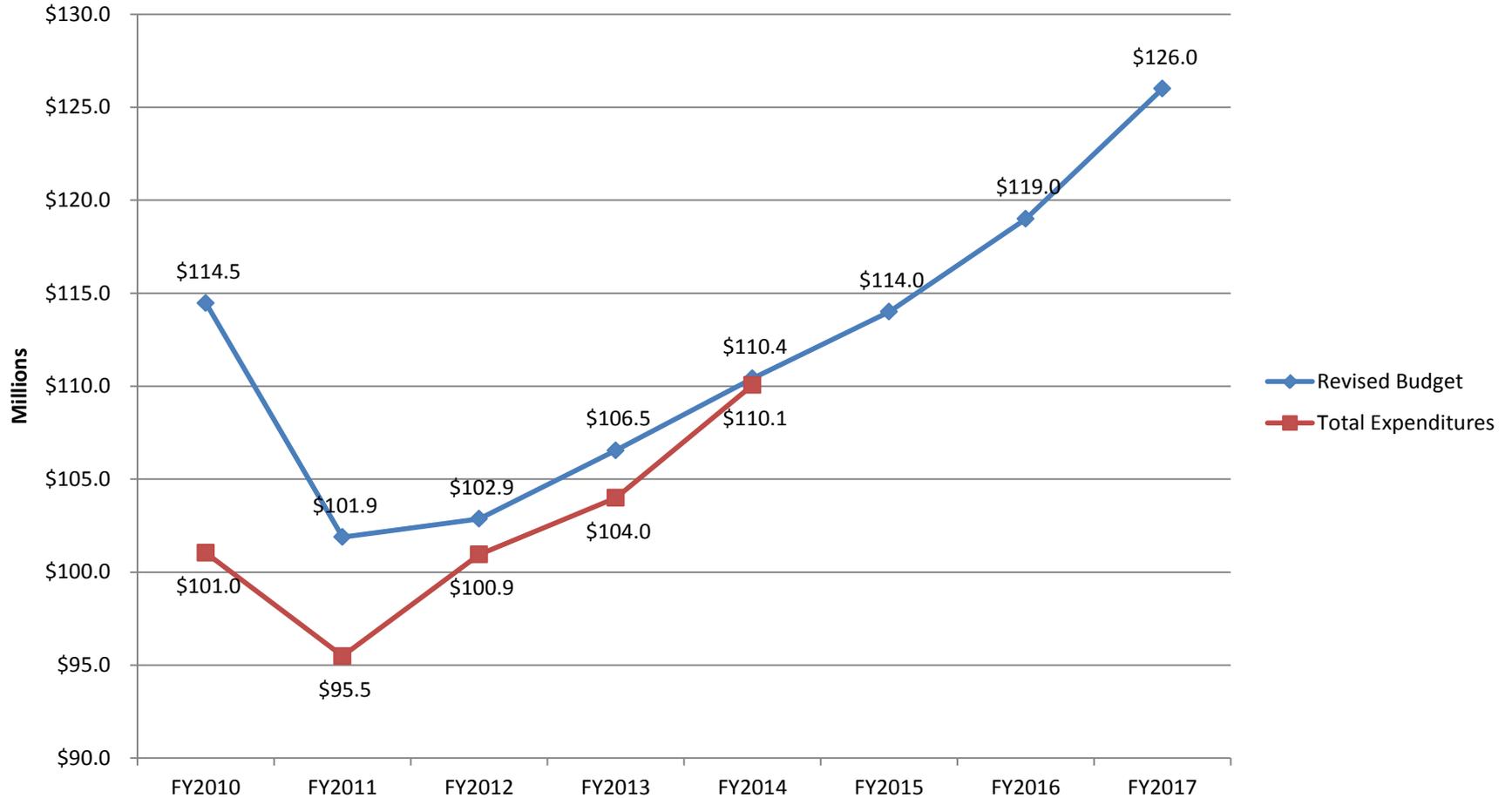
CATS Financial Policies

Long Term Financial Plan

Continues to guide the expansion of a regional transit system



Budget vs. Actual

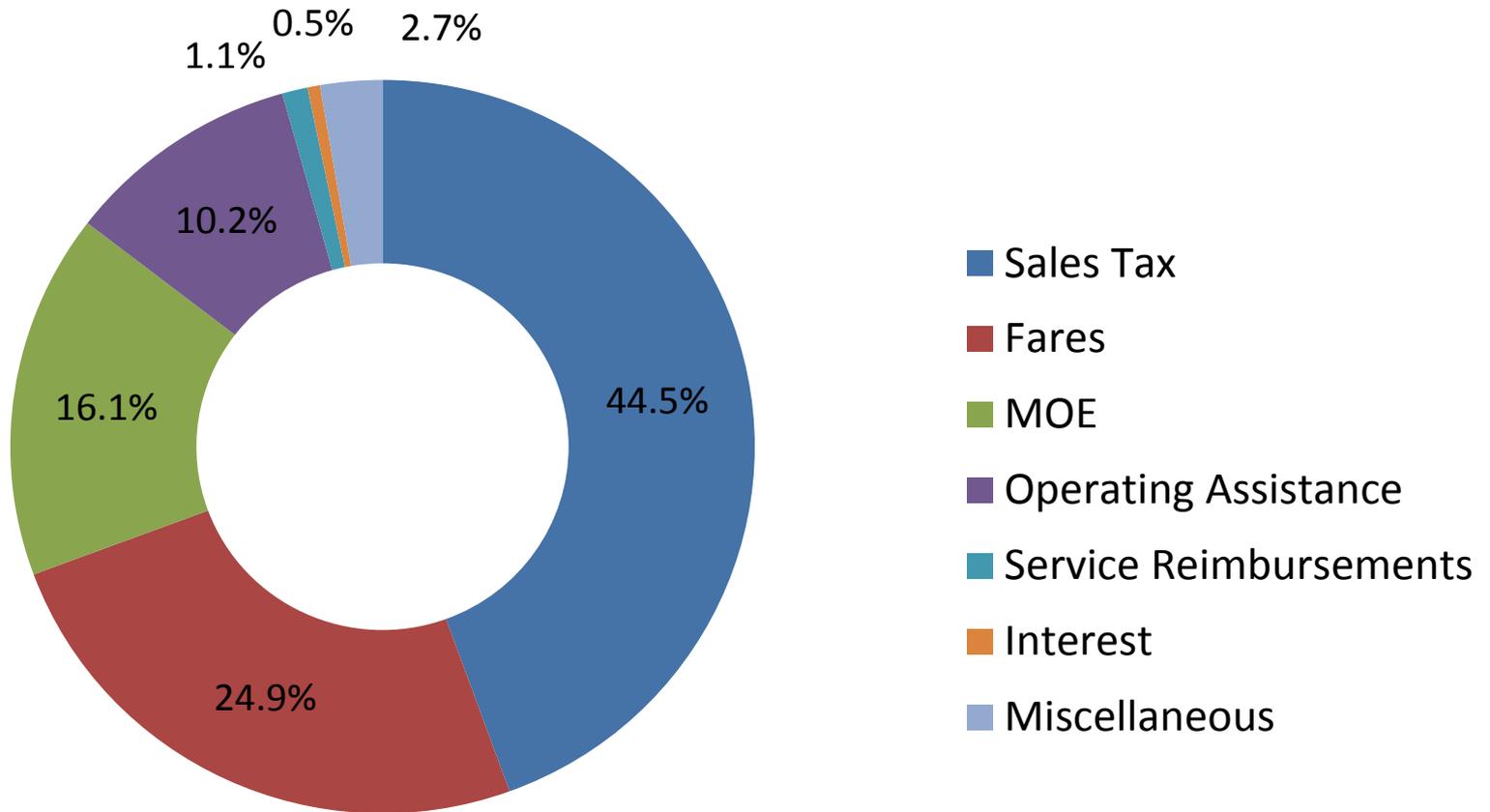


	FY2016	FY2017
Sales Tax Fund Schedule	<u>Proposed</u>	<u>Proposed</u>
Sales Tax Revenue	\$ 74,492,000	\$ 77,099,000
Transfer to Debt Service Fund	\$ -16,830,057	\$ -23,041,685
Transfer to Revenue Reserve	\$ -1,540,435	\$ -1,594,350
Allocate to Operating Fund	\$ 56,121,508	\$ 52,462,966
Transit Operating Schedule of Revenues and Expenses		
Revenue	\$ 135,275,464	\$ 140,485,122
<i>Operating Expense</i>	\$ 119,041,001	\$ 126,037,003
<i>Transfer to Capital Program</i>	\$ 16,233,463	\$ 14,485,125
Expense	\$ 135,275,464	\$ 140,522,125
Transit Debt Service Schedule		
Revenues	\$ 28,766,057	\$ 39,935,685
Expense	\$ 28,766,057	\$ 39,935,685
Transit CIP Schedule of Revenues and Expenses		
Revenue	\$ 407,084,138	\$ 267,977,077
Expense	\$ 384,750,688	\$ 148,112,438

- **Sales Tax Growth**
- **New and Expanded Service**
 - CityLYNX Gold Line
 - Bus Expansions
 - 2.2% Ridership Growth
- **Resource Management**
 - TIFIA Loan
 - Operational Efficiencies
 - Continued Investment in Employees
- **BLE Project**
 - Revenue Service in FY2018
 - Construction and start-up
- **Asset Management**



FY2016 Operating Income



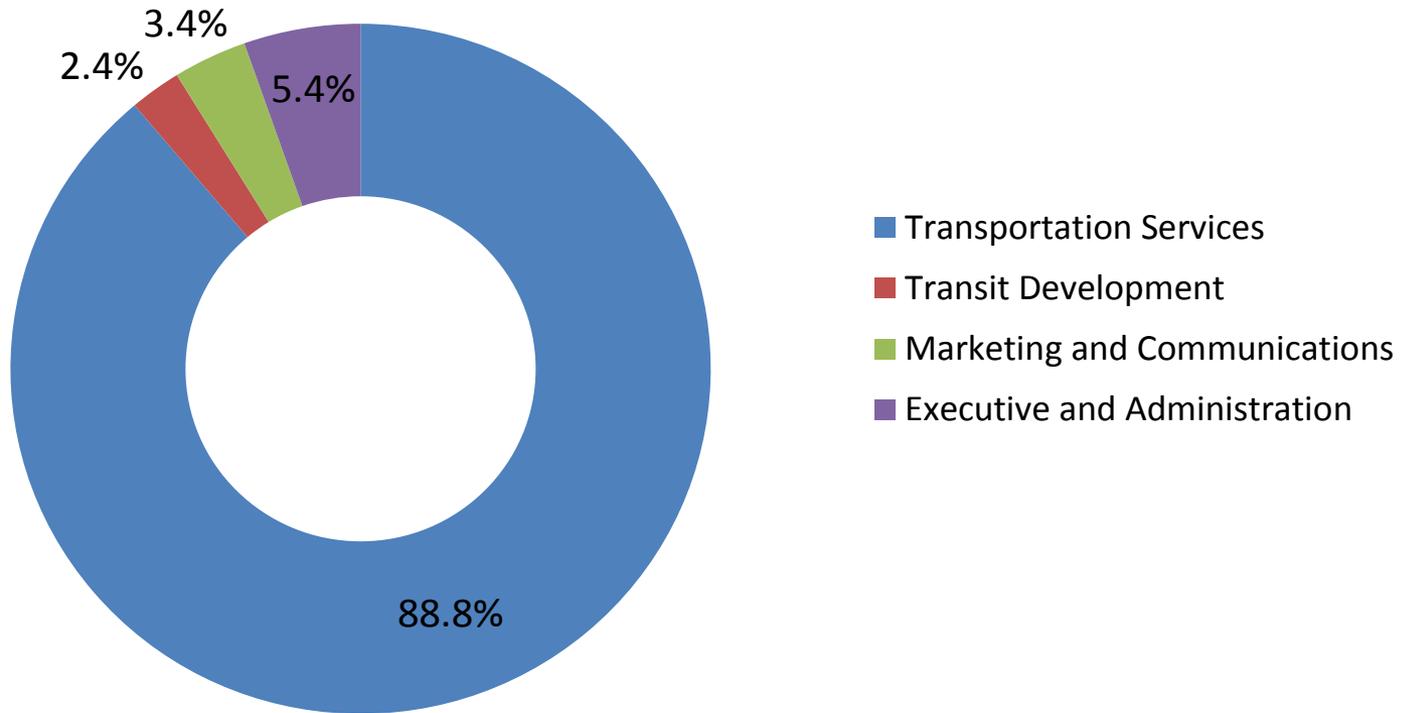
Historical Sales Tax Revenue Collections

Half-cent Sales Tax Performance, Inception to Date

Year	Transit-dedicated Sales Tax Revenue	Year-over-year % Change
FY 1999*	8,690	-
FY 2000	53,100	-
FY 2001	54,895	3.4%
FY 2002	51,061	-7.0%
FY 2003	50,093	-1.9%
FY 2004	53,877	7.6%
FY 2005	59,024	9.6%
FY 2006	65,594	11.1%
FY 2007	70,410	7.3%
FY 2008	71,106	1.0%
FY 2009	61,743	-13.2%
FY 2010	57,377	-7.1%
FY 2011	55,965	-2.5%
FY 2012	65,920	17.8%
FY 2013	66,288	0.6%
FY 2014	69,539	4.9%
FY 2015 (est.)	71,973	3.5%

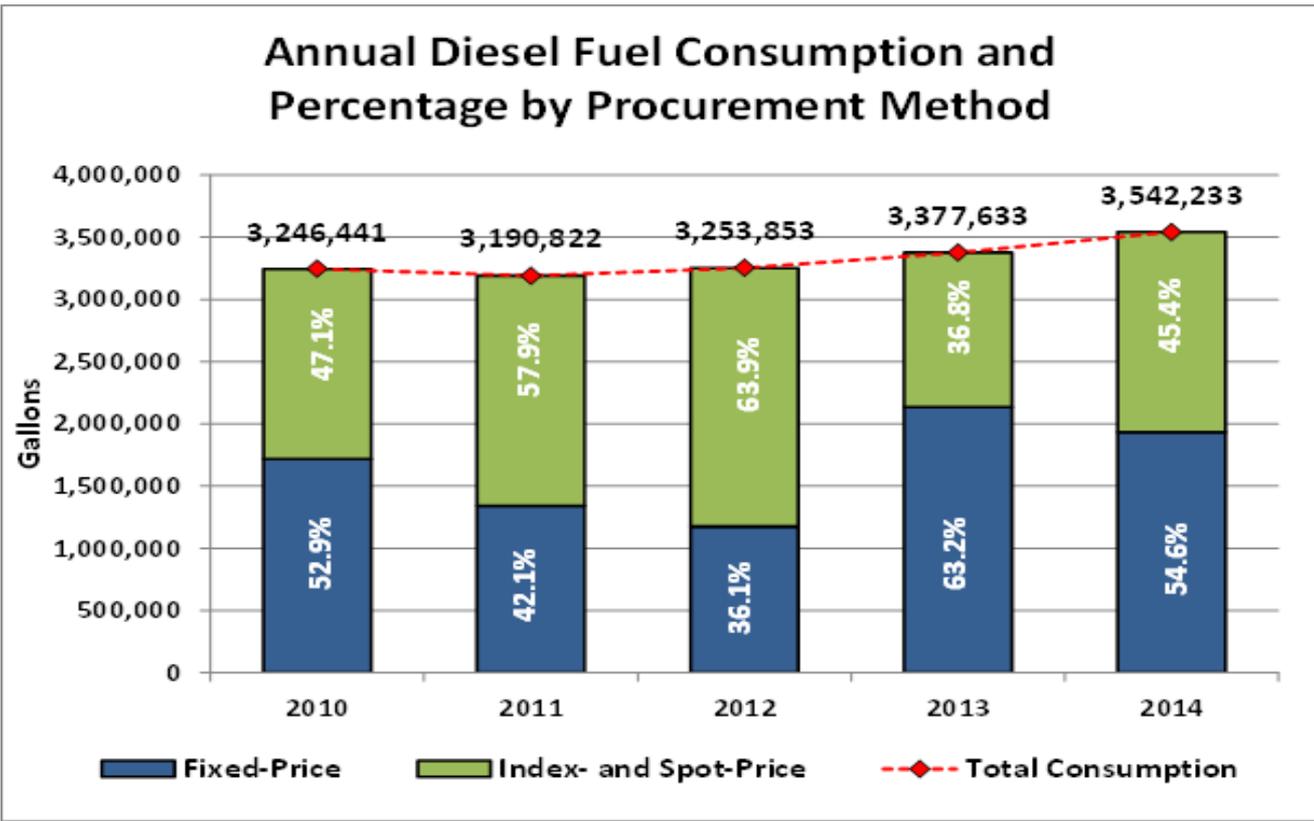
* Partial year of sales tax collections; first full year of collections was 2000

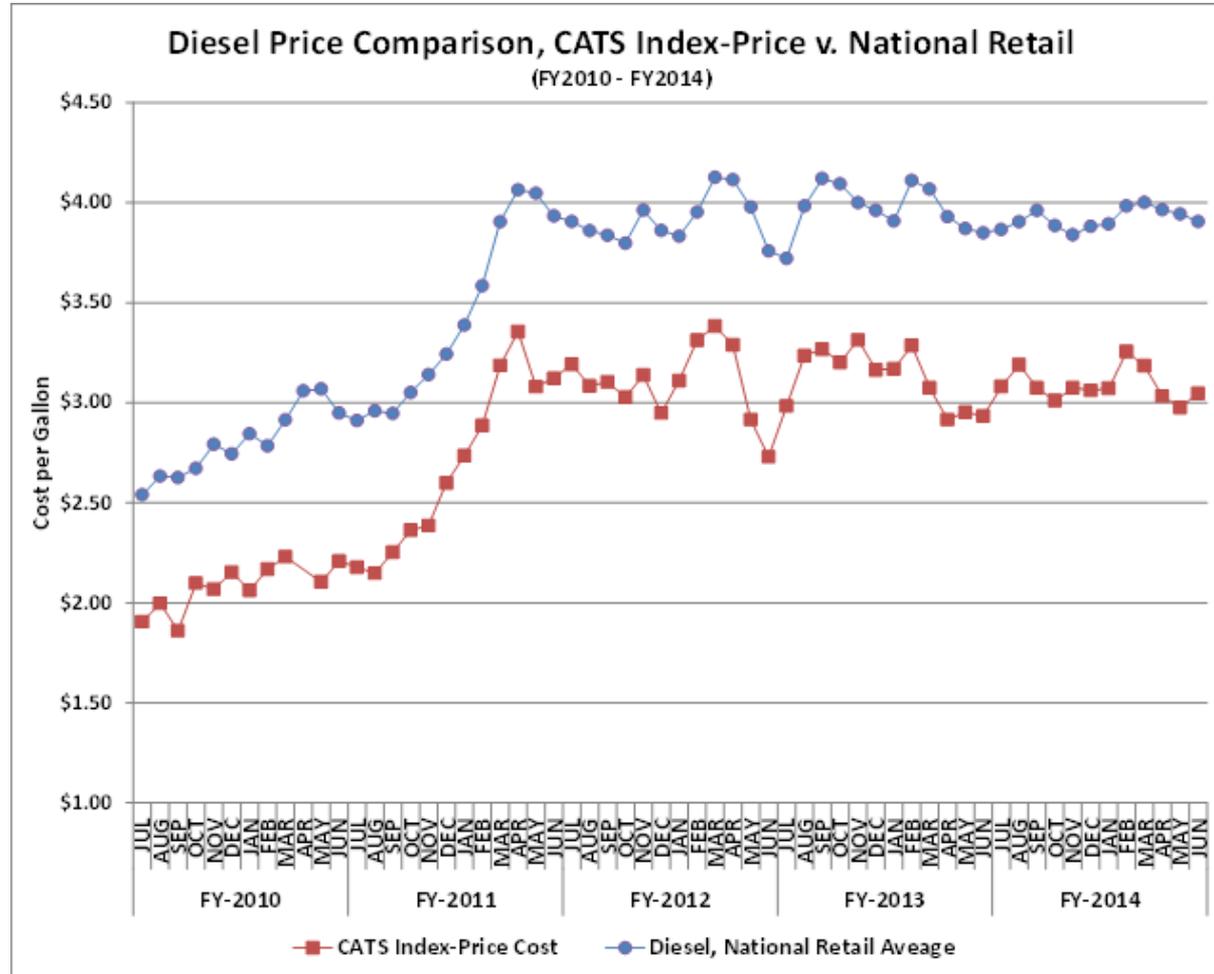
FY2016 Operating Expenses



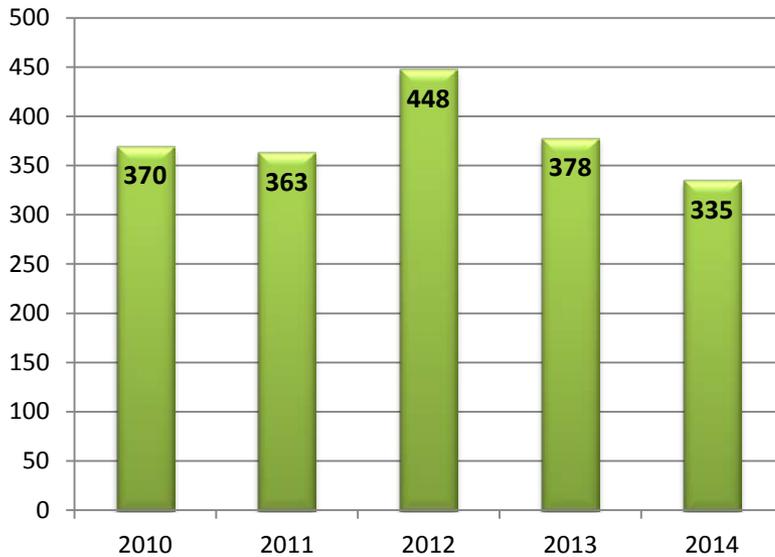
<u>Description</u>	<u>FY2015</u>	<u>FY2016</u>	<u>% Increase</u>	<u>% of Total Budget</u>
Personnel	\$81.6	\$90.3	10.6%	75.9%
Utilities	\$1.8	\$2.1	17.2%	1.7%
Risk Insurance	\$4.0	\$4.5	14.3%	3.8%
Spare Parts	\$4.4	\$5.1	15.4%	4.3%
Fuel	\$12.1	\$12.7	5%	10.7%

~ in millions

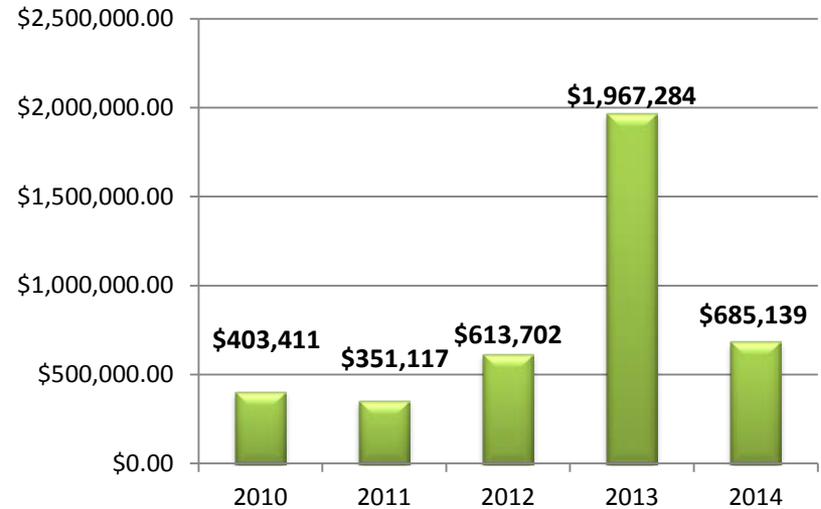




CATS Vehicle Claims



CATS Vehicle Claim Incurred Costs



Both charts include Bus Operations Division

Staffing Summary

<u>Program Summary</u>	<u>FY2016 Employees</u>	<u>FY2017 Employees</u>
Transportation Services	294.00	334.00
Transit Development	24.50	22.00
Marketing and Communications	32.00	33.00
<u>Executive and Administration</u>	<u>52.00</u>	<u>48.00</u>
Total	402.5	437.00

Special Transportation Services (STS) Maintenance

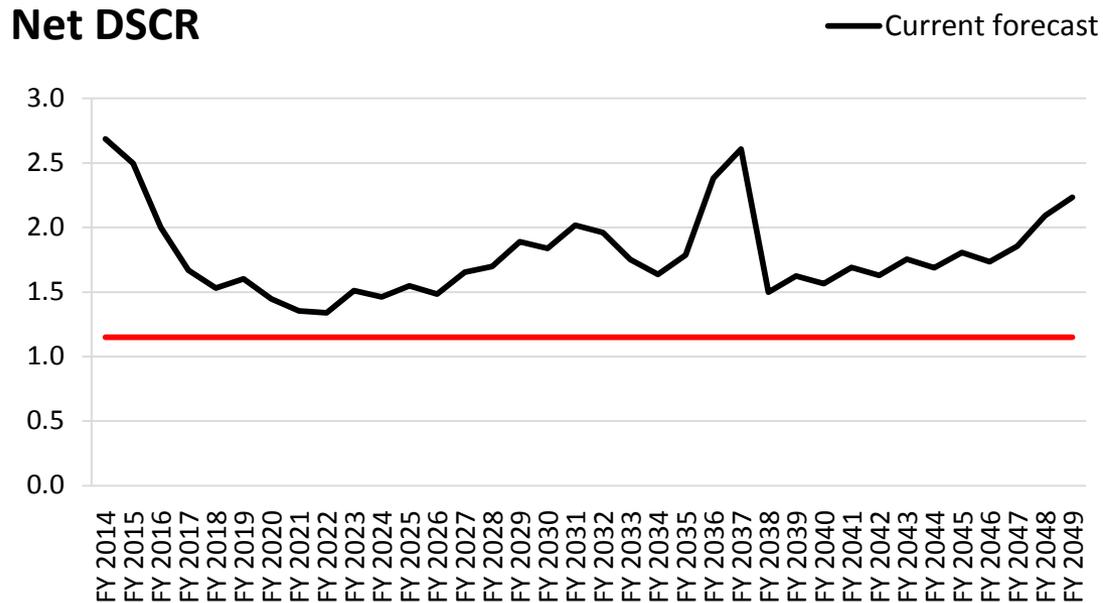
In FY2015, BOD competed for the right to perform maintenance on STS vehicles and was successful.

- 8% savings in Maintenance costs
- Position transferred to Safety and upgraded to safety supervisor assigned to STS

Rail

CATS will add 35 new project funded positions for start-up and testing of new rail cars.

- Outstanding Debt as of June 30, 2014 is \$257.8 million
- The revenue Reserve Fund Balance as of June 30, 2015 is \$2.5 million
- Currently advancing in TIFIA loan process
- Debt Levels are Managed through Financial policies;



The 5- year CIP expense is \$646 million.

Key programs in the CIP include:

Rapid Transit

- BLE
- *CityLYNX Gold Line Phase 2
- Platform Extensions

Asset Maintenance

- Vehicle Replacement
- Rail Car Truck Overhaul
- Maintenance of Way and Bridge Program
- Fare Collection System Upgrade

** Funded by City of Charlotte and FTA*



Budget will be presented to the following boards:

City Council Budget Committee at the Budget Workshop on April 3, 2015

To CTAG at the March and April meetings

To TSAC at the March meeting.

MTC Transit Program Overview in March and Budget Approval on April 22, 2015

City Council Approval along with the City Budget

CTAG Survey Selected Comments

Services

- Comments generally showed that people believe CATS buses / rail provide excellent service
- Ask was focused around having more available services with complaints that do not ride Lynx because it is not available for them.
- Quotes:
 - Need East-West transit service. Very hard to get across town such as Tyvola to South Park Mall to Providence Road
 - Love the light rail for special events. Would love if it came to Huntersville - would really help with traffic downtown, drunk driving and convenience.

Transit plans

- Not keeping up with peer cities and people are more hesitant to live here as a result
- Where is the line to the airport?
- Red line is needed to relieve major pressure on I-77
- Need better bicycling options
- Gold Line is a waste of money
- Projects take too long to come to fruition
- Supportive of the idea of value sharing but not raising property taxes (many confused the question)
- Quotes:
 - People and companies moving to Charlotte most likely consider mobility a major concern
 - It seems to me that the frenzied development around the Blue Line speaks for itself. We need more miles of light rail <both> for transportation and for development.
 - Charlotte is 20 years behind on public transit.
 - CATS should be a regional transportation organization.
 - Having resided in Charlotte Mecklenburg for more than 33 years it is clear that surrounding counties benefit from what Charlotte has to offer yet contributes little financially.

Funding sources

- Quotes:
 - Either broaden the scope of existing sales tax to include large purchases (e.g. automobile sales) or Special Assessment Districts.
 - Can we look at other cities and benchmark their successes on a successful transit campaign?
 - How about enforcing light rail ticket purchases?
 - Add impact fees to developers who build large residential and business parks and provide no support to the infrastructure needs that come with such projects.
 - I only support tax use for light rail and busses, not the gold line, the gold line will prove to be a failure in the long run
 - I would support an increase in sales tax but only for the right program.
 - I think we should revisit where we spend our city/county tax dollars and make adjustments rather than try to create more revenue to spend

Do you ride:

Answer Options	Never	%	For Special Events	%	Occasionally	%	Regularly	%	Rating Average	Response Count
CATS Buses, STS (Specialized Transit) or Vanpool?	250	71%	25	7%	52	15%	23	7%	1.57	350
Lynx Blue Line light rail	109	31%	111	31%	108	30%	27	8%	2.15	355
Gold Rush (free uptown trolley with wheels)?	224	65%	32	9%	80	23%	9	3%	1.63	345
<i>answered question</i>										360
<i>skipped question</i>										1

How would you rank the priority for these transit plans?

Answer Options	Not Important	%	Less Important	%	Very Important	%	Don't know	%	Rating Average	Response Count
CityLYNX Gold Line Streetcar (CenterCity Charlotte)?	132	42%	94	30%	68	22%	20	6%	1.67	314
Lynx Blue Line Extension (Northeast	28	9%	64	21%	200	64%	20	6%	2.42	312
Lynx Red Line (North Charlotte to Davidson)?	31	10%	61	19%	199	64%	22	7%	2.40	313
Lynx Silver Line (Southeast Corridor, along	42	13%	88	28%	158	50%	28	9%	2.19	316
<i>answered question</i>										319
<i>skipped question</i>										42

Which of these new forms of transit would you plan to use?

Answer Options	Response Percent	Response Count
CityLYNX Gold Line Extension Streetcar (Center City	31.4%	80
Lynx Blue Line Extension (Northeast Charlotte /	52.5%	134
Lynx Red Line (North Charlotte to Davidson)	55.7%	142
Lynx Silver Line (Southeast Corridor along	28.2%	72
<i>answered question</i>		255
<i>skipped question</i>		106

Are Charlotte's transit services keeping pace with peer cities?

Answer Options	Response Percent	Response Count	Response with only Y/N
Yes	12.6%	40	18.8%
No	54.6%	173	81.2%
I don't know	32.8%	104	
<i>answered question</i>			317
<i>skipped question</i>			44

Please respond to the following questions about possible funding sources

Answer Options	Yes	%	No	%	I don't know	%	Rating Average	Response Count
Do you support the 1/2 cent sales tax currently dedicated	247	78%	55	17%	13	4%	1.74	315
Would you support an increase in the dedicated sales	193	62%	79	25%	41	13%	1.49	313
Would you support increasing the dedicated sales tax to	91	29%	168	54%	53	17%	1.12	312
Do you support alternative revenue sources such as	290	92%	16	5%	9	3%	1.89	315
<i>answered question</i>								316
<i>skipped question</i>								45