



# City of Madison

City of Madison  
Madison, WI 53703  
[www.cityofmadison.com](http://www.cityofmadison.com)

## Meeting Minutes - Approved CONTRACTED SERVICE OVERSIGHT SUBCOMMITTEE

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Thursday, September 8, 2011

12:00 PM

215 Martin Luther King, Jr. Blvd.  
Room LL-110 (Madison Municipal Building)

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### 1. CALL TO ORDER / ROLL CALL

Also present: Steve Arnold, Ahna Bizjak, Mark Opitz

Guest: Bill Schaefer

Staff: Chuck Kamp, Drew Beck, Wayne Block, Ann Schroeder

The meeting was called to order at 12:05 PM.

**Present:** 4 - Susan M. Schmitz; Rick Rose; Bruce K. Sylvester and Darwin Ward  
**Excused:** 4 - Rindert Kiemel, Jr.; Andrew Potts; Bill Burns and Mick Howen

### 2. APPROVAL OF MINUTES

Opitz moved approval of the minutes; Arnold seconded. Arnold requested one change to clarify that it is he and not the Mayor of Fitchburg who will introduce a budget amendment. The motion passed by voice vote/other.

### 3. PUBLIC COMMENT

There was no public comment.

### 4. DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

### 5. [23803](#) Updating Contracts

**Attachments:** [Ratio of Revenue Miles to Vehicle Miles and Revenue Hours to Vehicle Hour](#)

Kamp said last meeting we began discussing that with the apparent demise of the regional transit authority (RTA), we are revisiting the updating of the

contracts we started a couple of years ago. We are starting with Verona and seeing how the methodology works or doesn't work.

Looking at the revenue hours versus non-revenue hours document, it shows that the ballpark of deadhead time is 7% to 10%. Arnold said that the UW deadhead is included in their share and not the general share because those are dedicated buses. Wouldn't it make sense to treat the Madison Metropolitan School District (MMSD) that way? Beck said they are. Arnold said then the ratio is very low, and it wouldn't make sense to try to break it out. Kamp said we are in line with other transit systems. Beck said when we are putting schedules together and interlining routes, we are always trying to be aware of minimizing deadhead time.

In the Calculation of Partner Share of Net Deficit document, "other revenue" is advertising, scrap metal, etc. Operating expenses include depreciation of capital purchases. Federal funding gets credited back to partners in the capital aid line. Federal aid is money we get for operating expenses – labor for preventive and other asset maintenance. We could use all federal money for capital expenses, but because state/local funding is so tight, we use as much as we can for allowed operating expenses. We had received almost \$1 million in stimulus money in 2010 which we could use for operating expenses. Now we are back to our regular amount, so that will negatively impact all partners by resulting in more expensive service. State operating assistance is dropping by 10% (\$1.6 million) as well for 2012. There is some additional money for paratransit service. This is new funding and Metro will get about \$350,000 or \$400,000. It will probably be a separate line item in the future. It is state aid, but only for paratransit. Although there is an understanding that where there is fixed route there is a requirement for paratransit service. Kamp said we try to equitably assign the fixed route revenues based on the service hours per municipality. Block said he tried to put together a descriptive summary of how all the calculations are made.

The Route Hours by Partner document shows how many hours are being run to service each partner. Total vehicle hours include deadhead time. Partner cost is calculated as cost per hours multiplied by partner hours, which usually does not include deadhead hours. Madison absorbs that cost. There are some exceptions. Route 78 is strictly for Middleton because there is no crossover, so Middleton does pay for the deadhead. And Fitchburg pays for all the hours for routes 52 and 59. Opitz asked if revenue hours include stopping at time points to adjust for route time. It does. For route 55, Verona is only charged for revenue hours, and the City of Madison covers deadhead time. We'd like to change that next year so that Verona pays for the deadhead time for the route that only serves Verona. This would be similar to what other partners pay. This is in the Memorandum of Understanding that we are currently reviewing with Verona.

Arnold asked if the system is generally fair and everyone is treated the same and no one partner is getting shafted. Kamp said in general yes, but things aren't always 100% equitable. He cited the case of the City of Monona that only wants to pay for a couple of stops at new clinics but not all the service in Monona. So there are different viewpoints, and Kamp pointed out the system is not perfect. Arnold said we should invite someone from Monona to our meetings.

For partners that pay for all hours of dedicated service, that partner gets all the revenue generated by those routes. Block said fare revenue only pays for about 20% of the cost of service. Currently, Verona doesn't pay deadhead but also doesn't get all the revenue to partly offset that cost to the City of Madison. Starting in 2012, Verona will pay for their deadhead and also get 100% of the fare revenue. This will cost Verona more, but be fairer to the City of Madison.

The 2010 Revenue by Route by Partner document would be a good chart to use with Shorewood Hills and Monona to show them that they aren't on the chart at all and allowing them to choose just a few stops to pay for is not a choice other partners have. Arnold said for discussion with Monona interesting numbers to present would be cost per stop and the fully burdened cost per ride. That could help them understand where the cost of service is coming from. The fare is \$2, but the cost per ride is \$20 or whatever.

Block will finish the text document explaining the charts and send that out to members.

Bizjak asked if the 2012 information sent to partners reflects the partners paying for deadhead etc. Block said it only reflects that for Verona because we haven't talked about that and worked it out yet with other partners.

The 2010 Operating Expenses & Cost per Hour document is a little complicated because you have to back out some items since Shorewood Hills has paratransit only and Verona has commuter service only. Kamp pointed out that commuter service only is a legitimate partner choice. No partner would be offered paratransit only service any more. Shorewood Hills is only paying for paratransit trips for people who live in Shorewood Hills. They don't pay for quite a bit of open door fixed route and paratransit service through Shorewood Hills, which includes 11 routes. Almost 3% of Metro ridership comes from residents in Shorewood Hills, but it pays almost nothing for ridership. Sylvester said so the Town of Madison is doing it right, and Shorewood Hills is taking advantage of the system. Kamp said his last meeting with Shorewood Hills was disappointing. Partners asked how they could help get equitable payment from Shorewood Hills and Monona. Kamp suggested it could be persuasive to send letters from each municipality. The group agreed that a letter from CSOS at large would be good. Sylvester said he's not sure the officials in his city would sign it, or they might want to say we should do what Shorewood Hills does. Opitz suggested the municipalities' organization.

Schaefer said when the Transportation Planning Board – A Metropolitan Planning Organization (MPO) started, there was a suggestion that municipalities in the MPO contribute funding. Three municipalities had been contributing. With the recent census, the board chair sent out a letter asking others to consider funding and explaining what the MPO does. Opitz said that letter was effective for his community.

Ward asked where the contingency fund comes from. Block said the City of Madison charges each partner 4% of the local deficit each year. Kamp said there is a ceiling of 15%. That is when we discontinue assessing a contingency. Block said he isn't sure 15% of what – perhaps the net deficit for that year. Contingency funds are held in trust for that community. If the quarterly payments the community made were not sufficient for what the local deficit ends up being, the contingency is used to make that up. This helps the

community not have to come up with additional money at the end of the budget year.

Part of the history of service in Monona is that we do have open door service for WPS. They are not paying for that. There was a historical and political decision to do that. Arnold asked if the computation for Shorewood Hills is the same methodology used for other municipalities since they only pay for paratransit service. Block said no. The others are just based on route hours - % of total hours and not based on paratransit service for that partner. Arnold asked if Metro has done an analysis to see how it would be if we did do it that way. Kamp said meaning that we would analyze based on where paratransit customers live and we wouldn't be able to attribute visitors. That would be complex and inherently incomplete. If a paratransit customer lived in Middleton and worked at UW, how would we charge that? Since paratransit service under ADA complements fixed route service, allocating it based on fixed route hours is fair and administratively simple.

Bizjak said routes 44 and 48 are commuter only and do not have associated paratransit service. Kamp asked if those overlap with the ¼ mile paratransit window of other routes. Block said we're not backing out fixed route hours that are commuter, so should Fitchburg be charged like Verona for those routes? Arnold said there could be a different route hour cost for those routes, although he's not advocating that. He and Bizjak would rather get paratransit service for those routes. Bizjak asked if a calculation could be done to show this savings. Arnold said it would be the portion of the route south of Hatchery Hill. Kamp said staff will work on that. Schaefer said there are other instances where that would apply – for example, routes 56 and 57. Bizjak pointed out that part of Verona's route overlaps with areas that are within the ¼ mile boundary. Sylvester said while it's good to be fair, there is a point of diminishing returns. Maybe staff could do a quick calculation. \$50 isn't worth it; \$5,000 would be worth a look.

6. [23804](#)

2012 Budget

**Attachments:** [2010 expenses.pdf](#)  
[2010 Partner Share.pdf](#)  
[2010 Revenue by Route by Partner.pdf](#)  
[2010 Revenue by Route.pdf](#)  
[2010 revenue.pdf](#)  
[2010 Riders by Route.pdf](#)  
[2010 Route by Hours by Partner.pdf](#)  
[chart descriptions.pdf](#)

Kamp said estimates for 2012 service have been sent to partners. When Metro submitted their budget request, there was an error of about \$400,000 that needed to be adjusted. This means the budget is going to be a little bit more costly for service.

State aid cuts were considered something the whole city had to absorb. Metro under budgeted for fuel prices, and that was also spread across the whole city. So our target is not 5% less than the full 2011 Metro budget, but 5% less than just the tax levy. Our tax levy is higher even though our proposed cuts are elimination of route 10, reduced service on several holidays, and discounted

fares would be discounted a lesser amount, although cash fares would remain the same. All those changes and a few more service tweaks gets us to the 5%. Block needs to adjust that and get out new estimates to partners in about a week. Sylvester asked if the estimates partners have now will end up being a little more expensive. Block said he'd get the information out to people very soon. It could go down because we're raising revenue and cutting expenses.

Bizjak asked about the public process if we decide to eliminate the route 10. Kamp said we are exploring now whether the budget public hearing can suffice so that we can realize the savings for the entire year. If we have to go through the traditional hearing process, we wouldn't get the savings until at least April. Then we wouldn't realize the full savings we have estimated. Opitz asked how Metro would deal with it if partners need to reduce service. Kamp said if it is a route only in that community, it's not as problematic. If it dovetails with other service, we might have to do a budget amendment or other things. Rose said the Town of Madison only has \$90,000, so they can't withstand any increase. Their service does dovetail with other service. Kamp cited the Town of Madison and Middleton contingency balances. Rose said that doesn't help.

Opitz said he recognizes that changes in any community's service would need to be coordinated with the City of Madison. Kamp asked if it is his suggestion that we go with the longer public process, and we should shoot for starting the change in April rather than January. Beck said that means larger cuts. Arnold said Fitchburg has a policy for service changes that Bizjak could send to Opitz to see if it would be helpful in his community.

Arnold said if there are service cuts, we won't expect them to cost \$130 an hour. Should we expect a minor change? Kamp said when we are talking about incidental costs, we generally use \$50/hr rather than \$130.

7. [08290](#)

Reports of Member Communities/Institutions

Fitchburg (Arnold/Bizjak) – They are still trying to follow their transit plan which calls for them to look at transit service to their library. Given the budget, they are not feeling too optimistic that they can incorporate anything for next year. But they are continuing to plan, including updating their transit plan so they will be prepared to move forward when money is available. Arnold will propose an amendment to the budget for transit services to start the discussion, although he doesn't expect an addition to the Mayor's budget. A contract has been released for building 10 concrete bus pads. They will be adding 10 new boarding pads at stops throughout the city. They'll be built this fall. They also are looking to purchase two more custom made shelters for Fish Hatchery Road south of Greenway Cross and north of Post Road. They are working to get an easement with the property owner so they can put the shelter at the back of the sidewalk for easier snow clearing and maintenance. Bizjak is looking for an example of a specifications document. Ward said UW did that a few years ago and will send Bizjak their document. Sylvester said he just used the specifications sheet Metro used for East Washington shelters. Opitz asked if the shelters will be Fitchburg maintained. They will. Streets crews clear streets first and then follow up with bus stops. The Parks Department does the sidewalk plowing. Opitz asked if on a 6" snow storm, bus stops are cleared in 24 hours. Kamp said it's usually a week for Madison. Sylvester asked if money is the reason they aren't putting in pads at all stops.

It's a cost issue. They have \$5,000, and that will buy about ten.

Town of Madison (Rose) – The Novation project is mostly completed. They expect it will be completely finished next year.

Verona (Sylvester) – He asked if there is any progress on the Memorandum of Understanding for service. Kamp said we haven't gotten to the point of sending out the signature pages. If a meeting is set, Kamp will tell Sylvester.

MPO (Schaefer) – They are sending out a draft report on the Congestion Management Process next week. This is a federally mandated process and addresses all modes of transportation. The mailing will include CSOS members. Kamp said two transit related impacts are keeping more crowding and on time performance statistics. This is to help prioritize improvements. This looks at not just crowding on buses but also auto congestion that affects on time performance for transit and considers fixes like signal priority.

The Transit Development Plan (TDP) has been on hold because the MPO has been short staffed. Their goal is to finish it in the first half of next year. They are also updating the long range plan for the beginning of next year. The person replacing Schaefer in his old position, Mike Cechvala, will be starting October 3rd. The MPO will finally be back at full staff.

UW (Ward) – Bus pass mass distribution is finishing this week. During October, there will be an onboard survey on route 80s.

Middleton (Opitz) – They are working with Metro staff to develop a contingency plan to be prepared in case there is a need to reduce service.

## 8. ADJOURNMENT

Sylvester moved to adjourn; Opitz seconded. The motion passed by voice vote/other, and the meeting adjourned at 1:35 PM.