



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved CONTRACTED SERVICE OVERSIGHT SUBCOMMITTEE

Thursday, July 12, 2012

12:00 PM

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

1. CALL TO ORDER / ROLL CALL

Staff: Crystal Martin, Ann Schroeder, Chuck Kamp, Wayne Block,

Guests: Mike Cechvala, Ben Vondra

The meeting was called to order at 12:01 PM.

Present: 8 -

Susan M. Schmitz; Rick Rose; Steve Arnold; Ahnaray Bizjak; Bruce K. Sylvester; Margaret Bergamini; Mick Howen and Jacquelyn M. Dahlke

Excused: 4 -

Rindert Kiemel, Jr.; Mark M. Opitz; Shawn Stauske and Darwin Ward

2. APPROVAL OF MINUTES

Sylvester moved approval; Rose seconded. The motion carried by voice vote/other.

3. PUBLIC COMMENT

There was no public comment.

4. DISCLOSURES AND RECUSALS

There were no disclosures or recusals.

5. [27012](#)

Farebox Data Issue

Kamp said that Metro is just catching up again with some data we ran behind on that comes from our 20 year old farebox system. We are in the middle of replacing the system; this is part of why. We had a couple of days in March where the probe system didn't work to dump the data when the buses came in those evenings. So what we are doing is looking at averages to do an estimate. The data is very consistent throughout weekdays. We will report on that. Block can email estimate information to members. When looking at the data, you can see the Sunday, Monday and Tuesday in question show fewer rides than other days in the month. So we averaged the other Sundays, Mondays, and Tuesdays of that month and got an average. The days we didn't get data were down by 5%, 15% and 30% respectively. The ridership report this time is without the corrections. That is what is happening with some of the delay in getting some ridership and other official reports lately.

Cechvala asked if that affects unlimited ride passes. Kamp said we can tell which institution's card was used, but not which individual. For commute cards, we can't tell. Those cards all record the same except for the sequence number, which is what did not record. The University would not be able to tell which student used a card, but the UW swipe is different than say a Madison College swipe.

Bergamini asked how Metro could tell which type of card was used. Block said he's not sure; we would need to consult with Drew Beck. Detailed information about those rides is gone. He is not sure if we really will have the ability to differentiate between partner cards. Kamp said we will do a summary of the issue for the next agenda. If you have questions prior to that, call Block or Beck. Bergamini asked if we know what went wrong and whether we have assurance it won't happen again. There was no clarity about the exact problem. Kamp said we will include the cause of the error in the summary and whether or not we expect it to happen again. Our equipment is 20 years old, so we wouldn't feel comfortable saying it won't happen again. If it was just the server, we would feel more certain it won't recur more so than if it is the result of our older farebox equipment.

6. [27010](#)

Financial Audit

Attachments: [BT 2011 Audit Ltr.pdf](#)
[BT 2011 Metro Financial Audit.pdf](#)
[Madison METRO audit handout.pdf](#)
[Paratransit revenue_expense_allocation.pdf](#)
[Partner share of net deficit.pdf](#)

The auditors didn't find any material errors. The report includes a management discussion and analysis that is put together by Metro staff and reviewed by auditors to make sure it matches audited statements. They also test all grant funding the City receives to make sure it meets all requirements; they didn't find any non-compliance. One deficiency mentioned was that quarterly reports Metro files with the State of Wisconsin Department of Transportation (WisDOT) – ridership, hours of service, revenue information – were sometimes filed late. They checked with WisDOT and found this would not create any issues but the deadline should be met. We have guaranteed that we will meet those deadlines in future.

The auditors are working on our National Transit Database (NTD) report, which is a Federal Transit Authority (FTA) requirement. They review that report before it is released. Highlights include ridership that increased dramatically from 2010 to 2011. That is unusual among transit agencies. Other systems had increases but not to the same magnitude. The national trend was about 4% vs. our 9%.

Fares are the revenue stream that has increased the most. State revenue went up, but going down again in 2012. State funding is our largest revenue stream. Partners are under "other local revenue." Golden said it is not accurate to say "Dane County" money when most of it is Medicaid. There is no county tax levy at all going to Metro. A footnote might make that clear. The county is simply a pass through for Medicaid money and also other "Dane County" money. Kamp said when we have certain accounting things to report, the auditors look at it as "where did you get the money from" and see that it came from Dane County.

Block said he would talk to the auditors and see how they would like to show that. Golden said a footnote would be adequate. Dane County has not supported transit, and he'd like it clear that they are not providing funding. Arnold asked that the word "subsidy" not be used for partner funding. Kamp said "investment" would be a good way to frame that funding.

Martin said starting this year we've started agency agreements where agencies buy 100% cost tickets rather than Medicaid cost. Some agencies operate through Dane County, and they are finding a way to make up the funds. So there is a little opening in the Dane County funding situation. It is a variety of agencies and we do have an agreement directly with Dane County.

Employee compensation and benefits are the biggest expense, which is the same for all city agencies. Sylvester was surprised fuel wasn't a larger percentage. Arnold asked about buses. The abbreviated report shows only operating costs; the full report shows capital costs as well. Golden asked about payment in lieu of property taxes (PILOT) for the bus barn. Block said Metro doesn't pay that. Parking has to pay that for their facilities because that is an enterprise agency that could potentially make a profit. This would be relevant if we were paying PILOT on the valuable property where we are now rather than having outlying location(s) for which the payment/tax would be less costly. Bergamini pointed out that there are lots of intra-agency fees for Metro. Golden said with a PILOT those would disappear because it would be double-charging. Block said Metro is only being charged for direct services, not general coverage like police being available. We only get charged for special police coverage at the South Transfer Point (STP) for example. Bergamini said it might be interesting to see what is happening with the water utility and if charges are similar since the argument could be made that the STP is a public facility so why do we have to pay.

One other audit recommendation is that the calculation for local partner share should have more than one Metro employee review it. There could be one person who prepares it, and one person who reviews it. They also felt there should be a more thorough documentation of accounting procedures at the end of the year. We have an accountant who can focus on these things now that we have a full clerical staff in the finance unit. Kamp said that helps with one of our goals of cross-training within units.

Kamp let members know that Metro locked in a fuel price for the rest of this year and all of next year at \$2.69/gal vs. budgeted cost of \$3.05/gal for the remaining 60% we had been buying on float. Although it is through two different companies, it is all locked in at \$2.69 a gallon now.

Block gave a summary of how paratransit revenues are credited to partners. The majority of money for paratransit comes from MA waiver funds and other county (state pass through) programs. There is some revenue from paratransit tickets sold to public. That is the total of paratransit revenue. Verona gets none of the paratransit revenue because they get no paratransit service.

First Metro figures the number of paratransit trips provided to Shorewood Hills residents from the total number of paratransit trips. We take that percentage and multiply it by county revenue only. Residents of Shorewood Hills don't pay any cash fares. Kamp said the current agreement signed many years ago says Shorewood Hills only pay for residents, not trips to the VA hospital. All

other partners share the cost of those trips. Then we subtract the Shorewood Hills amount and the remainder is parsed to other partners (except Verona) based on fixed route hours. It's not based on paratransit service because we don't have that kind of information. So if Middleton had 5% of total fixed route hours, they get 5% of paratransit revenue. We do that because all partners get charged that same type of percentage for paratransit expenses (except Verona.) Shorewood Hills is calculated per ride rather than by hours.

7. [27009](#) Ridership

Attachments: [Route Productivity May12.pdf](#)

The May report is not corrected for data we lost in March as discussed. So it underestimates ridership for March. April and May are accurate. Ridership is still up slightly year-to-date. Route 75 is already at 11.96 rides per hour. If you take out UW service, ridership is up 3.2%. We'll provide a corrected report when we get the estimated data for March.

8. [08290](#) Reports of Member Communities/Institutions

Fitchburg (Arnold) – He will give his presentation to the Transportation and Transit Commission to discuss service improvements and also go over Transit Development Plan service design guidelines. Bizjak said the concrete boarding pad project is complete. They have 9 new boarding pads, including ADA accessible ramps.

Verona (Sylvester) – They had a meeting to talk about Route 75 and 55. There are concerns about standing room only buses. They predict approaching the point of having to turn away riders. They are planning for this given the limited availability of buses and other resources, which can be problematic. But it's a good problem to have.

Golden said the Bus Size Study includes looking at articulated buses. He asked how long it would take if a recommendation were made for Metro to acquire articulated buses to be able to get them and have the facilities the service them. Kamp said realistically a minimum of 5 years. Sylvester said that issue came up and one Metro staff said if Metro purchased articulated buses they would probably be slated for campus before commuter service. Kamp said we are looking at alternatives fuels, size, periphery, locations all as part of the bus garage issue.

Bergamini asked how long delivery would take if we placed an order for articulated buses today. Kamp said if we had the facility and could award procurement today, he thinks we could get them within 12 – 18 months. Bergamini said in terms of maintenance of vehicle, are there any kinds of workarounds Metro could use such as leasing services from PeterBilt or another truck company? Kamp said we are actively looking at potential spaces to lease as part of a facility study. Bergamini said just services to wash/service buses. Kamp said we are discussing this – mobile lifts, etc. and figure out a washing system if we could otherwise get articulated buses in our fleet.

UW (Vondra) – They are getting ready for changes to some campus routes for

fall. August 13th they will begin distribution of employee bus passes. They also have some shelters they will dispose of through UW SWAP in the next few weeks/months. He can provide a summary to Metro to share with subcommittee members. There are also construction detours on campus that will last quite a while.

MATC (Dahlke) – In the fall students will be instituting the referendum that passed earlier and will pay a bundled price for all transportation services. There needs to be an education campaign for people who don't want to pay because they think they don't use it. It used to be \$25/semester now it will be \$46 which also folds in parking. They will have enhanced shuttle service. The service has been very popular between downtown and Truax. They are still interested in smart cards. Kamp said our new fareboxes will have housing and hook ups for smart card capability.

UW (Bergamini) – Student pass distribution will begin on August 27th. Medical school fall semester begins July 1st – and others are also having mandatory sessions that start before fall. These students would like their passes to begin when their semester starts. The University also continues to be interested in smart cards.

MMSD (Howen) – MMSD is also interested in smart cards.

Town of Madison (Rose) – No report.

MPO (Cechvala) – The Bus Size Study RFP and steering committee were approved at the Transit and Parking Commission. They will go to the Council for final approval. The Bus Rapid Transit (BRT) study is moving along. They have hired a consultant. They are having their first public information meeting on September 10th. There will be a workshop on September 11th for local staff, policy makers, etc. who want to work on corridor recommendations and what will be considered. The TDP is moving along. The next meeting is the first Monday of August.

TPC (Golden) – The Budget and Planning Commission voted to approve a budget for the Capitol Area Regional Planning Commission (CARPC) that included a \$10,000 cut. CARPC is having budget problems and losing staff. Discussion at meetings seems to center around how to survive rather than the work they are supposed to be doing.

9. ADJOURNMENT

A motion was made by Sylvester, seconded by Bergamini, to adjourn. The motion passed by voice vote/other.