

METROPOLITAN TRANSIT COMMISSION

MEETING SUMMARY

June 24, 2015

Presiding: Trevor Fuller (Chairman, Mecklenburg County Commission)

Present:

Debra Campbell (Charlotte Assistant City Manager)

Scott Jernigan (TSAC Chair)

Anthony Roberts (Cornelius Town Manager)

Leamon Brice (Davidson Town Manager)

Ralph Messera (Matthews)

Brian Welch (Mint Hill Town Manager)

Bill Thunberg (Mooresville Representative)

Mayor Jack Edwards (Pineville)

Interim Chief Executive Officer: John Muth

I. Call to Order

The regular meeting of the Metropolitan Transit Commission was called to order at 5:40 p.m. by CATS Interim CEO John Muth.

II. Election of Temporary Chair to Preside over Meeting

MTC Presiding Official

Mr. Muth called for election of a Temporary Chair to preside over the meeting as both MTC's Chair and Vice Chair were unable to attend. Mayor Edwards nominated Commissioner Fuller. There were no objections as Commissioner Fuller accepted the Temporary Chair position.

III. Review of Meeting Summary

The meeting summary of May 27, 2015 was approved as written.

IV. North Carolina Public Transportation Association (NCPTA) Rodeo Results

Larry Kopf

Mr. Kopf, CATS Chief Operations Planning Officer and Manager of Bus Operations, told MTC members that following MTC's introduction to local rodeo team winners last month, there was a statewide NCPTA competition in Concord. CATS operators did very well in the statewide competition. CATS' fixed route operators were first in the state in the team competition, and won the award for the state's safest large system. CATS' Paratransit Division operators also won first place in the team competition. STS Operator Philip Underwood won in the paratransit category, and was honored as the top driver in the state.

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

No report

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

No report

VII. Transit Funding Working Group Update

No report

VIII. Public Comments

Meg Fencil is the Education and Outreach Program Director at Sustain Charlotte. She said that Sustain Charlotte is teaming with CATS to bring the Race to the Beach 2015 challenge. The grand prize will be a weekend getaway to Wrightsville Beach. There will also be weekly prizes. Anyone who lives or works in Mecklenburg or surrounding counties can sign up for the challenge. Ms. Fencil referred MTC members to the flyer distributed tonight for more information.

IX. Action Items

No Action Items for June.

X. Information Items

a. CATS Fare Technology Strategy

Olaf Kinard

Mr. Kinard, CATS Director of Marketing, Communications & Technology, reviewed the sources of CATS' revenue, 60 percent of which comes through pass sales and 40 percent through cash sales. He also reviewed the types of media people use to pay, from cash farebox, to cash or debit/credit Ticket Vending Machines (TVMs), to credit to accounts such as Department of Social Services and retail outlets such as Harris Teeter and Food Lion, who sell passes. CATS' current fareboxes were installed in 1998 based on mid-1990s technology. Fareboxes cannot determine the bill type when cash is used and cannot give change or accept mobile payment. A customer who puts a \$5 bill into the farebox for a \$2.20 fare receives no change. The fareboxes are 17 years old; many have been recycled and have had longer lives than CATS buses. The TVMs were installed in 2006-2007 based on early 2000's technology and can take cash, debit/credit cards or tokens only. Maintenance has increased on this antiquated technology over the past several years, resulting in lost revenue and increased maintenance costs. As part of CATS' Transportation Investment Generating Economic Recovery (TIGER 2015) application, CATS evaluated projected revenue and maintenance costs over the next several years for the existing fare collection system. The costs of maintaining the current system will be high.

In today's consumer world, credit cards are integrated with security chips and consumers are beginning to use contactless payment systems. Mobile payment transactions are growing rapidly. A large part of CATS' customer base has smartphones that incorporate mobile payment transaction technology, including bar code technology. Contactless technology would reduce CATS' operating costs since physical passes, which cost money to produce, would not be needed. Monthly passes on rechargeable cards would also save money over the current system of issuing new passes each month.

CATS has chosen a ticket vendor, Genfare, for the LYNX Blue Line Extension. Genfare proposes a TVM that would incorporate contactless technology as well as cash, magnetic and change cards. CATS is preparing a Request for Proposals (RFP) for farebox replacement to go out this summer with a decision anticipated at the end of the year and replacement in 2016. The RFP will incorporate new technology such as contactless payment, barcode reading, cash bill identification, magnetic and change cards. CATS is also working on mobile app implementation, which will require a barcode reader on buses and the fare inspectors' devices, indicating whether a pass is valid and whether the pass on the person's phone is a valid pass for that phone.

Phase 2 of CityLYNX Gold Line will include a fare collection system. One of the items for evaluation in the next design phase of CityLYNX Gold Line will be when to collect fares, whether on the platforms, when boarding or some combination.

Mr. Kinard reviewed potential budgets for fare collection systems for CATS' various transit modes. The total estimated investment is \$18.3 million, of which \$11.9 million has been budgeted. The new fare systems will offer increased flexibility in the future. Mr. Kinard reviewed the implementation schedule. Ideally, CATS would replace TVMs on the LYNX Blue Line as the LYNX Blue Line Extension (BLE) is constructed, so the same fareboxes are used when the full line is in service. It would be possible to incorporate a CATS chip into a college student ID, so a student's ID would also work as a tap-and-go for their transit fare.

Discussion: Mr. Messera said that the Charlotte Regional Transportation Planning Organization (CRTPO) allocated \$3 million for STS fareboxes and asked if that amount was included. Mr. Kinard said that it is not, so that will give an additional \$3 million of flexibility. Mr. Thunberg said that a speaker said once that he got to ride free because the fareboxes were often down. Mr. Kinard said that this would improve hardware reliability. The buses travel 700,000 to a million miles, during which time the farebox receives a lot of shaking. With newer technology, fareboxes will be down less often. The estimated yearly loss in revenue for out of service fareboxes and farebox evasion is about \$500,000. Mr. Messera said that Washington Metro charges \$5 for their cards and asked if we would do something like that. Mr. Kinard said that staff has not priced that. We have not determined whether to use only monthly passes for the smart cards. If someone loses a card, we probably will have a fee for a replacement card as there will be charges associated with cancelling cards. Mr. Brice asked the expected lifespan for the new technology; Mr. Kinard replied that it is about 12 to 15 years. It is costly enough to implement a new farebox system that we have to leverage the investment at a minimum of a decade. Commissioner Fuller said that there will be advances in the future and asked whether these machines will have adaptability to handle new technology. Mr. Kinard said that there are some capabilities for manufacturers to enhance the machines, perhaps by keeping the same casings. Complete replacement would be a quicker process than refurbishing. Mr. Muth said that this will give customers flexibility and will allow CATS to improve reliability and lower maintenance costs.

b. LYNX Silver Line Update

Jason Lawrence

Mr. Lawrence, CATS Transportation Planner, reminded MTC members of the May Corridor System Plan update and reviewed the planning timeline for Independence Boulevard, stretching back to 1966 when the North Carolina Department of Transportation (NCDOT) first developed the Expressway Plan. Both the 2002 and 2006 System Plans selected Bus Rapid Transit (BRT) as the Locally Preferred Alternative (LPA) for the LYNX Silver Line along Independence Boulevard but recommended reevaluating light rail in the future. The Independence Boulevard Area Plan recommended BRT/Express bus on Independence Boulevard and streetcars on Central Avenue and Monroe Road. In 2011, MTC removed the special provisions in the 2030 Transit System Plan requiring preservation of rapid transit in the Independence Boulevard median. MTC also directed CATS staff to work with NCDOT and the Charlotte Department of Transportation (CDOT) to incorporate bus services into the design of Independence Boulevard managed lanes, to bring back a process and schedule for an alignment study to evaluate a rail transit alignment on the Southeast Corridor in a place other than the median of Independence Boulevard, and to ensure that the alignment study

would review the technologies of light rail, streetcar and commuter rail and recommend a rail transit alignment.

Corridor conditions have changed since 2011. The corridor population has exploded, as has the rest of the county's population. More high density and mixed use development is occurring that is favorable to transit. NCDOT is building managed lanes for Independence Boulevard. We need to be open minded about what the transit type chosen in this corridor will mean for riders and development. The new corridor study will be a very long-term transit vision for the Southeast Corridor that defines rail alignment and technology with a bus operations plan for future managed lanes on Independence Boulevard. The study began this spring with goals of defining a rail fixed guideway alignment to serve future transportation needs, provide an interim transit strategy and coordinate with land development strategies to protect and preserve the rail alignment, to provide an interim transit strategy to utilize transit in the managed lanes proposed for Independence Boulevard and to coordinate land development strategies to protect and preserve a rail alignment. Mr. Lawrence reviewed investments throughout the transit system as well as bus routes along the Southeast Corridor. Staff is working with NCDOT on three separate projects along Independence Boulevard to determine how CATS' plans will fit in with their planning.

Discussion: Commissioner Fuller said that he was hearing that we are hardening the notion that Independence Boulevard is a throughway and that we are not going to have really robust business along Independence Boulevard, as opposed to the roadway being a catalyst that allows business activity to occur. In New Jersey, there is a road from Manhattan where they figured out a way to have businesses along the road. Mr. Lawrence said that Independence Boulevard has been a local street as well as a throughway and freeway. It is very difficult to function in all those ways. The investment may be better on Monroe Road than on Independence Boulevard. The pivotal turning point was the area plan, which recognized that certain things work better on Independence Boulevard and certain things do not. A person might turn around on Independence Boulevard to purchase a car, but not for a cup of coffee. In last night's area plan meeting, people said that they like the direction that Monroe Road is moving in now. People want certainty. Mr. Muth said that for many years, we talked about Independence Boulevard. The transitional set-back ordinance set a required distance from the roadway, which hampered businesses. There is a fairly narrow space available for the roadway and adjacent businesses; adjoining residential neighborhoods constrain the business corridor.

Ms. Campbell said that the long term vision for Independence Boulevard corridor is to accept the thoroughfare, which funnels commuter traffic almost literally from one end of the state to the other. The plan calls for development at major nodes along Independence Boulevard. Access to the nodes comes from Central Avenue or Monroe Road. Businesses are looking for environments more like Monroe Road, where people can walk to their destinations. Commissioner Fuller asked what happens with the former uses, the empty big box stores. Ms. Campbell said that is why the collective, collaborative effort is ongoing. As the City has money to purchase land and build streets to increase access and connectivity at the nodes, those streets will also provide infrastructure for businesses. It is very intentional on the City's part to work with the development community and not abandon the corridor, but there will not be significant change on Independence Boulevard in the short term. If we create a good environment along Monroe Road, a more highway-type development will

replace some of the commercial development that is dying. Commissioner Fuller said that since it is difficult for drivers to stop at businesses on Independence Boulevard, the node concept makes sense to him.

c. LYNX Blue Line Capacity Expansion (BLCE)/ LYNX Blue Line Extension (BLE) Update

Andy Mock/ Kelly Goforth

Mr. Mock, CATS Project Manager, LYNX BLCE, said that the need for capacity expansion on the LYNX Blue Line has grown with the success of the LYNX Blue Line. This growth of the existing system has led to increased power needs, platform expansion and vehicles. The BLE is being constructed with three-car platforms, which necessitates retrofitting the two-car platforms at LYNX Blue Line stations. The BLCE project is funded by TIGER III grant to expand four station platforms to accommodate three-car trains. CATS is pursuing funding for the remaining platforms. Mr. Mock reviewed the work completed to date at the I-485 Station. CATS is closely coordinating the work at the 7th Street Station with the 7th Street Public Market, Center City Partners and ImaginOn to minimize business disruption and to complete the work as quickly as possible. At the Stonewall Street Station, CATS will work closely with the Westin Hotel to minimize noise. Work has not yet started at the Woodlawn Station.

Ms. Goforth, CATS Project Development Manager, gave an update on the BLE progress to date. The project will be 9.3 miles with eleven stations. Design is 95 to 100 percent complete with 331 of 333 real estate parcels acquired. CATS has awarded 91 percent of the construction contracts. The first four new vehicles have been delivered; the remaining 18 will follow in approximately a year. The \$1.16 billion budget is in good shape, with about 32.6 percent expended to date. Construction expenses are ramping up with civil construction.

The target revenue service date is late summer 2017. The schedule has been the major challenge so far. It is a complex project with many different entities to coordinate, including utility companies, 17 different construction contracts, three major railroads, UNC Charlotte and private developers as well as the City of Charlotte and NCDOT.

Ms. Goforth gave a construction update, including work done uptown to construct the 9th Street Station foundation. There is a lot of activity along North Tryon Street now, including closures at Old Concord and Tom Hunter Roads, a traffic shift for underpass construction, beginning of construction at two parking decks and work on UNC Charlotte's main campus. MTC approved making a request to NCDOT to participate in proposed BLE project changes to expand the planned North Yard maintenance facility, add a pedestrian bridge across the North Carolina Railroad track to the Sugar Creek Station and extend the pedestrian bridge at JW Clay Boulevard/ UNC Charlotte Station across North Tryon Street.

Discussion: Mr. Thunberg asked if BLCE work will increase trackage or if it will only increase platform length. Mr. Mock replied that the project primarily increases platform length with some minor trackage increase at the end of the line. There is occasionally a need for track closings as the track work occurs, which is handled by working overnight or on weekends to minimize disruption. Mr. Messera asked how the stations were chosen for the expanded length. Mr. Mock replied that CATS evaluated which stations had the highest use and would be difficult to retrofit at a later date.

Mr. Muth reminded MTC members that the BLE budget has been in good shape; it is the BLE's project schedule that has been the driving issue on the project. Mr. Messera said that utilities have been a nightmare on all projects. He commented that he took the Carolinian to Raleigh recently. In addition to the CATS project, he saw NCDOT's double trackage work and was amazed to see work on both sides of the track. Commissioner Fuller asked how traffic is moving along North Tryon Street; Ms. Goforth said that it is slow moving. CATS is keeping lanes open as much as possible. The Communications team is doing a great job of getting the word out on closures and letting people know what is open and maintaining signage. Businesses seem to be holding steady. It is difficult especially for the businesses along Eastway Drive, but in general, businesses are taking a long-term view and recognize that this will be a benefit when the work is completed.

d. CityLYNX Gold Line Update

David McDonald

Mr. McDonald, CATS Transit Planning Manager, reviewed the history of CityLYNX Gold Line, an integral component of the 2030 Transit Corridor System Plan linking bus and rail service in Uptown. There are a lot of utilities underground. Staff uncovered the original streetcar tracks as they dug up Elizabeth Avenue. The new track is at the same level as the original streetcar tracks. Most streetcar testing occurred at night; some testing and final training occurred during the day. Mr. McDonald showed samples of the art glass windscreens at the CTC/Arena Stop and at the McDowell Street Stop. The artist chose a history theme for the glass in the windscreens. The opening ceremony for Streetcar will be on July 14, 2015 at 10 a.m. at Time Warner Cable Arena. Mr. McDonald encouraged MTC members to attend.

The current cost estimate for Phase 2 is \$150 million. CityLYNX Gold Line will provide east-west movement through Uptown and will connect a number of small businesses and employment centers, as well as educational, cultural and sports venues. Mr. McDonald reviewed the project schedule for Phase 2. CATS has submitted a Small Starts application through FTA for Phase 2. The Federal Small Starts Grant Program is a different process than the New Starts Program. The Charlotte City Council approved an action on June 22, 2015 authorizing the City Manager to negotiate and execute a contract amendment with URS for up to \$7.7 million to advance design from 65 to 100 percent, prepare final bid documents and specifications and provide design services during construction.

Discussion: Commissioner Fuller asked how confident we feel about the grant application. Mr. McDonald said that we are following a Federal process, as with the LYNX Blue Line. The last step now is to execute the grant. It is a highly-rated project. Mr. Muth said that CATS is two-for-two and do not see any reason why we will not be three-for-three. Commissioner Fuller asked when people in the neighborhood will see evidence that this is actually happening. Mr. McDonald said that we have had several meetings already and will continue to go back out with more meetings as design advances to let people know what is going on. Construction activity could be as early as fall of next year as utility relocation begins. Commissioner Fuller asked if there was a minority hiring goal. Mr. McDonald said that we follow the Federal process for Disadvantaged Business Enterprise (DBE) programs, administered by the CATS Civil Rights department. URS' DBE goal was just under 8 percent; they have exceeded that goal with 11.6 percent DBE participation for the design piece. There will be goals for each phase of the construction phase, as there will be for each of the different design pieces. Commissioner Fuller said that there is concern in the Beatties Ford area about whether the neighborhood will receive a benefit in what is perceived to be

essentially the first salvo in the gentrification of the area. Mr. McDonald said that we have recently completed a series of classes to help minority businesses become certified so they can be available to the primary contractors.

XI. Chief Executive Officer's Report

John Muth

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

a. Financial Update:

CATS recently received a formal invitation to apply for a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. We are on track to close on the TIFIA loan in September.

North Carolina Senate Bill 284, on critical infrastructure needs, has been extended to July 2020 and sets a maximum bond term of 25 years. The Governor is expected to sign the bill before July 1, 2015.

Sales tax revenue in June was just under \$7 million, bringing the FY total to \$80.3 million. The USDOT Bonding Program concluded on June 19, 2015; 29 businesses signed up for the program and 22 businesses completed it. The program was sponsored by CATS, Balfour Beatty, USDOT and others. The next event will be a July 8, 2015 workshop to help businesses qualify for DBE certification.

Mr. Kopf said that ridership decreased last month. Staff could find no systems problems. There is now a three-month trend of declining ridership. The theory is that gas prices are lowering, and with the weather warming people may be driving more often. Staff will continue to monitor ridership to see if the reason can be pinpointed.

b. July MTC Meeting:

Mr. Muth reminded MTC meetings that the July MTC meeting is cancelled.

c. Recognition:

Mr. Kinard said that Mr. Muth was awarded for his outstanding service in public transit at NCPA's annual meeting with the Governor's Award for Public Transit. It has been several years since that award has been given. MTC members' applauded Mr. Muth's efforts on behalf of public transit.

XII. Other Business

None

XIII. Adjourn

The meeting was adjourned at 7:25 p.m. by Commissioner Fuller.

NEXT MTC MEETING: WEDNESDAY, AUGUST 26, 2015, 5:30 P.M.